

WEST BATON ROUGE PARISH SHERIFF

FINANCIAL REPORT

JUNE 30, 2023

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INDEPENDENT AUDITORS' REPORT

Honorable Mike Cazes
West Baton Rouge Parish Sheriff
Port Allen, Louisiana

Report on the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the West Baton Rouge Parish Sheriff, as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 Sheriff's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Sheriff's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, the schedule of changes in net OPEB liability and related ratios, the schedule of the Sheriff's proportionate share of the net pension liability (asset) and the schedule of West Baton Rouge Parish Sheriff's contributions on pages 4 through 9, 40 through 44, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Sheriff's basic financial statements. The non-major governmental funds - combining financial statements, custodial funds - combining statement of fiduciary net position, custodial funds - combining statement of changes in fiduciary net position, sheriff's sworn statement, schedule of compensation, benefits and payments to agency head or chief executive officer, and the justice system funding schedule – collecting/disbursing entity presented on pages 46 through 52 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the non-major governmental funds - combining financial statements, custodial funds - combining statement of fiduciary net position, custodial funds - combining statement of changes in fiduciary net position, sheriff's sworn statement, schedule of compensation, benefits and payments to agency head or chief executive officer, and the justice system funding schedule, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Requirements by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated December 31, 2023 on our consideration of West Baton Rouge Parish Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the West Baton Rouge Parish Sheriff's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and compliance.



Gonzales, Louisiana
December 31, 2023

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023

This section of West Baton Rouge Sheriff's annual financial report presents our discussion and analysis of the Sheriff's financial performance during the fiscal year that ended on June 30, 2023. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information (where available).

FINANCIAL HIGHLIGHTS

- The Sheriff's total net position (deficit) increased \$621,323 or 10.6 percent over the course of this year's operations.
- Expenses for the year were \$27,816,421, an increase of \$4,551,114 from prior year.
- During the year, the Sheriff's governmental funds expenditures were \$75,835 less than the \$28.3 million generated by ad valorem taxes, charges for services, operating grants for intergovernmental programs and other financing sources.
- The general fund reported an increase in fund balance this year of \$383,683.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts—management's discussion and analysis (this section), the basic financial statements, required supplementary information, and other supplementary information. The basic financial statements include two kinds of statements that present different views of the Sheriff:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the Sheriff's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the Sheriff's government, reporting the Sheriff's operations in more detail than the government-wide statements.
 - The governmental funds statements tell how general government services like public safety were financed in the short term as well as what remains for future spending.
 - Fiduciary fund statements provide information about the financial relationships in which the Sheriff acts solely as agent for the benefit of others, to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and relate to one another.

Figure A-1 summarizes the major features of the Sheriff's financial statements, including the portion of the Sheriff's government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure of contents of each of the statements.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023

Figure A-1			
	Government-wide Statements	Governmental Funds	Fiduciary Funds
Scope	Entire Sheriff government (except fiduciary funds)	The activities of the Sheriff that are not proprietary or fiduciary, such as public safety	Instances in which the Sheriff is the trustee or agent for someone else's resources
Required financial statements	<ul style="list-style-type: none"> • Statement of net position • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenues, expenditures, and changes in fund balances 	<ul style="list-style-type: none"> • Statement of fiduciary net position • Statement of changes in fiduciary net position
Accounting basis and measurements focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both short-term and long-term; the Sheriff's funds do not currently contain capital assets, although they can
Type of Inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payments are due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023

Government-wide Statements

The government-wide statements report information about the Sheriff as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the Sheriff's net position and how they have changed. Net position—the difference between the Sheriff's assets, deferred outflows of resources and liabilities and deferred inflows of resources—is one way to measure the Sheriff's financial health, or position.

- Over time, increases or decreases in the Sheriff's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the Sheriff you need to consider additional nonfinancial factors such as changes in the Sheriff's property tax base and growth of West Baton Rouge Parish.

The government-wide financial statements of the Sheriff include:

- Governmental activities—most of the Sheriff's basic services are included here, such as police. Ad valorem taxes, state and federal grants, and fees, charges, and commissions for services finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the Sheriff's most significant funds, not the Sheriff as a whole. Funds are accounting devices that the Sheriff uses to keep track of specific sources of funding and spending for particular purposes.

The Sheriff has two kinds of funds:

- Governmental funds – The Sheriff's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Sheriff's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them.
- Fiduciary funds—These funds are used as depositories for civil suits, cash bonds, taxes, fees, et cetera. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. We exclude these activities from the Sheriff's government-wide financial statements because the Sheriff cannot use these assets to finance its operations. The fiduciary net position and changes in fiduciary net position are included on pages 16-17.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023

FINANCIAL ANALYSIS OF THE SHERIFF AS A WHOLE

Net position. The Sheriff's net position (deficit) increased between fiscal years 2023 and 2022 to a deficit of approximately \$6.4 million. (See Table A-1.)

Table A-1
Sheriff's Net Position

	Governmental Activities	
	June 30, 2023	June 30, 2022, as restated
Current and other assets	\$ 12,490,844	\$ 13,428,597
Non-depreciable capital assets	446,331	446,331
Capital assets, net of accumulated depreciation/amortization	7,574,669	5,258,930
Total assets	20,511,844	19,133,858
Deferred outflows of resources	16,279,860	11,156,775
Total assets and deferred outflows of resources	36,791,704	30,290,633
Current liabilities	519,826	503,519
Noncurrent liabilities	34,481,732	19,352,780
Total liabilities	35,001,558	19,856,299
Deferred inflows of resources	8,228,472	16,251,337
Total liabilities and deferred inflows of resources	43,230,030	36,107,636
Net position		
Net investment in capital assets	6,256,389	5,705,261
Restricted for grants	11,602	11,199
Unrestricted deficit	(12,706,317)	(11,533,463)
Total net position (deficit)	\$ (6,438,326)	\$ (5,817,003)

Net position (deficit) of the Sheriff's governmental activities increased 10.7 percent to a deficit of approximately \$6.4 million.

Changes in net position. The Sheriff's total revenues increased by 9.4 percent. (See Table A-2.) Approximately 37 percent of the Sheriff's revenue comes from ad valorem tax collections from West Baton Rouge Parish. Charges for services represent 27 percent, operating and capital grants represent 27 and the remaining 9 percent is comprised of other intergovernmental revenue and commission, miscellaneous revenues and interest.

The total cost of all programs and services increased \$4,551,114. The Sheriff's expenses cover all services performed by its office.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023

Governmental Activities

Revenues for the Sheriff's governmental activities increased 9.4 percent to \$27.2 million while total expenses increased \$4,551,114 or 19.6 percent.

Table A-2
Changes in Sheriff's Net Position

	Governmental Activities	
	June 30, 2023	June 30, 2022
Revenues		
Program revenues		
Charges for services	\$ 7,450,925	\$ 7,404,250
Operating grants and contributions	6,863,530	6,375,851
Capital grants and contributions	544,123	146,578
General revenues		
Taxes	10,093,209	9,239,275
State revenue sharing	71,384	69,517
State supplemental pay	644,289	510,295
Interest	460,831	29,959
Non-employer contributions to pension plan	708,910	701,267
Miscellaneous	357,897	378,465
Total revenues	27,195,098	24,855,457
Expenses		
Public Safety	27,765,266	23,262,794
Interest	51,155	2,513
Total expenses	27,816,421	23,265,307
(Decrease) increase in net position	\$ (621,323)	\$ 1,590,150

FINANCIAL ANALYSIS OF THE SHERIFF'S FUNDS

As the Sheriff completed the year, its governmental funds reported a fund balance of \$11,071,791, an increase from last year of \$75,835. The General Fund reported a surplus of \$383,683 and fund balance of \$3,269,106. The Work Release Center fund reported a deficit of \$372,858 and fund balance of \$7,283,541.

Budgetary Highlights

Over the course of the year, the Sheriff did amend the General Fund and Work Release Center budgets. The General Fund budget amendments reflect an increase in revenues and other financing sources and expenditures from the original budget of \$189,005 and \$179,526, respectively. The Work Release Center budget amendment reflects an increase in revenues and a decrease in expenditures from the original budget of \$319,153 and \$354,590, respectively.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023

LONG-TERM LIABILITIES

At June 30, 2023, the Sheriff had the following long-term liabilities outstanding as follows:

	Long-Term Liabilities at Year End	
	2023	2022
Lease liabilities	\$ 1,713,531	\$ -
Other post-employment benefit liability	19,022,170	18,192,149
Net pension liability	12,461,639	-
Compensated absences	1,337,688	1,250,467
Total	\$ 34,535,028	\$ 19,442,616

CAPITAL ASSETS

At the end of 2023, the Sheriff had \$8,021,000 invested in capital assets, net, including law enforcement vehicles and equipment, buildings, land and right-to-use assets. (See Table A-3.)

Table A-3
Sheriff's Capital Assets
(net of depreciation/amortization)

	Governmental Activities	
	June 30, 2023	June 30, 2022
Land	\$ 446,331	\$ 446,331
Buildings	3,295,152	3,186,010
Equipment and Vehicles	2,644,561	2,072,920
Intangible assets – RTU, leases	1,634,956	-
Total	\$ 8,021,000	\$ 5,705,261

This year's major capital assets additions include vehicles and equipment totaling \$1,285,040 and right to use assets-leases totaling \$1,813,971. The major capital asset deletions include vehicles and equipment totaling \$183,789.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Sheriff is dependent on ad valorem taxes for approximately 30 percent of its total revenues. The economy is not expected to generate any significant growth. The 2024 budget includes amounts available for appropriations of approximately \$39 million. Property taxes are expected to increase compared to the current fiscal year. Budgeted expenditures for 2024 are expected to increase compared to the current fiscal year.

CONTACTING THE SHERIFF'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Sheriff's finances and to demonstrate the Sheriff's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the West Baton Rouge Parish Sheriff's Office, PO Box 129, Port Allen, LA 70346.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

STATEMENT OF NET POSITION
JUNE 30, 2023

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

ASSETS

Cash and cash equivalents	\$ 10,249,472
Receivables	1,173,385
Lease receivables	1,044,541
Due from others	23,446
Capital assets:	
Non-depreciable	446,331
Depreciable, net of accumulated depreciation and amortization	<u>7,574,669</u>
Total assets	<u>20,511,844</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows, pension related	9,726,285
Deferred outflows, other post-employment benefit related	<u>6,553,575</u>
Total deferred outflows of resources	<u>16,279,860</u>

Total assets and deferred outflows of resources \$ 36,791,704

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION

LIABILITIES

Accounts payable	\$ 235,078
Accrued liabilities	67,377
Due to others	164,075
Long-term liabilities:	
Due within one year	53,296
Due in more than one year	2,997,923
Net pension liability	12,461,639
Other post-employment benefit liability	<u>19,022,170</u>
Total liabilities	<u>35,001,558</u>

DEFERRED INFLOWS OF RESOURCES

Deferred inflows, pension related	740,042
Deferred inflows, other post-employment benefit related	6,484,827
Unavailable revenue - leases	<u>1,003,603</u>
Total deferred inflows of resources	<u>8,228,472</u>

NET POSITION

Net investment in capital assets	6,256,389
Restricted for grants	11,602
Unrestricted deficit	<u>(12,706,317)</u>
Total net position (deficit)	<u>(6,438,326)</u>

Total liabilities, deferred inflows of resources, and net position \$ 36,791,704

The accompanying notes are an integral part of this financial statement.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA
STATEMENT OF ACTIVITIES
JUNE 30, 2023

	Program Revenues				
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position	
Governmental activities:					
Public Safety	\$ 27,765,266	\$ 7,450,925	\$ 6,863,530	\$ 544,123	\$ (12,906,688)
Interest	51,155	-	-	-	(51,155)
Total governmental activities	\$ 27,816,421	\$ 7,450,925	\$ 6,863,530	\$ 544,123	\$ (12,957,843)
General Revenues:					
Ad valorem taxes					10,093,209
State revenue sharing					71,384
State supplemental pay					644,289
Interest					460,831
Non-employer contributions to pension plan					708,910
Miscellaneous					357,897
Total general revenues					12,336,520
Change in net position					(621,323)
Net position- July 1, 2022					(5,846,009)
Prior period adjustment					29,006
Net position- June 30, 2023					\$ (6,438,326)

The accompanying notes are an integral part of this financial statement.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

GOVERNMENTAL FUNDS BALANCE SHEET
JUNE 30, 2023

	<u>General Fund</u>	<u>Work Release Center Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
<u>ASSETS</u>				
Cash and cash equivalents	\$ 2,642,256	\$ 7,125,006	\$ 482,210	\$ 10,249,472
Receivables	909,773	223,242	40,370	1,173,385
Lease Receivables	1,044,541	-	-	1,044,541
Due from others	200	23,246	-	23,446
Total assets	<u>\$ 4,596,770</u>	<u>\$ 7,371,494</u>	<u>\$ 522,580</u>	<u>\$ 12,490,844</u>
<u>LIABILITIES</u>				
Accounts payable	\$ 152,003	\$ 82,181	\$ 894	\$ 235,078
Accrued liabilities	16,297	-	-	16,297
Due to others	155,761	5,772	2,542	164,075
Total liabilities	<u>324,061</u>	<u>87,953</u>	<u>3,436</u>	<u>415,450</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Unavailable revenue - leases	1,003,603	-	-	1,003,603
Total liabilities	<u>1,003,603</u>	<u>-</u>	<u>-</u>	<u>1,003,603</u>
<u>FUND BALANCES</u>				
Restricted for grants	-	-	11,602	11,602
Assigned	-	7,283,541	507,542	7,791,083
Unassigned	3,269,106	-	-	3,269,106
Total fund balances	<u>3,269,106</u>	<u>7,283,541</u>	<u>519,144</u>	<u>11,071,791</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 4,596,770</u>	<u>\$ 7,371,494</u>	<u>\$ 522,580</u>	<u>\$ 12,490,844</u>

The accompanying notes are an integral part of this statement.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2023

Total fund balances at June 30, 2023 - Governmental Funds \$ 11,071,791

Amounts reported for governmental activities in the statement of net position are different because:

Deferred outflow - pension related		9,726,285
Deferred outflows, other post-employment benefit related		6,553,575

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds:

Cost of capital assets at June 30, 2023	\$ 15,651,843		
Less: accumulated depreciation/amortization as of June 30, 2023	<u>(7,630,843)</u>		8,021,000

Long-term liabilities are not due and payable in the current period, and therefore, are not reported in governmental funds:

Interest Payable		(51,080)
Lease liabilities		(1,713,531)
Compensated absences payable		(1,337,688)
Net pension liability		(12,461,639)
Other post-employment benefit liability		(19,022,170)
Deferred inflows, pension related		(740,042)
Deferred inflows, other post-employment benefit related		<u>(6,484,827)</u>

Total net position (deficit) at June 30, 2023 - Governmental Activities		<u>\$ (6,438,326)</u>
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The accompanying notes are an integral part of this financial statement.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
YEAR ENDED JUNE 30, 2023

	<u>General Fund</u>	<u>Work Release Center Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
<u>REVENUES</u>				
Ad valorem taxes	\$ 10,093,209	\$ -	\$ -	\$ 10,093,209
Intergovernmental revenues:				
Federal grants	261,708	-	9,156	270,864
State and local grants and contributions	7,136,789	-	-	7,136,789
State revenue sharing	71,384	-	-	71,384
State supplemental pay	644,289	-	-	644,289
Fees, charges, and commissions for services:				
Commissions on state revenue sharing	72,745	-	-	72,745
Civil and criminal fees	2,310,906	2,975,674	-	5,286,580
Court attendance	7,480	-	-	7,480
Court costs	25,150	-	-	25,150
Feeding and keeping prisoners	-	1,573,235	-	1,573,235
Commissions on commissary	-	149,430	235,666	385,096
Use of money and property:				
Interest	181,875	254,290	24,666	460,831
Sale of merchandise	-	90,756	9,883	100,639
Miscellaneous	143,366	290	8,007	151,663
Total Revenues	<u>20,948,901</u>	<u>5,043,675</u>	<u>287,378</u>	<u>26,279,954</u>
<u>EXPENDITURES</u>				
Public safety:				
Personal services and related benefits	16,613,339	3,822,306	-	20,435,645
Operating services	2,185,351	1,198,820	48,173	3,432,344
Material and supplies	599,851	130,085	27,621	757,557
Travel and training	92,809	1,551	-	94,360
Capital outlay	2,993,558	185,809	145,632	3,324,999
Purchase of merchandise for resale	-	77,962	942	78,904
Debt Service				
Principal	100,440	-	-	100,440
Interest	75	-	-	75
Total Expenditures	<u>22,585,423</u>	<u>5,416,533</u>	<u>222,368</u>	<u>28,224,324</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(1,636,522)</u>	<u>(372,858)</u>	<u>65,010</u>	<u>(1,944,370)</u>
<u>OTHER FINANCING SOURCES</u>				
Proceeds from sale of assets	33,044	-	-	33,044
Proceeds from lease liabilities issued	1,813,971	-	-	1,813,971
Finance leases	173,190	-	-	173,190
Total other financing sources	<u>2,020,205</u>	<u>-</u>	<u>-</u>	<u>2,020,205</u>
Net change in fund balances	<u>383,683</u>	<u>(372,858)</u>	<u>65,010</u>	<u>75,835</u>
Fund Balances at beginning of year	2,856,417	7,656,399	454,134	10,966,950
Prior period adjustment	29,006	-	-	29,006
Fund Balances at end of year	<u>\$ 3,269,106</u>	<u>\$ 7,283,541</u>	<u>\$ 519,144</u>	<u>\$ 11,071,791</u>

The accompanying notes are an integral part of this statement.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023

Total Net Changes in Fund Balances for the year ended June 30, 2023 \$ 75,835

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense. This is the amount by which capital outlay exceeded depreciation and amortization expense in the current period.

Capital outlay included in expenditures	3,324,999	
Depreciation and amortization expense for year ended June 30, 2023	<u>(978,896)</u>	2,346,103

In the statement of activities, only the gain or loss on the sale of assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the difference in cost, including salvage value, and accumulated depreciation of disposed assets. (30,364)

The issuance of long-term debt (e.g. leases) provides current financial resources to governmental funds. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal and the effect of issuance costs and discounts when debt is first issued are expenditures in the governmental funds but reduces the liability in the statement of activities.

Principal payments on leases	100,440
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in accrued interest	(51,080)
Issuance of debt related to leases	(1,813,971)
Changes in compensated absences payable	(177,057)
Changes in other post-employment benefit liability	(572,492)
Non-employer contributions to pension plan	708,910
Pension benefit	<u>(1,207,647)</u>

Change in Net Position - Governmental Activities	<u>\$ (621,323)</u>
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The accompanying notes are an integral part of this financial statement.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2023

	<u>Custodial Funds</u>
<u>ASSETS</u>	
Cash	\$ 1,015,932
Total assets	<u>\$ 1,015,932</u>
<u>LIABILITIES</u>	
Accounts payable	\$ -
Total liabilities	<u>-</u>
<u>NET POSITION</u>	
Restricted for:	
Unsettled balances due to others	333,279
Inmate personal funds	<u>682,653</u>
Total fiduciary net position	<u>\$ 1,015,932</u>

The accompanying notes are an integral part of this financial statement.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Custodial Funds</u>
<u>Additions</u>	
Ad valorem taxes	\$ 67,629,088
State revenue sharing	541,882
Interest on:	
Checking accounts	222,003
Delinquent taxes	35,940
Sheriff's sales	1,401,925
Bonds, fines and costs	337,166
Inmate deposits	9,258,560
Redemptions	103,914
Other additions	1,622,094
Total additions	<u>81,152,572</u>
<u>Deductions</u>	
Louisiana Dept. of Agriculture and Forestry	3,957
Louisiana Tax Commission	20,401
West Baton Rouge Parish:	
Assessor	1,568,891
Sheriff's General Fund	10,949,718
Parish Council	13,151,888
School Board	33,729,133
Clerk of Court	125,871
Council on Aging	1,573,602
Atchafalaya Levee District	2,570,707
Library	2,637,428
Museum	1,264,970
Eighteenth Judicial District:	
District Attorney	126,445
District Expense Fund	22,027
Expense	114,153
Indigent defender board	193,540
Pension funds	1,842,936
Refunds and redemptions	151,965
Attorneys and litigants	1,401,925
Louisiana State Police Crime Lab	821
Louisiana Commission on Law Enforcement	12,598
Louisiana Traumatic Head and Spinal Cord Injury	7,391
Louisiana Department of Public Safety State Police	3,627
Treasurer, State of LA CMIS	6,212
Garnishments	192,806
Other reductions	9,508,288
Total deductions	<u>81,181,300</u>
Changes in fiduciary net position	(28,728)
Net position - beginning	<u>1,044,660</u>
Net position - ending	<u>\$ 1,015,932</u>

The accompanying notes are an integral part of this financial statement.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

A. BASIS OF PRESENTATION BASIS OF ACCOUNTING

BASIS OF PRESENTATION

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

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS):

The statement of net position and the statement of activities display information about the primary government (the Sheriff). These statements include the financial activities of the overall government, except for fiduciary activities. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions should be recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from nonexchange transactions should be recognized in accordance with the requirements of GASB Codification Section N50.

The statement of activities presents a comparison between direct expenses and program revenues for each function 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, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. BASIS OF PRESENTATION BASIS OF ACCOUNTING (continued)

FUND FINANCIAL STATEMENTS (FFS):

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

The Sheriff reports the following major governmental funds:

General Fund

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

Special Revenue

The Work Release Center fund is used to account for the work done by prisoners in private businesses.

Additionally, the Sheriff reports the following fund types:

Fiduciary Funds

These funds are used to report assets held in a custodial capacity for others and therefore not available to support the Sheriff's programs. The Sheriff has adopted GASBS No. 84 for the reporting and classification of its fiduciary activities. Fiduciary reporting focus is on net position and changes in net position and re reported using the accrual basis of accounting. The Sheriff's fiduciary funds are presented in the fiduciary fund financial statements by type, custodial. Because by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

B. REPORTING ENTITY

For financial reporting purposes, the Sheriff's basic financial statements include all funds that are controlled by the Sheriff as an independently elected Parish official. As an independently elected official, the Sheriff is solely responsible for the operations of his office. Other than certain operating expenditures of the Sheriff that are paid or provided by the West Baton Rouge Parish Council (the Parish Council) as required by Louisiana Law, the Sheriff is financially independent. Accordingly, the Sheriff is a primary government for reporting purposes.

The criteria for including organizations as component units within the Sheriff's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include items such as whether the organization is legally separate, whether the Sheriff appoints a voting majority of the organization's board, whether the Sheriff is able to impose his will on the organization, etcetera. The Sheriff does not have any component units.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. BASIS OF ACCOUNTING/MEASUREMENT FOCUS

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

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Sheriff considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, intergovernmental revenues, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds.

D. INTERFUND ACTIVITY

Interfund activities between governmental funds are eliminated in the Statement of Net Position.

E. BUDGET PRACTICES

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

All expenditure appropriations lapse at year end. Unexpended appropriations and any excess of revenues over expenditures are carried forward to the subsequent year as beginning fund balance. Formal budget integration (within the accounting records) is employed as a management control device. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

F. CASH AND CASH EQUIVALENTS

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

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. COMPENSATED ABSENCES

Effective July 1, 2021, the Sheriff has the following policy relating to paid time off (PTO):

- PTO is given to all full-time employees annually in a lump sum on their hire/anniversary date. The PTO given to employees at hire/anniversary date is determined on a graduated scale based on employee's years of service and ranges from one week to eight weeks.
- PTO leave can be accumulated and allowed to carry over year to year up to a maximum of 500 hours.
- PTO hours in excess of 500 hours at the end of the year will be forfeited. Employees have the option to sell back any balance exceeding 500 hours on their anniversary date.
 - There is a one-time exception. Accumulated leave in excess of the 400 hours prior to the effective date of the new policy will be grandfathered in and locked as of December 31, 2017. The balance grandfathered in and locked as of December 31, 2017 will be available to employees at any time during their employment.
- A maximum of 500 hours of accumulated PTO will only be paid at the time of an employee's retirement or death.

H. CAPITAL ASSETS

All capital assets are capitalized at historical cost, or estimated historical costs for assets where actual cost is not available. Donated fixed assets are recorded at their fair value at the date of donation. The Sheriff maintains a threshold level of \$2,500 or more for capitalizing assets. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized. Capital assets are recorded in the GWFS, but are not reported in the FFS. Since surplus assets are sold for an immaterial amount when declared no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes.

Equipment acquired on capital leases are treated as capital assets, indicating a constructive or actual transfer of the benefits and risks of ownership to the Sheriff, and are valued at the lesser of the fair value of the leased property or the net present value of the minimum lease payments required by the contract.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Buildings	39
Vehicles	4-5
Equipment	7-10
Software	3

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. NET POSITION IN THE GOVERNMENT-WIDE FINANCIAL STATEMENTS

For the government-wide statement of net position, net position is reported as restricted when constraints placed on net position use either:

Net investment in capital assets - This component 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 capital assets.

Restricted net position - This component consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, laws, or regulation of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted net position - This component consists of all other net position that do not meet the definition of "restricted" or "net investment in capital assets".

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

J. FUND EQUITY OF FUND FINANCIAL STATEMENTS

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

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

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

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

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

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

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

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

In addition to assets, the Statement of Net Position or Balance Sheet will sometimes report a separate section for deferred outflows of resources. This separate financial element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditure) until then. The Sheriff has two items that qualify for this category; pension and other post-employment benefits related deferrals, which are reported in the government-wide statement.

In addition to liabilities, the Statement of Net Position or Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) at that time. The Sheriff has three items that qualify for this category; pension, other post-employment benefits related deferrals and leases. These amounts are recognized as an inflow of resources in the period that the amounts become available.

L. PENSION PLANS

The West Baton Rouge Parish Sheriff's Office is a participating employer in a cost-sharing, multiple-employer defined benefit pension plan as described in Note 10. For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions for the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within the plan.

M. ESTIMATES

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

N. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The Sheriff provides certain continuing health care and life insurance benefits for its retired employees. The Sheriff recognized the cost of providing these retiree benefits as expenditures in the fund financial statements when paid during the year.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

O. LEASES

Sheriff as lessee

The Sheriff leases equipment and determines if an arrangement is a lease at inception. The leases are recorded as right-to-use assets and leases payable in the statement of net position. Right-to-use assets represent the Sheriff's right to use the underlying asset for the lease term. Right-to-use assets and leases payable are recognized at commencement date based on the net present value of lease payments over the lease term discounted using an appropriate incremental borrowing rate. The Sheriff's incremental borrowing rate is based on the information available at the commencement date in determining the present value of the lease payments. The value of an option to extend or terminate a lease is reflected to the extent it is reasonably certain management will exercise the option. Right-to-use assets are amortized on a straight-line basis over the lease term. Interest expense is recognized as a component of the lease payment.

Sheriff as lessor

The Sheriff has two lease receivables in which it is acting as Lessor. Under GASB 87, an implicit interest rate is calculated for each individual lease using the internal rate of return method. The present value of the leases are aggregated on a fund basis. All funds record lessee receivables on the fund level Statement of Net Position (Balance Sheet or the governmental funds), and are rolled into the government-wide Statement of Net Position. The lease must be longer than one year including possible extension(s). The lease is measured as the present value (PV) of the lease payments using the individual implicit interest rate applicable.

P. IMPACT OF RECENTLY ISSUED ACCOUNTING PRINCIPLES

The Sheriff implemented GASB No. 96 Subscription Based IT Arrangements (SBITAs) on January 1, 2022. This statement requires recognition of certain cloud-based right-to-use (RTU) software implementation and subscription assets and associated lessee liabilities that previously were classified, respectively, as intangible assets-software and operating subscriptions and recognized as outflows of resources based upon the payment provisions of the contract. It establishes a single model for IT subscription accounting based upon the foundational principle that software subscriptions are financings of the right to use an underlying asset. SBITAs where the maximum possible lease term is one year or less continue to be reported as operating subscriptions. Perpetual software licenses and SBITAs that transfer ownership and contain no cancellation provisions are reported as debt by the lessee and sale of an asset by the lessor.

There are no adjustments to 2022 beginning balances to implement GASB 96 SBITAs.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

2. CASH AND CASH EQUIVALENTS

At June 30, 2023, the Sheriff has unrestricted cash and cash equivalents (book balances) as follows:

Governmental Funds:	
Petty Cash	\$ 4,320
Interest bearing and non-interest-bearing demand deposits	<u>10,245,152</u>
Total governmental funds	<u>10,249,472</u>
Fiduciary Funds:	
Interest bearing demand deposits	<u>1,015,932</u>
Total fiduciary funds	<u>1,015,932</u>
Total	<u>\$ 11,265,404</u>

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.

Custodial credit risk

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. At June 30, 2023, the government's bank balance of \$11,261,084 was not exposed to custodial credit.

3. RECEIVABLES

The accounts receivables at June 30, 2023 are as follows:

<u>Class of Receivable</u>	
Local	\$ 353,109
State	814,869
Federal	<u>5,407</u>
Total	<u>\$ 1,173,385</u>

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

4. AD VALOREM TAXES

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

Ad valorem taxes are budgeted and recorded in the year levied and billed. For the year ended June 30, 2023, law enforcement taxes applicable to the Sheriff's General Fund, were levied at the rate of 16.10 mills on property with assessed valuations totaling \$627,878,642.

The Sheriff has authorized and levied an ad valorem tax of 16.10 mills.

5. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2023, is as follows:

Governmental Activities:

	<u>Land</u>	<u>Building</u>	<u>Vehicles and Equipment</u>	<u>Intangible Assets – RTU, Leases</u>	<u>Total</u>
Cost of Capital					
Assets June 30, 2022	\$ 446,331	\$ 5,025,578	\$ 7,038,724	\$ -	\$12,510,633
Additions	-	225,988	1,285,040	1,813,971	3,324,999
Deletions	-	-	(183,789)	-	(183,789)
Cost of Capital					
Assets June 30, 2023	<u>446,331</u>	<u>5,251,566</u>	<u>8,139,975</u>	<u>1,813,971</u>	<u>15,651,843</u>
Accumulated					
Depreciation/Amortization					
June 30, 2022	-	1,839,568	4,965,804	-	6,805,372
Additions	-	116,846	683,035	179,015	978,896
Deletions	-	-	(153,425)	-	(153,425)
Accumulated					
Depreciation/Amortization					
June 30, 2023	<u>-</u>	<u>1,956,414</u>	<u>5,495,414</u>	<u>179,015</u>	<u>7,630,843</u>
Capital Assets, Net of Accumulated Depreciation/Amortization					
June 30, 2023	<u>\$ 446,331</u>	<u>\$ 3,295,152</u>	<u>\$2,644,561</u>	<u>\$ 1,634,956</u>	<u>\$ 8,021,000</u>

For the year ended June 30, 2023, depreciation/amortization expense was \$978,896.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

6. LONG-TERM LIABILITIES

The following is a summary of long-term liabilities transactions of the West Baton Rouge Sheriff for the year ended June 30, 2023:

<i>Governmental Activities:</i>	<u>Balance 7/1/2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 6/30/2023</u>	<u>Due within One Year</u>
Lease liabilities	\$ -	\$1,813,971	\$ 100,440	\$ 1,713,531	\$ 53,296
Compensated absences	1,250,467	186,922	99,701	1,337,688	-
Total	<u>\$ 1,250,467</u>	<u>\$2,000,893</u>	<u>\$ 200,141</u>	<u>\$ 3,051,219</u>	<u>\$ 53,296</u>

7. LEASES

Sheriff as Lessee

The Sheriff has entered into agreements to lease equipment. The lease agreements qualify as other than short-term leases under GASB 87 and; therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

The Sheriff leases public safety equipment under a non-cancelable lease expiring in ten years. The agreement was executed on July 7, 2022 and requires 10 annual payments as follows:

<u>Term</u>	<u>Annual Payments</u>
Years 1-2	\$100,000
Years 3-10	\$234,154

There are no variable payment components of the lease. The lease liability is measured at an incremental borrowing rate of 3.09%.

The Sheriff leases two copy machines under a lease expiring in 5 years. The agreement was executed on May 15, 2023 and requires 60 monthly payments of \$515. There are no variable payment components of the lease. The lease liability is measured at an incremental borrowing rate of 3.13%.

The future minimum lease obligation and net present value of these minimum lease payments as of June 30, 2023 are as follows:

<u>Year Ending June 30,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>
2024	\$ 53,296	\$ 52,884
2025	189,103	51,231
2026	194,950	45,384
2027	200,980	39,354
2028	206,697	33,122
Thereafter	<u>868,505</u>	<u>68,113</u>
	<u>\$ 1,713,531</u>	<u>\$ 290,088</u>

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

7. LEASES (continued)

Sheriff as Lessor

As of June 30, 2023, the Sheriff has two lease receivables in which it is acting as Lessor. Under GASB 87, an implicit interest rate is calculated for each individual lease using the internal rate of return method.

Commercial and Industrial Park: Buildings and grounds are leased to Bridgeview Gun Club to operate an outdoor shooting range facility. The lease is a 5-year lease inclusive of extensions. The financing lease receivable present value balance is \$222,951 as of year-end.

Parole & Probate Building: office space and parking spaces is leased to the Department of Public Safety and Corrections for use by the Office of Probation and Parole. The lease is for 10 years. The financing lease receivable present value balance is \$821,590 as of year-end.

The Sheriff's schedule of future receipts included in the measurement of the lease receivables is as follows:

Lease Receivables

Governmental Activities

June 30:	Principal	Interest	Total Requirements
2024	\$ 166,379	\$ 30,321	\$ 196,700
2025	171,662	25,038	196,700
2026	177,113	19,587	196,700
2027	161,172	14,047	175,219
2028	122,482	9,778	132,260
2029-2033	245,733	7,765	253,498
	\$ 1,044,541	\$ 106,536	\$ 1,151,077

8. EXPENDITURES OF THE SHERIFF'S OFFICE PAID BY THE PARISH COUNCIL

The Sheriff's office is located in the parish courthouse. Expenditures for maintenance and operation of the parish courthouse, as required by state statute, are paid by the West Baton Rouge Parish Council and are not included in the accompanying financial statements.

9. DEFERRED COMPENSATION PLAN

The Sheriff participates in the State of Louisiana Deferred Compensation Plan, (an IRC 457 deferred compensation plan). The plan covers all full-time employees. The Sheriff matches 25% to 100% of employee contributions based on years of service. The Sheriff's contributions for the years ending June 30, 2023 and 2022 were \$449,185 and \$387,617, respectively.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

10. PENSION PLAN

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

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

Plan Description:

The Louisiana Sheriff's Pension and Relief Fund is the administrator of a cost-sharing, multiple employer defined benefit plan. The plan provides retirement, disability and survivor benefits to employees of Sheriff's offices throughout the state of Louisiana, employees of the Louisiana Sheriff's Association and the Sheriff's Pension and Relief Fund's office as provided for in LRS 11:2171.

Members who joined the system on or before December 31, 2011, are eligible for regular retirement benefits upon attaining 30 years of creditable service at any age, or 12 years of creditable service and aged 55 years is entitled to retirement benefit payable monthly for life, equal to 3.33 percent of his final average compensation for each year of creditable service, not to exceed (after reduction for optional payment form) 100% of average final compensation. Active, contributing members with at least 10 years of creditable service may retire at age 60. 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. Members who joined the system on or after January 1, 2012, who retires at or after age 62 with at least 12 years of creditable service, at or after age 60 with at least 20 years of creditable service, or at 55 with 30 years of creditable service is entitled to a retirement benefit payable monthly for life, equal to 3.00 percent. For members with 30 or more years of service; the accrual rate is 3.33 percent. The retirement allowance is equal to the benefit accrual times the member's final average compensation each year of creditable service. In any case, the retirement benefit cannot exceed 100 percent of their final average salary.

Members with 20 or more years of service may retire with a reduced retirement at age 55. For members eligible on or before June 30, 2006, final average compensation is based on the average monthly earnings during the highest 36 consecutive months (60 highest consecutive months for member employed between July 1, 2006 and July 1, 2013) or joined months if service was interrupted. The earnings to be considered for each 12-month period within the 36-month (or 60 month) period shall not exceed 125% of the preceding 12 months. For members joining after July 1, 2013, final compensation is based on the average monthly earnings during the highest 60 consecutive months and the earnings to be considered for each 12-month period within the 60 months shall not exceed 115% of the preceding 12-month period.

A member is eligible to receive disability benefits if the member has at least 10 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 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 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.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

10. PENSION PLAN (continued)

Plan Description (continued):

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 18 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 4 children. If a member is eligible for normal retirement at the time of death, the surviving spouse receives an automatic option 2 benefit.

The additional benefit payable to children shall be the same as those available for members who die in the line of duty. In lieu of receiving option 2 benefit, the surviving spouse may receive a refund of the member's accumulated contributions. All benefits payable to surviving children shall be extended through age twenty-two, if the child is a full-time student in good standing enrolled at a board approved or accredited school, college, or university.

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

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

In addition, the member's Back-DROP account will be credited with employee contributions received by the retirement fund during the Back-DROP period. Participants have the option to opt out of this program and take a distribution, if eligible, or to rollover the assets to another qualified plan.

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.

According to state statute, contribution requirements for all employers are actuarially determined each fiscal year. For the year ending June 30, 2023, the actual employer contribution rate was 11.50 percent.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

10. PENSION PLAN (continued)

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. For the year ended June 30, 2023, the Sheriff recognized \$708,910 of non-employer contributions as revenue.

Plan members are required by state statute to contribute 10.25 percent of their annual covered salary and the West Baton Rouge Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 11.50 percent of annual covered payroll. Contributions to the System also include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and funds as required and available from insurance premium taxes. The contribution requirements of plan members and the West Baton Rouge Parish Sheriff are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The West Baton Rouge Parish Sheriff's contributions to the System, for the years ending June 30, 2023, 2022, and 2021 were \$1,455,043, \$1,392,259, and \$1,355,364, respectively.

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

At June 30, 2023, the Sheriff reported a liability of \$12,461,639 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Sheriff's proportion of the net pension liability was based on a projection of the Sheriff's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers actuarially determined. At June 30, 2022, the Sheriff's proportion was 1.5332%, which was an increase of 0.0150% from its proportion measured as of June 30, 2021.

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 573,249	\$ (619,171)
Changes of assumptions	1,861,385	-
Net difference between projected and actual earnings on pension plan investments	5,395,105	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	441,503	(120,871)
Employer contributions subsequent to the measurement date	<u>1,455,043</u>	<u>-</u>
Total	<u>\$ 9,726,285</u>	<u>\$ (740,042)</u>

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

10. PENSION PLAN (continued)

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

The Sheriff reported a total of \$1,455,043 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2022 which will be recognized as an increase in the net pension liability for the year ended June 30, 2023.

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

<u>Year</u>	<u>LSRPF</u>
2023	\$ 2,008,716
2024	1,690,840
2025	909,608
2026	<u>2,922,037</u>
	<u>\$ 7,531,200</u>

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2023 is as follows:

Valuation Date	June 30, 2022
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	5 years
Investment Rate of Return (Discount Rate)	6.85%, net of pension plan investment expense, including inflation
Projected Salary Increases	5.0% (2.50% inflation, 2.5% 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 scale.
	Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees multiplied by 120% for males and 115% for females for disabled annuitants, each with full generational projection using the appropriate MP2019 scale.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

10. PENSION PLAN (continued)

Actuarial Assumptions (continued)

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

Asset Class	Target Allocation	Real Return Arithmetic Basis	Long-Term Expected Real Rate of Return
Equity Securities	62%	6.6%	4.10%
Fixed Income	25%	4.9%	1.23%
Alternative investments	13%	6.5%	0.85%
Total	<u>100%</u>		<u>6.18%</u>
Inflation			<u>2.25%</u>
Expected Arithmetic Nominal Return			<u>8.43%</u>

Mortality Rate

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.

Discount Rate

The discount rate used to measure the total pension liability was 6.85%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability (asset).

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

10. PENSION PLAN (continued)

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

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

	1.0% Decrease	Current Discount Rate	1.0% Increase
LSPRF			
Rates	5.85%	6.85%	7.85%
WBRSO Share of NPL	\$ 22,066,807	\$ 12,461,639	\$ 4,452,609

11. POST-EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (OPEB)

General Information about the OPEB Plan

Plan description – The West Baton Rouge Parish Sheriff's Office (the Sheriff) provides certain continuing health care and life insurance benefits for its retired employees. The West Baton Rouge 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).

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

Life insurance coverage is provided to retirees and 100% of the blended rate (active and retired) is paid by the employer for the amount \$20,000, but insurance coverage amounts are reduced to 65% of the original amount at age 65, then to 50% at age 70, though not below amount \$10,000.

Employees covered by benefit terms – At June 30, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	49
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	203
	252

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

11. POST-EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (OPEB) (continued)

Total OPEB Liability

The Sheriff's total OPEB liability of \$19,022,170 was measured as of June 30, 2023 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and other inputs – The total OPEB liability in the June 30, 2023 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
Prior discount rate	3.54%
Discount rate	3.65%
Healthcare cost trend rates	5.5% annually until 2032, then 4.5%
Mortality	SOA RP-2014 Table

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index as of June 30, 2019, the end of the applicable measurement period.

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2023.

Changes in the Total OPEB Liability

Balance at June 30, 2022	<u>\$ 18,192,149</u>
Changes for the year:	
Service cost	395,750
Interest	651,007
Differences between expected and actual experience	519,628
Change in assumptions	(323,801)
Benefit payments and net transfers	<u>(412,563)</u>
Net changes	<u>830,021</u>
Balance at June 30, 2023	<u><u>\$ 19,022,170</u></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 (2.65%) or 1-percentage-point higher (4.65%) than the current discount rate:

	<u>1.0% Decrease</u> <u>(2.65%)</u>	<u>Current Discount</u> <u>Rate (3.65%)</u>	<u>1.0% Increase</u> <u>(4.65%)</u>
Total OPEB liability	<u>\$ 22,521,048</u>	<u>\$ 19,022,170</u>	<u>\$ 16,255,519</u>

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

11. POST-EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (OPEB) (continued)

Changes in the Total OPEB Liability (continued)

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	\$ 16,228,330	\$ 19,022,170	\$ 22,578,693

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

For the year ended June 30, 2023, the Sheriff recognized OPEB expense of \$985,055. At June 30, 2023, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,861,268	\$ (3,626,269)
Change in assumptions	4,692,307	(2,858,558)
Total	\$ 6,553,575	\$ (6,484,827)

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

Years ending June 30:

2024	\$ (61,702)
2025	(61,702)
2026	(61,702)
2027	(61,702)
2028	(61,702)
Thereafter	377,257

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

12. TAX ABATEMENTS

The local government is subject to certain property tax abatements granted by the Louisiana State Board of Commerce and Industry (the “State Board”), a state entity governed by board members representing major economic groups and gubernatorial appointees. Abatements to which the government may be subject include those issued for property taxes under the Industrial Tax Exemption Program (“ITEP”). For the year ending June 30, 2023, the government participated in the Industrial Tax Exemption Program.

Under the ITEP, as authorized by *Article 7, Section 21(F) of the Louisiana Constitution and Executive Order Number JBE 2016-73*, companies that qualify as manufacturers can apply to the State Board for a property tax exemption on all new property, as defined, used in the manufacturing process. Under the ITEP, companies are required to promise to expand or build manufacturing facilities in Louisiana, with a minimum investment of \$5 million. Under the original program guidelines, the exemptions are granted for a 5-year term and are renewable for an additional 5-year term upon approval by the State Board. Effective June 24, 2016 the term of the exemption contract which shall be for up to, but no more than five years and may provide for an ad valorem exemption of up to 100 percent and terms for renewal may be included provided that the renewal of the contract shall be for a period up to, but no more than three years and may provide for an ad valorem tax exemption of up to, but no more than 80 percent. In the case of the local government, these state-granted abatements have resulted in reductions of property taxes, which the tax assessor administers as a temporary reduction in the assessed value of the property involved. The abatement agreements stipulate a percentage reduction of property taxes, which can be as much as 100 percent. The local government may recapture abated taxes if a company fails to expand facilities or otherwise fail to fulfill its commitments under the agreement.

Taxes abated for the fiscal year ended June 30, 2023 were as follows:

	<u>Total</u>
Tax Abatement Program	
Industrial Tax Exemption Program	<u>\$ 4,075,907</u>

13. LITIGATION AND CLAIMS

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

At June 30, 2023, the Sheriff was involved in several lawsuits. In the opinion of the Sheriff's legal counsel, the ultimate resolution of these claims would not create a liability to the Sheriff in excess of existing insurance coverage.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

14. PRIOR PERIOD ADJUSTMENT

During 2023, the Sheriff discovered an error in the recording of lease receivable transactions in previous periods. The change resulted in an increase in the fund balance on the governmental fund basis and net position on the government-wide basis.

The effect to the governmental activities Statement of Net Position and the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balance for the prior year that resulted from the discovery of an error in previous periods are as follows:

Government-Wide:

	<u>Governmental activities</u>
Net Position (deficit), June 30, 2022, as previously reported	(\$5,846,009)
Lease Receivable	1,205,799
Unavailable revenue - leases	<u>(1,176,793)</u>
Net adjustment	<u>29,006</u>
Total Net Position (deficit), June 30, 2022, as restated	<u>(\$5,817,003)</u>

Governmental Funds:

	<u>General Fund</u>	<u>Total Governmental Funds</u>
Fund Balance, June 30, 2022, as previously reported	\$2,856,417	\$10,966,950
Lease Receivable	1,205,799	1,205,799
Unavailable revenue - leases	<u>(1,176,793)</u>	<u>(1,176,793)</u>
Net adjustment	<u>29,006</u>	<u>29,006</u>
Total Fund Balance, June 30, 2022, as restated	<u>\$2,885,423</u>	<u>\$10,995,956</u>

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

15. EX-OFFICIO TAX COLLECTOR

The amount of cash on hand at the end of the year was \$2,462.

As of June 30, 2023, the West Baton Rouge Parish Sheriff has collected all taxes assessed by the West Baton Rouge Parish Assessor for the 2022 tax year.

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

Assessment District	\$ 1,543,734
Atchafalaya Levee District	2,497,400
West Baton Rouge Parish Drainage District	4,069,951
West Baton Rouge Parish Council	8,648,646
Louisiana Agriculture & Forestry Commission	3,957
West Baton Rouge Parish School Board	33,343,352
West Baton Rouge Parish Council on Aging	1,562,481
Louisiana Tax Commission	20,390
West Baton Rouge Parish Museum	1,249,985
West Baton Rouge Parish Sheriff	10,062,385
West Baton Rouge Parish Library	2,562,469
	<u>\$ 65,564,750</u>

16. SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date the financial statements were available to be issued, December 31, 2023, and determined that there were no events that require disclosure.

No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION – PART III

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<u>REVENUES</u>				
Ad valorem taxes	\$ 10,978,708	\$ 10,097,513	\$ 10,093,209	\$ (4,304)
Intergovernmental revenues:				
Federal grants	150,748	291,386	261,708	(29,678)
State and local grants and contributions	6,560,385	7,054,182	7,136,789	82,607
State revenue sharing	71,601	71,384	71,384	-
State supplemental pay	567,995	641,366	644,289	2,923
Fees, charges, and commissions for services:				
Commissions on State Revenue Sharing	74,808	72,745	72,745	-
Civil and criminal fees	2,158,315	2,252,675	2,310,906	58,231
Court attendance	7,250	9,844	7,480	(2,364)
Court costs	19,270	19,677	25,150	5,473
Use of money and property:				
Interest	8,500	133,721	181,875	48,154
Miscellaneous	53,500	194,592	143,366	(51,226)
Total Revenues	<u>20,651,080</u>	<u>20,839,085</u>	<u>20,948,901</u>	<u>109,816</u>
<u>EXPENDITURES</u>				
Public safety:				
Personal services and related benefits	16,287,349	16,791,520	16,613,339	178,181
Operating services	3,217,622	2,211,221	2,185,351	25,870
Material and supplies	392,844	674,388	599,851	74,537
Travel and training	80,200	91,739	92,809	(1,070)
Capital outlay	585,000	973,673	2,993,558	(2,019,885)
Debt service	-	-	100,515	(100,515)
Total Expenditures	<u>20,563,015</u>	<u>20,742,541</u>	<u>22,585,423</u>	<u>(1,842,882)</u>
Excess (Deficiency) of Revenues over Expenditures	88,065	96,544	(1,636,522)	(1,733,066)
<u>OTHER FINANCING SOURCES</u>				
Proceeds from sale of assets	35,000	36,000	33,044	(2,956)
Proceeds from lease liabilities issued	-	-	1,813,971	1,813,971
Finance leases	-	-	173,190	173,190
Total other financing sources	<u>35,000</u>	<u>36,000</u>	<u>2,020,205</u>	<u>1,984,205</u>
Net change in fund balance	<u>123,065</u>	<u>132,544</u>	<u>383,683</u>	<u>(251,139)</u>
Fund Balance, July 1, 2022, restated	<u>2,506,410</u>	<u>2,856,417</u>	<u>2,885,423</u>	<u>(29,006)</u>
Fund Balance, June 30, 2023	<u>\$ 2,629,475</u>	<u>\$ 2,988,961</u>	<u>\$ 3,269,106</u>	<u>\$ (280,145)</u>

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
WORK RELEASE CENTER FUND
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>REVENUES</u>				
Fees, charges, and commissions for services:				
Civil and criminal fees	2,915,612	2,905,538	2,975,674	70,136
Feeding and keeping prisoners	1,505,211	1,569,763	1,573,235	3,472
Miscellaneous commissions	655	149,148	149,430	282
Use of money and property:				
Interest	10,877	250,000	254,290	4,290
Sale of Merchandise	212,256	89,315	90,756	1,441
Miscellaneous	-	-	290	290
Total Revenues	<u>4,644,611</u>	<u>4,963,764</u>	<u>5,043,675</u>	<u>79,911</u>
<u>EXPENDITURES</u>				
Public safety:				
Personal services and related benefits	\$ 4,043,606	\$ 3,824,028	\$ 3,822,306	\$ 1,722
Operating services	1,305,132	1,197,718	1,198,820	(1,102)
Material and supplies	142,150	123,975	130,085	(6,110)
Travel and training	4,011	1,692	1,551	141
Capital outlay	165,450	181,500	185,809	(4,309)
Purchase of merchandise for resale	101,515	78,361	77,962	399
Total Expenditures	<u>5,761,864</u>	<u>5,407,274</u>	<u>5,416,533</u>	<u>(9,259)</u>
Deficiency of Revenues over Expenditures	(1,117,253)	(443,510)	(372,858)	70,652
<u>OTHER FINANCING SOURCES</u>				
Proceeds from sale of assets	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>(1,117,253)</u>	<u>(443,510)</u>	<u>(372,858)</u>	<u>70,652</u>
Fund Balance, July 1, 2022	<u>7,369,250</u>	<u>7,656,399</u>	<u>7,656,399</u>	<u>-</u>
Fund Balance, June 30, 2023	<u>\$ 6,251,997</u>	<u>\$ 7,212,889</u>	<u>\$ 7,283,541</u>	<u>\$ 70,652</u>

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total OPEB Liability			
Service cost	\$ 395,750	\$ 486,426	\$ 472,258
Interest	651,007	484,372	454,198
Differences between expected and actual experience	519,628	(1,263,791)	1,093,739
Changes of assumptions	(323,801)	(3,305,230)	183,836
Benefit payments	<u>(412,563)</u>	<u>(391,055)</u>	<u>(338,436)</u>
Net change in total OPEB liability	<u>830,021</u>	<u>(3,989,278)</u>	<u>1,865,595</u>
Total OPEB liability- beginning	<u>18,192,149</u>	<u>22,181,427</u>	<u>20,315,832</u>
Total OPEB liability- ending	<u>\$ 19,022,170</u>	<u>\$ 18,192,149</u>	<u>\$ 22,181,427</u>
Covered employee payroll	\$ 10,350,740	\$ 10,049,262	\$ 9,569,271
Total OPEB liability as a percentage of covered employee payroll	183.78%	181.03%	231.80%

Notes to Schedule:

<i>Benefit Changes:</i>	Other	None	None
<i>Changes of Assumptions:</i>			
Discount rate:	3.65%	3.54%	2.16%
Mortality Rates:	RP-2014	RP-2014	RP-2014
Trends:	Variable	Variable	Variable

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability			
Service cost	\$ 537,423	\$ 328,992	\$ 336,866
Interest	594,691	551,145	541,031
Differences between expected and actual experience	(4,019,113)	809,803	(114,271)
Changes of assumptions	6,801,172	301,049	-
Benefit payments	<u>(320,793)</u>	<u>(329,033)</u>	<u>(311,879)</u>
Net change in total OPEB liability	<u>3,593,380</u>	<u>1,661,956</u>	<u>451,747</u>
Total OPEB liability- beginning	<u>16,722,452</u>	<u>15,060,496</u>	<u>14,608,749</u>
Total OPEB liability- ending	<u>\$ 20,315,832</u>	<u>\$ 16,722,452</u>	<u>\$ 15,060,496</u>
Covered employee payroll	\$ 9,290,554	\$ 8,921,915	\$ 8,662,053
Total OPEB liability as a percentage of covered employee payroll	218.67%	187.43%	173.87%

Notes to Schedule:

<i>Benefit Changes:</i>	None	None	None
<i>Changes of Assumptions:</i>			
Discount rate:	2.21%	3.50%	3.62%
Mortality Rates:	RP-2014	RP-2000	RP-2000
Trends:	Variable	5.5%	5.5%

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

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA
SCHEDULE OF THE SHERIFF'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY (ASSET)
FOR THE YEAR ENDED JUNE 30, 2023 (*)

Louisiana Sheriff's Pension and Relief Fund	<u>2023</u>	<u>2022</u>	<u>2021</u>
Employer's Proportion of the Net Pension Liability (Asset)	1.5332%	1.5182%	1.3783%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 12,461,639	\$ (752,329)	\$ 9,539,287
Employer's Covered-Employee Payroll	\$ 11,365,369	\$ 11,064,197	\$ 10,177,856
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	109.6457%	-6.7997%	93.7259%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	83.8973%	101.0387%	84.7289%
	<u>2020</u>	<u>2019</u>	<u>2018</u>
Employer's Proportion of the Net Pension Liability (Asset)	1.4302%	1.4373%	1.3920%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 6,765,093	\$ 5,511,475	\$ 6,027,823
Employer's Covered-Employee Payroll	\$ 9,993,901	\$ 9,894,528	\$ 9,646,293
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	67.6922%	55.7023%	62.4885%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	88.9085%	90.4106%	88.4876%
	<u>2017</u>	<u>2016</u>	<u>2015</u>
Employer's Proportion of the Net Pension Liability (Asset)	1.3858%	1.3856%	1.3714%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 8,795,603	\$ 6,176,216	\$ 5,430,652
Employer's Covered-Employee Payroll	\$ 9,464,430	\$ 9,186,570	\$ 8,854,184
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	92.9333%	67.2309%	61.3343%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	82.0970%	86.6065%	87.3447%

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.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA
SCHEDULE OF WEST BATON ROUGE PARISH SHERIFF'S CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2023

Louisiana Sheriffs' Pension and Relief Fund	<u>2023</u>	<u>2022</u>	<u>2021</u>
Contractually required contribution	\$ 1,455,043	\$ 1,392,258	\$ 1,355,364
Contributions in relation to contractually required contributions	<u>1,455,043</u>	<u>1,392,259</u>	<u>1,355,364</u>
Contribution deficiency (excess)	-	(1)	-
Employer's Covered Employee Payroll	\$ 12,652,546	\$ 11,365,369	\$ 11,064,197
Contributions as a % of Covered Employee Payroll	11.5000%	12.2500%	12.2500%
	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 1,246,787	\$ 1,224,253	\$ 1,261,552
Contributions in relation to contractually required contributions	<u>1,246,787</u>	<u>1,224,253</u>	<u>1,261,552</u>
Contribution deficiency (excess)	-	-	-
Employer's Covered Employee Payroll	\$ 10,177,856	\$ 9,993,901	\$ 9,894,528
Contributions as a % of Covered Employee Payroll	12.2500%	12.2500%	12.7500%
	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 1,278,134	\$ 1,301,359	\$ 1,309,086
Contributions in relation to contractually required contributions	<u>1,278,134</u>	<u>1,301,359</u>	<u>1,309,086</u>
Contribution deficiency (excess)	-	-	-
Employer's Covered Employee Payroll	\$ 9,646,293	\$ 9,464,430	\$ 9,186,570
Contributions as a % of Covered Employee Payroll	13.2500%	13.7500%	14.2500%

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

Notes to the Net Pension Liability Required Supplementary Information:

Changes in Benefit Term: There were no changes in benefit terms for the fiscal year ended June 30, 2023.

Changes in Assumption: There were no changes in assumptions for the fiscal year ended June 30, 2023.

SUPPLEMENTARY INFORMATION – PART IV

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NON-MAJOR GOVERNMENTAL FUNDS DESCRIPTIONS

SPECIAL REVENUE FUNDS

Special revenue fund accounts for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purpose.

PRISONER WELFARE FUND

The prisoner welfare fund accounts for sales to prisoners in parish jail. Revenues are used to purchase recreational equipment, personal items, and items for resale.

DRUG TASK FORCE FUND

The Drug Task Force is a federal anti-drug abuse grant awarded by the Louisiana Commission in Law Enforcement to local law enforcement authorities to enhance their efforts in the prevention of drug traffic.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEETS
JUNE 30, 2023

	Drug Task Force Fund	Prisoner Welfare Fund	Total
<u>ASSETS</u>			
Cash and cash equivalents	\$ 14,144	\$ 468,066	\$ 482,210
Receivables	-	40,370	40,370
Total assets	\$ 14,144	\$ 508,436	\$ 522,580
 <u>LIABILITIES</u>			
Accounts payable	\$ -	\$ 894	\$ 894
Due to others	2,542	-	2,542
Total liabilities	2,542	894	3,436
 <u>FUND BALANCES</u>			
Restricted for grants	11,602	-	11,602
Assigned	-	507,542	507,542
Total fund balances	11,602	507,542	519,144
Total liabilities and fund balances	\$ 14,144	\$ 508,436	\$ 522,580

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2023

	Drug Task Force Fund	Prisoner Welfare Fund	Total
<u>REVENUES</u>			
Intergovernmental revenues:			
Federal grants	\$ 9,156	\$ -	\$ 9,156
Fees, charges, and commissions for services:			
Commissions on commissary	-	235,666	235,666
Use of money and property:			
Interest	403	24,263	24,666
Sale of merchandise	-	9,883	9,883
Miscellaneous	-	8,007	8,007
Total Revenues	9,559	277,819	287,378
<u>EXPENDITURES</u>			
Public safety:			
Operating services	9,156	39,017	48,173
Material and supplies	-	27,621	27,621
Capital outlay	-	145,632	145,632
Purchase of merchandise for resale	-	942	942
Total Expenditures	9,156	213,212	222,368
Excess of Revenues over Expenditures	403	64,607	65,010
<u>OTHER FINANCING SOURCES</u>			
Proceeds from sale of assets	-	-	-
Total other financing sources	-	-	-
Net change in fund balances	403	64,607	65,010
Fund Balances at beginning of year	11,199	442,935	454,134
Fund Balances at end of year	\$ 11,602	\$ 507,542	\$ 519,144

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

CUSTODIAL FUNDS - COMBINING STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2023

	Tax Collector Fund	Clearing Account	Work Release - Inmate	Inmate Account - Jail	Work Release - Trustee	Civil Account	Total
<u>ASSETS</u>							
Cash	\$ 1,528	\$ 331,751	\$ 537,736	\$ 105,289	\$ 39,628	\$ -	\$ 1,015,932
Total assets	<u>\$ 1,528</u>	<u>\$ 331,751</u>	<u>\$ 537,736</u>	<u>\$ 105,289</u>	<u>\$ 39,628</u>	<u>\$ -</u>	<u>\$ 1,015,932</u>
<u>LIABILITIES</u>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>NET POSITION</u>							
Restricted for:							
Unsettled balances due to others	1,528	331,751	-	-	-	-	333,279
Inmate personal funds	-	-	537,736	105,289	39,628	-	682,653
Total fiduciary net position	<u>\$ 1,528</u>	<u>\$ 331,751</u>	<u>\$ 537,736</u>	<u>\$ 105,289</u>	<u>\$ 39,628</u>	<u>\$ -</u>	<u>\$ 1,015,932</u>

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

CUSTODIAL FUNDS - COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2023

	Tax Collector Fund	Clearing Account	Work Release - Inmate	Inmate Account - Jail	Work Release - Trustee	Civil Account	Total
<u>Additions</u>							
Ad valorem taxes	\$ 67,629,088	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 67,629,088
State revenue sharing	541,882	-	-	-	-	-	541,882
Interest on:							
Checking accounts	176,832	43,558	-	-	-	1,613	222,003
Delinquent taxes	35,940	-	-	-	-	-	35,940
Sheriff sales	-	-	-	-	-	1,401,925	1,401,925
Bonds, fines and costs	65,109	272,057	-	-	-	-	337,166
Inmate deposits	-	-	7,968,767	1,129,319	160,474	-	9,258,560
Redemptions	103,914	-	-	-	-	-	103,914
Other additions	91,332	1,157,342	-	-	-	373,420	1,622,094
Total additions	<u>68,644,097</u>	<u>1,472,957</u>	<u>7,968,767</u>	<u>1,129,319</u>	<u>160,474</u>	<u>1,776,958</u>	<u>81,152,572</u>
<u>Deductions</u>							
Louisiana Dept. of Agriculture and Forestry	3,957	-	-	-	-	-	3,957
Louisiana Tax Commission	20,401	-	-	-	-	-	20,401
West Baton Rouge Parish:							
Assessor	1,568,891	-	-	-	-	-	1,568,891
Sheriff's General Fund	10,360,259	329,342	-	-	-	260,117	10,949,718
Parish Council	12,931,666	220,222	-	-	-	-	13,151,888
School Board	33,729,133	-	-	-	-	-	33,729,133
Clerk of Court	11,025	93,725	-	-	-	21,121	125,871
Council on Aging	1,573,602	-	-	-	-	-	1,573,602
Atchafalaya Levee District	2,570,707	-	-	-	-	-	2,570,707
Library	2,637,428	-	-	-	-	-	2,637,428
Museum	1,264,970	-	-	-	-	-	1,264,970
Eighteenth Judicial:							
District Attorney	-	126,445	-	-	-	-	126,445
District Expense Fund	-	22,027	-	-	-	-	22,027
Expense Fund	-	114,153	-	-	-	-	114,153
Indigent defender board	-	193,540	-	-	-	-	193,540
Pension funds	1,842,936	-	-	-	-	-	1,842,936
Refunds and redemptions	151,965	-	-	-	-	-	151,965
Attorneys and litigants	-	-	-	-	-	1,401,925	1,401,925
Louisiana State Police Crime Lab	-	821	-	-	-	-	821
Louisiana Commission on Law Enforcement	-	12,598	-	-	-	-	12,598
Louisiana Traumatic Head and Spinal Cord Injury	-	7,391	-	-	-	-	7,391
Louisiana Department of Public Safety State Police	-	3,627	-	-	-	-	3,627
Treasurer, State of LA CMIS	-	6,212	-	-	-	-	6,212
Garnishments	-	192,806	-	-	-	-	192,806
Other reductions	26,312	30,122	8,024,072	1,189,555	144,432	93,795	9,508,288
Total deductions	<u>68,693,252</u>	<u>1,353,031</u>	<u>8,024,072</u>	<u>1,189,555</u>	<u>144,432</u>	<u>1,776,958</u>	<u>81,181,300</u>
Changes in fiduciary net position	(49,155)	119,926	(55,305)	(60,236)	16,042	-	(28,728)
Net position - beginning	50,683	211,825	593,041	165,525	23,586	-	1,044,660
Net position - ending	<u>\$ 1,528</u>	<u>\$ 331,751</u>	<u>\$ 537,736</u>	<u>\$ 105,289</u>	<u>\$ 39,628</u>	<u>\$ -</u>	<u>\$ 1,015,932</u>



MIKE CAZES, Sheriff

PARISH OF WEST BATON ROUGE

P.O. BOX 129 • PORT ALLEN, LA 70767

COURTHOUSE (225) 343-9234 • FAX (225) 344-1004 • DETENTION CENTER (225) 346-6400 • WRC (225) 387-3272

STATE OF LOUISIANA, PARISH OF WEST BATON ROUGE PARISH

AFFIDAVIT

Michael B. Cazes, Sheriff of West Baton Rouge Parish

BEFORE ME, the undersigned authority, personally came and appeared,
Michael B. Cazes, the Sheriff of West Baton Rouge Parish, State of Louisiana,
who after being duly sworn, deposed and said:

The following information is true and correct:

\$2,462 is the amount of cash on hand in the tax collector account on June 30, 2023;

He further deposed and said:

All itemized statements of the amount of taxes collected for tax year 2022, 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 West Baton Rouge Parish

SWORN to and subscribed before me. Notary, this 19 day of November 20 23, in my office in
Port Allen, Louisiana.
(City/Town)

(Signature)

Michael Hunter Beraud (Print), # 195319
Notary Public

ex-officio Lifetime (Commission)

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
JUNE 30, 2023

Agency Head Name: Mike Cazes, Sheriff

Purpose	Amount
Salary	\$ 189,811
Benefits- insurance	13,594
Benefits- retirement	63,182
Travel	3,121
Cell phone	<u>2,021</u>
Total	<u><u>\$ 271,729</u></u>

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

JUSTICE SYSTEM FUNDING SCHEDULE - COLLECTING/DISBURSING ENTITY
AS REQUIRED BY ACT 87 OF THE 2020 REGULAR SESSION
CASH BASIS PRESENTATION
FOR THE YEAR ENDED JUNE 30, 2023

	First Six Month Period Ended December 31, 2022	Second Six Month Period Ended June 30, 2023
Beginning Balance of Amounts Collected (i.e. cash on hand)	<u>\$ 361,123</u>	<u>\$ 300,638</u>
Add: Collections		
Civil Fees (<i>including refundable amounts such as garnishments or advance deposits</i>)	207,901	216,756
Bond Fees	106,802	86,468
Asset Forfeiture/Sale	1,024,883	518,000
Criminal Court Costs/Fees	175,149	239,872
Criminal Fines - Other (Bonds)	8,500	60,000
Criminal Fines - Other	97,850	132,640
Interest Earnings on Collected Balances	2,373	6,753
Subtotal Collections	<u>1,623,458</u>	<u>1,260,489</u>
Less: Disbursements To Governments & Nonprofits:		
Criminal		
West Baton Rouge Parish Government, Criminal Court Costs/Fees	42,922	46,886
West Baton Rouge Parish Government, Criminal Fines - Other	42,716	54,995
West Baton Rouge Parish Government, Bond Fees	32,703	-
Indigent Defender Board, Criminal Court Costs/Fees	61,375	76,613
Indigent Defender Board, Bond Fees	33,153	22,399
West Baton Rouge Clerk of Court, Criminal Court Costs/Fees	19,823	23,031
West Baton Rouge Clerk of Court, Bond Fees	449	372
LA Commission on Law Enforcement Training, Criminal Court Costs/Fees	1,773	2,268
LA Commission on Law Enforcement Victims Act, Criminal Court Costs/Fees	3,879	4,679
18th Judicial District Attorney, Criminal Court Costs/Fees	18,427	23,474
18th Judicial District Attorney, Criminal Fines - Other	12,306	14,634
18th Judicial District Attorney, Bond Fees	34,276	23,329
18th Judicial District Expense Fund, Bond Fees	-	22,027
18th Judicial Expense Fund, Criminal Court Costs/Fees	53,591	60,561
Treasurer, State of LA CMIS, Criminal Court Costs/Fees	2,702	3,510
LA Supreme Court, Criminal Court Costs/Fees	445	525
DHH THISCI LA Rehab Service, Criminal Court Costs/Fees	3,058	4,333
LA Department of Public Safety State Police, Criminal Court Costs/Fees	1,975	1,653
Keep Louisiana Beautiful, Criminal Fines - Other	-	85
Iberville Substance Abuse, Criminal Court Costs/Fees	400	269
LA State Police Crime Lab, Bond Fees	449	372
Treasurer State of LA Disability Handicap Parking, Criminal Fines - Other	-	142
West Baton Rouge Clerk of Court, Interest	-	46,549
Civil		
West Baton Rouge Clerk of Court, Civil Fees	11,497	9,624
Other clerks and sheriffs, Civil Fees	1,330	1,114
Less: Amounts Retained by Collecting Agency		
Amount "Self-Disbursed" to Collecting Agency		
Criminal		
Criminal Court Costs/Fees	9,828	12,408
Criminal Fines - Other	12,151	14,503
Bond Fees	33,153	22,399
Civil		
Commission	129,954	128,550
Bank Interest	604	1,009
Tax Collector	-	4,474
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Other Disbursements to Individuals	1,119,004	596,995
Subtotal Disbursements/Retainage	<u>1,683,943</u>	<u>1,223,782</u>
Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)	<u>\$ 300,638</u>	<u>\$ 337,345</u>



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

Honorable Mike Cazes
West Baton Rouge Parish Sheriff
Port Allen, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining information of the West Baton Rouge Parish Sheriff (the Sheriff), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the West Baton Rouge Parish Sheriff's basic financial statements, and have issued our report thereon dated December 31, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As a part of obtaining reasonable assurance about whether the West Baton Rouge 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are 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.

Diez, Deeping + Ruiz

Gonzales, Louisiana
December 31, 2023

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2023

A. SUMMARY OF AUDIT RESULTS

Financial Statements

1. The independent auditors' report expressed an unmodified opinion on whether the financial statements of the West Baton Rouge Parish Sheriff's Office were prepared in accordance with GAAP.
2. No significant deficiencies relating to the audit of the financial statements is reported in the Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*. No material weaknesses are reported.
3. No instances of noncompliance material to the financial statements of the West Baton Rouge Parish Sheriff's Office which is required to be reported in accordance with *Government Auditing Standards*, was disclosed during the audit.

B. FINDINGS – FINANCIAL STATEMENT AUDIT

None

C. FINDINGS – COMPLIANCE WITH STATE LAWS AND REGULATIONS

None

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2023

A. FINDINGS – FINANCIAL STATEMENT AUDIT

Significant Deficiency:

2022-001 Financial Oversight

Condition: All bank reconciliations are not reviewed by someone that is independent of the collection, disbursement and financial reporting responsibilities for that account. The Sheriff did not document its review of financial information during the year to evidence its financial oversight.

Current Status: No similar finding reported in current year.

Material Weaknesses:

2022-002 Internal Control Deficiencies Over Disbursement Process

Condition: Subsequent to year end, the Legislative Auditor's Office performed an investigative audit as a result of receiving a misappropriation notice from the Sheriff. It was discovered that bank records show two checks totaling \$1,680 from one of the fiduciary bank accounts were paid to a WBRSO employee, but the accounting records were altered to show a different payee after the checks were negotiated. The employee primarily responsible for the accounting for fiduciary funds took funds from the fiduciary accounts, improperly altered transactions in the accounting records, using the funds for her personal benefit.

It was also discovered that the Sheriff's office received \$6,996 more in fiduciary funds than was deposited from January 1, 2022 to August 2, 2022. The accounting clerk primarily responsible for the accounting for fiduciary funds took funds from the fiduciary accounts, improperly altered transactions in the accounting records, using the funds for her personal benefit.

Current Status: No similar finding reported in current year.

2022-003 Internal Control Deficiencies Over Cash Collection Process

Condition: Subsequent to year end, the Legislative Auditor's Office performed an investigative audit as a result of receiving two misappropriation notices from the Sheriff. It was discovered that the Sheriff's office received \$158,852 more in traffic ticket revenue than was deposited from July 1, 2018 to July 31, 2022. West Baton Rouge Sheriff's Office accounting records show that the traffic ticket clerk primarily responsible for traffic tickets recorded false transactions to conceal the cash taken for personal use.

Current Status: No similar finding reported in current year.

WEST BATON ROUGE PARISH SHERIFF
PORT ALLEN, LOUISIANA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2023

A. FINDINGS – FINANCIAL STATEMENT AUDIT (continued)

2022-004 Credit Cards

Condition: The Sheriff does not adequately monitor the use of the credit cards issued in the Sheriff's name nor was there evidence that someone approved the monthly credit card statement prior to processing checks for payments. Employees that have the authority to approve, execute and record disbursement transactions have the ability to initiate and execute credit card transactions without prior approval. It was also noted that certain cards were issued and authorized in employee's names, however, a different employee had custody of the card for use. In addition, purchase orders were approved after the date of the receipt of the credit card transactions.

Current Status: No similar finding reported in current year.

B. FINDINGS – COMPLIANCE

2022-005 Financial Statements Issued After Due Date

Condition: The audit report was submitted after the statutory due date.

Current Status: No similar finding reported in current year.

WEST BATON ROUGE PARISH SHERIFF
STATEWIDE AGREED-UPON PROCEDURES REPORT
YEAR ENDED JUNE 30, 2023



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

To the Honorable Mike Cazes, West Baton Rouge Parish Sheriff, and the Louisiana Legislative Auditor:

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

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

The procedures and associated findings are as follows:

1) Written Policies and Procedures

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

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

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

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

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

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

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

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

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

- v. **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- Written policies and procedures were obtained and address the functions noted above.*
- vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- Written policies and procedures were obtained and address the functions noted above.*
- vii. **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- Written policies and procedures were obtained and address the functions noted above.*
- viii. **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 the statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- Written policies and procedures were obtained and address the functions noted above with the exception of allowable business uses.*
- Management's response: The Sheriff intends to amend its policy to address allowable business uses and authorized users.*
- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- Written policies and procedures were obtained and do address all the functions noted above.*
- Management's response: The Sheriff intends to amend its policy to address all functions noted.*
- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- Written policies and procedures were obtained and address the functions noted above.*
- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- Written policies and procedures were obtained and address the functions noted above.*

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

Written policies and procedures were obtained and address the functions noted above with the exception of training and annual reporting.

Management's responses: The Sheriff intends to amend its policy to address training and annual reporting.

2) Board (or Finance Committee, if applicable)

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

- i. Observe 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.

Not applicable.

- ii. For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds.

Not applicable.

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

Not applicable.

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

Not applicable.

3) Bank Reconciliations

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

Obtained listing of client bank accounts for the fiscal period from management and management's representation that listing is complete.

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

No exceptions noted.

- ii. 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

No exceptions noted.

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

Two of five bank reconciliations included reconciling items that have been outstanding for more than 12 months from the statement closing date and management did not have documentation reflecting that it has researched those reconciling items.

Management's responses: The Sheriff intends to implement procedures to document such outstanding items and resolve these items in a timely manner.

4) Collections (excluding electronic funds transfers)

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

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

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

Obtained a listing of collection locations and management's representation that listing is complete.

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

Employees responsible for cash collections share cash drawers.

Management's Response: The Management currently has a system in place that allows each employee to have a unique log in to identify and allocate cash collected by each employee. Management will work towards a system for non-shared cash drawer as well as implementing a fully automated kiosk system to reduce to collection and handling of cash.

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

No exception noted.

- iii. 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; and

Employees responsible for collecting cash are responsible for posting collection entries to the general ledger or subsidiary ledgers without another employee/official responsible for reconciling ledger postings to each other and to the deposit.

Management's Response: Management has assigned an employee that does not collect payments to receive and deposit collections from our cashiers only a daily basis. This employee is also reconciling these deposits to our ticket and accounting software ledgers.

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

One employee responsible for reconciling cash collections to the general ledger is responsible for collecting cash without another employee verifying the reconciliation.

Management's Response: Management has assigned an employee that does not collect payments to receive and deposit collections from our cashiers only a daily basis. This employee is also reconciling these deposits to our ticket and accounting software ledgers.

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

No exceptions noted.

- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *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:

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

- iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

No exceptions noted for sixteen of nineteen deposits. Supporting documentation for two of nineteen deposits were not provided or did not document the date of receipt. Therefore, we were unable to determine if the deposit was made within one day of collection. One of nineteen collections was not deposited within one day of collection.

Management's Response: Management will implement date stamping with initials on necessary items.

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

No exceptions noted.

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

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

Obtained listing of locations that process payments and management's representation that listing is complete.

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

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

No exceptions noted.

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

One employee has the ability and authority to approve payments to vendors. No exceptions noted for the other three employees that process payments to vendors as they are not authorized signers.

Management's Response: Management will have at least two employees involved in processing and approving payments.

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

The employees responsible for processing payments are not prohibited from adding/modifying vendor files.

Management's response: Management will work on increasing its controls on who can add/modify vendor files.

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

Employee responsible for processing payments is given signed checks first to put in envelopes, then brings payments to another individual to mail.

Management's response: Management will give checks to someone not responsible for processing payments.

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

No exceptions noted.

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

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

No exception noted for disbursement matching the related original itemized invoice, however, one of five disbursements selected included deliverables and supporting documentation was not evident that deliverables included on invoice were received by entity.

Management's response: Management will work to establish a central location where all items are delivered and matched to invoice.

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

No exception noted for evidence of segregation of duties for AUP #5Bi or #5Bii. Exceptions noted for each employee in regards to adding/modifying vendor files under #5Biii and #5Biv for mailing payments.

Management's response: Management will amend its policy in regards to who can add/modify vendor files as well as delegate the responsibility of mailing payments to vendors to an individual not responsible for processing payment.

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

No exception noted.

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

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

Obtained listing of the credit cards and management's representation that listing is complete.

- B. Using the listing prepared by management, randomly select 5 cards (or all 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:

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

No exceptions noted.

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

No exceptions noted.

- C. Using the monthly statements or combined statements selected under procedure #7B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

No exceptions noted for one of five statements selected.

No exceptions noted for transactions selected from four of five statements in regards to #1 & #3. There were twelve of fourteen transactions selected between the four of five statements noting that written documentation of the business/public purpose was provided after the transaction was executed.

Management's response: Effective April 2023, all credit cards are kept in the vault under sign in/out log and subject to purchase orders assigned to the credit cards. POs are used to document the business purpose of the transactions prior to an individual signing out the credit card. Upon return of credit card, the individual will log the credit card back in and provides all supporting documentation plus copy of PO to be filed until reconciling receipts to monthly credit card statements. Management believes this matter has been resolved.

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

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

Obtained listing of travel and related expense reimbursements and management's representation that listing is complete.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

8) Contracts

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *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

Obtained listing of contracts initiated or renewed during the fiscal period and management's representation that listing is complete.

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

No exceptions noted

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

No exceptions noted.

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

No exceptions noted

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

No exceptions noted.

9) Payroll and Personnel

- A. 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.

Obtained listing of employees and management's representation that listing was complete. Agreed paid salaries to authorized salaries/pay rates in the personnel file without exception.

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

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

Management represented that employer and employee portions of third-party payroll related amounts have been paid, and any associated forms have been filed, by required deadlines.

10) Ethics

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

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

One of five employees/officials selected did not have documentation to demonstrate that they completed one hour of ethics training during the year.

Management's Response: Management provides in house ethics training a couple times during the year to provide an opportunity for all employees to complete required training, including new hires. Management will continue to discuss with employees the importance of the training and their assistance in ensuring this training requirement is met for all employees going forward.

- ii. 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.

No exceptions noted.

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

No exceptions noted.

11) Debt Service

A. 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 that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

No debt issued during the fiscal period.

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

No exceptions noted.

12) Fraud Notice

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

Management asserted that the entity did not have any misappropriations of public funds or assets.

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

No exceptions noted.

13) Information Technology Disaster Recovery/Business Continuity

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

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

We performed the procedure and discussed the results with management.

- ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if 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.

We performed the procedure and discussed the results with management.

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

We performed the procedure and discussed the results with management.

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

No exceptions noted.

14) Sexual Harassment

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A above, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

No exceptions noted.

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

No exceptions noted.

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

The Sheriff completed its annual sexual harassment report for the current fiscal year that included the applicable requirements, however, it was noted that the report was dated after February 1, 2023.

Management's Response: Management intends to have this report complete on or before February 1 going forward.

We were engaged by The West Baton Rouge 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 C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of The West Baton Rouge 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 C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Diez, Dupuy + Ruiz

Gonzales, Louisiana
December 31, 2023