

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

**Financial Report**

**Year Ended June 30, 2020**

## TABLE OF CONTENTS

	Page
Independent Auditors' Report	1 - 3
Management's Discussion and Analysis	4 - 11B
 BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)	
Statement of net position	14
Statement of activities	15
 FUND FINANCIAL STATEMENTS (FFS)	
Fund description - major funds	
Balance sheet - governmental funds	18
Reconciliation of the governmental funds balance sheet to the statement of net position	19
Statement of revenues, expenditures, and changes in fund balances - governmental funds	20
Reconciliation of the statement of revenues, expenditures, and changes in fund balances of governmental funds to the statement of activities	21
Fund descriptions - nonmajor funds	
Statement of fiduciary net position - agency funds and trust fund	23
Statement of changes in fiduciary net position - other post employment benefit plan - PREIF trust fund	24
Notes to basic financial statements	25 - 57
 REQUIRED SUPPLEMENTARY INFORMATION	
General Fund:	
Budgetary comparison schedule	59
Budgetary comparison schedule - revenues	60
Budgetary comparison schedule - expenditures	61 - 62
Schedule of employer's share of net pension liability	63
Schedule of employer's contributions	64
Schedule of changes in the Sheriff's total OPEB liability and related ratios	65
Schedule of employer's OPEB contributions	66
Notes to the required supplementary information	67

## TABLE OF CONTENTS

	<u>Page</u>
OTHER SUPPLEMENTARY INFORMATION	
Affidavit	69
INTERNAL CONTROL, COMPLIANCE AND OTHER MATTERS	
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 <i>Government Auditing Standards</i>	71 - 72
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	73 - 74
Notes to schedule of expenditures of federal awards	75
Schedule of Expenditures of Federal Awards	76
Schedule of findings, questioned costs, and management's corrective action plan	77 - 78
Summary schedule of prior audit findings	79
Management's Corrective Action Plan	80

# Champagne & Company, LLC

## Certified Public Accountants

---

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

Shayne M. Breaux, CPA  
Kaylee Champagne Frederick, CPA

113 East Bridge Street  
PO Box 250  
Breaux Bridge, LA 70517  
Phone: (337) 332-4020  
Fax: (337) 332-2867

\*A Professional Accounting Corporation

### INDEPENDENT AUDITORS' REPORT

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

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Plaquemines Parish Sheriff, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Plaquemines Parish Sheriff's basic financial statements as listed in the table of contents.

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

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Plaquemines Parish Sheriff, as of June 30, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of employer's share of net pension liability, schedule of employer's contributions, schedule of changes in the Sheriff's total OPEB liability and related ratios, schedule of employer's OPEB contributions, and notes to the required supplementary information on pages 4 through 11B and 59 through 67 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Plaquemines Parish Sheriff's basic financial statements. The affidavit is presented as mandated by the Louisiana Legislative Auditor and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 5, 2021, on our consideration of the Plaquemines Parish Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Plaquemines Parish Sheriff's internal control over financial reporting and compliance.

***Champagne & Company, LLC***

Certified Public Accountants

Breaux Bridge, Louisiana  
February 5, 2021

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

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

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

## **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

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

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

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

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

## **FUND FINANCIAL STATEMENTS**

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

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

**FUND FINANCIAL STATEMENTS (Continued)**

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

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

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

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

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

**OTHER INFORMATION**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Plaquemines Parish Sheriff's budgetary comparison (pages 59-62), employer's share of the net pension liability (page 63), pension contributions (page 64), changes in total OPEB liability and related ratios (page 65), employer's OPEB contributions (page 66), and notes to the required supplementary information (page 67).



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

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

The Sheriff's net position at fiscal year-end is a balance of \$67,528,688. The following table provides a summary of the Sheriff's net position:

	June 30, 2020		June 30, 2019	
	Governmental Activities	Percentage Total	Governmental Activities	Percentage Total
<u>Assets:</u>				
Current assets	\$ 9,598,323	8%	\$ 10,584,346	9%
Noncurrent assets	2,085,669	2%	2,545,453	2%
Capital assets, net	103,347,113	90%	105,480,460	89%
Total	<u>115,031,105</u>	<u>100%</u>	<u>118,610,259</u>	<u>100%</u>
<u>Deferred Outflows:</u>	15,281,783	100%	12,842,756	100%
<u>Liabilities:</u>				
Current liabilities	3,535,988	9%	4,165,752	7%
Long-term liabilities	37,436,690	91%	55,502,963	93%
Total liabilities	<u>40,972,678</u>	<u>100%</u>	<u>59,668,715</u>	<u>100%</u>
<u>Deferred Inflows:</u>	21,811,522	100%	2,810,618	100%
<u>Net Position:</u>				
Net investment in capital assets	94,421,823	140%	96,909,914	141%
Restricted	1,116,827	2%	-	0%
Unrestricted (deficit)	<u>(28,009,962)</u>	<u>-41%</u>	<u>(27,936,232)</u>	<u>-41%</u>
Total net position (deficit)	<u>\$ 67,528,688</u>	<u>98%</u>	<u>\$ 68,973,682</u>	<u>100%</u>

The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 2.71 to 1 for the year ended June 30, 2020 and 2.54 to 1 for the year ended June 30, 2019.

The Sheriff reported a decrease in net position for the governmental activities for the year ended June 30, 2020. Net position decreased by \$1,444,994 for governmental activities from the prior year. The decrease in net position is primarily related to the charge for depreciation of fixed assets owned by the Sheriff in the amount of \$3,531,687.

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

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

The following table provides a summary of the Sheriff's changes in net position for the years ended June 30, 2020 and 2019:

**COMPARATIVE STATEMENT OF ACTIVITIES**

	June 30, 2020		June 30, 2019	
	Governmental Activities	Percentage Total	Governmental Activities	Percentage Total
<b>Revenues</b>				
Program Revenues				
Charges for services	\$ 8,627,798	28%	\$ 8,299,303	27%
Operating grants	1,879,197	6%	1,962,365	6%
General Revenues				
Property taxes	17,007,100	55%	16,911,228	55%
State sources	1,379,698	4%	1,385,114	5%
Interest and investment earnings	85,290	0%	125,616	1%
Loss on sale of assets	(21,040)	0%	(6,703)	0%
Miscellaneous	1,946,924	7%	1,926,000	6%
Total Revenues	<u>30,904,967</u>	<u>100%</u>	<u>30,602,923</u>	<u>100%</u>
<b>Expenses</b>				
Public safety	31,993,537	99%	32,657,369	99%
Interest expense	356,424	1%	381,132	1%
Total Expenses	<u>32,349,961</u>	<u>100%</u>	<u>33,038,501</u>	<u>100%</u>
<b>Change in Net Position</b>	(1,444,994)		(2,435,578)	
<b>Beginning net position</b>	<u>68,973,682</u>		<u>71,409,260</u>	
<b>Ending net position</b>	<u><u>\$ 67,528,688</u></u>		<u><u>\$68,973,682</u></u>	

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

**GOVERNMENTAL REVENUES**

The Sheriff is heavily reliant on property taxes to support its operations. Property taxes provided 55% of the Sheriff's total revenues for both fiscal years.

Program revenues, including operating grants received and charges for services, accounted for 34% of governmental operating revenues for fiscal year 2020 compared to 33% for fiscal year 2019.

**GOVERNMENTAL FUNCTIONAL EXPENSES**

The total function of the Sheriff's office is public safety activities. Depreciation on the building improvements, vehicles, office furniture and equipment and law enforcement weapons and communication equipment was \$3,531,687 or 11% of total expenses for fiscal year 2020 and \$3,616,812 or 11% of total expenses for fiscal year 2019.

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

As discussed, governmental funds are reported in the fund statements with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. At June 30, 2020, governmental funds reported ending fund balances of \$10,055,607. Of this total, \$5,836,438 or 58% is unassigned indicating availability for continuing the Sheriff's activities.

**MAJOR GOVERNMENTAL FUNDS**

The General Fund is the Sheriff's primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance decreased by \$144,927 or 2% from the prior year to \$8,771,669.

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

**MAJOR GOVENMENTAL FUNDS (Continued)**

The following table provides a summary of the Sheriff's changes in fund balance of the General Fund for the years ended June 30, 2020 and 2019:

**CONDENSED BALANCE SHEET - GENERAL FUND**

	June 30, 2020	June 30, 2019	Increase (Decrease)
<u>Assets:</u>			
Cash	\$ 1,163,850	\$ 1,345,552	\$ (181,702)
Investments	4,388,454	5,510,009	(1,121,555)
Receivables	4,021,964	3,733,759	288,205
Prepaid expenses	839,804	438,116	401,688
Total Assets	\$10,414,072	\$ 11,027,436	\$ (613,364)
<u>Liabilities:</u>			
Accounts payable	\$ 943,215	\$ 1,272,810	\$ (329,595)
Salaries and pension liability	37,205	55,360	(18,155)
Claims payable	322,719	146,082	176,637
Deferred revenue	192	461,320	(461,128)
Due to employees and others	339,072	175,268	163,804
Total liabilities	1,642,403	2,110,840	(468,437)
<u>Fund Balance:</u>			
Nonspendable	839,804	438,116	401,688
Restricted	1,845,427	1,733,863	111,564
Committed	0	281,975	(281,975)
Assigned	250,000	250,000	-
Unassigned	5,836,438	6,212,642	(376,204)
Total fund balance	8,771,669	8,916,596	(144,927)
Total liabilities and fund balance	\$10,414,072	\$ 11,027,436	\$ (613,364)

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

**MAJOR GOVERNMENTAL FUNDS (Continued)**

The following table provides a summary of the Sheriff's excess of revenues over expenditures of the General Fund for the years ended June 30, 2020 and 2019:

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

	June 30, 2020	June 30, 2019	Increase (Decrease)
Revenues			
Taxes	\$ 17,007,100	\$ 16,911,228	\$ 95,872
Intergovernmental	2,548,227	2,078,516	469,711
Fees	8,890,240	8,299,303	590,937
Interest	79,497	122,770	(43,273)
Miscellaneous	1,946,924	1,962,725	(15,801)
Total revenues	30,471,988	29,374,542	1,097,446
Expenditures			
Operating Expenditures	29,155,399	27,582,123	1,573,276
Debt Service Principal	570,000	545,000	25,000
Debt Service Interest	357,726	381,948	(24,222)
Capital Outlay	533,790	648,601	(114,811)
Total expenditures	30,616,915	29,157,672	1,459,243
Excess (deficiency) of revenues over expenditures	(144,927)	216,870	(361,797)
Fund balance, beginning	8,916,596	8,699,726	216,870
Fund balance, ending	\$ 8,771,669	\$ 8,916,596	\$ (144,927)

Total revenues increased by \$1,097,446 or 4 % from the prior year. This increase is primarily attributed to fees which reported an increase of \$590,937 or 7 % and intergovernmental revenue which reported an increase of \$469,711 or 23 % from the prior year. Operating expenditures increased \$1,537,276 or 6% more than the prior fiscal year. The operating expenditures increase is primarily attributed to: Increased wages and associated expenses of \$892,270 related primarily to salary increases for correctional officers as of January 1, 2020, additional personnel qualifying for State Supplemental Pay, increased overtime related to transporting and guarding Federal and State prisoners and increased correctional personnel due to the increase in prison population. Other operating expenditures related to the keeping and maintenance of prisoners also increased due to the increased prison population.

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

**BUDGETARY HIGHLIGHTS**

General Fund

For the fiscal year ended June 30, 2020 budgeted revenues were \$29,952,551 and actual revenues were \$30,471,988 while budgeted expenditures were \$29,813,160 and actual expenditures were \$30,334,940 (budget basis).

**CAPITAL ASSETS**

The Sheriff's investment in capital assets, net of accumulated depreciation as of June 30, 2020 was \$103,347,113. This is a decrease of \$2,133,347 from the prior year. See Note 6 for additional information about changes in capital assets during the fiscal year and capital assets owned at the end of the fiscal year.

The following table provides a summary of capital asset activity for the Sheriff for the years ended June 30, 2020 and 2019:

<u>Capital Assets</u>	<u>Governmental Activities</u>	
	June 30, 2020	June 30, 2019
Assets not being depreciated		
Construction in progress	\$ -	\$ 1,998,507
Land	47,203	47,203
Assets being depreciated		
Buildings and improvements	117,163,557	114,323,744
Equipment and vehicles	13,576,892	13,425,721
Total capital assets	130,787,652	129,795,175
Less accumulated depreciation		
Buildings and improvements	(15,665,993)	(12,785,002)
Equipment and vehicles	(11,774,546)	(11,529,713)
Total accumulated depreciation	(27,440,539)	(24,314,715)
Capital Assets, net	\$ 103,347,113	\$ 105,480,460

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

**LONG-TERM DEBT**

The following is a summary of the Sheriff's long-term debt transactions for the year ended June 30, 2020:

Type of Debt	Beginning Balance	Additions / (Reductions)	Ending Balance
Community disaster loan	\$ 1,490,534	\$ -	\$ 1,490,534
Postemployment benefit obligation payable	38,290,025	(19,114,181)	19,175,844
Bonds payable	10,164,172	(638,897)	9,525,275
Net pension liability	6,587,175	1,852,703	8,439,878
Total Long-Term Debt	56,531,906	(17,900,375)	38,631,531
Less current portion of long-term debt	(1,028,943)	(165,898)	(1,194,841)
Total Long-Term Debt, Net of Current Maturities	<u>\$ 55,502,963</u>	<u>\$ (18,066,273)</u>	<u>\$ 37,436,690</u>

As noted above, total long-term debt decreased by \$18,066,273 or 32% from the prior year. Significant long-term transactions included:

- The Sheriff realized a decrease in Net OPEB Obligation for post-employment health and life benefits based on the actuarial valuation of our program of \$19,114,181 as per GASB 75 on Other Post-Employment Benefits. The Sheriff has chosen to not fund this actuarial liability.
- The Sheriff realized an increase in his share of the unfunded pension obligations of the Louisiana Sheriff's Retirement Fund in the amount of \$1,852,703.
- The Sheriff reduced Bonds Payable by \$638,897 from the prior year.

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

The Plaquemines Parish Sheriff's Office is dependent on Ad Valorem taxes for approximately 55% of its revenue to fund its entire operating expenses. The income from Ad Valorem taxes for 2020-2021 fiscal year is expected to be the same as the prior fiscal year.

The Plaquemines Parish Sheriff's Office operates an 874 bed prison located in Davant, Louisiana. It is the goal of Sheriff Gerald A. Turlich, Jr. to continue to network with State and Federal agencies to increase inmate population in the prison with a combination of State and Federal prisoners and to develop programs that generate revenues and prepare prisoners for their eventual release. The prison programs instituted or maintained by Sheriff Turlich include a re-entry program that provides job skill training for soon to be released prisoners and a work release program that allows select prisoners to work in private industry. Occupancy at the prison steadily increased during the fiscal year ended June 30, 2020. The increase in prisoners was mainly due to increased federal prisoners. This increase has continued through the first six months of the June 20 year end.

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

The budget for the fiscal year ended June 30, 2021 anticipates a budget surplus of \$26,082. Sheriff Turlich continues to strive to identify additional revenue opportunities and cost saving measures while not affecting the delivery of law enforcement services or increase taxes to the citizens of Plaquemines Parish.

**CONTACTING THE SHERIFF'S FINANCIAL MANAGEMENT**

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



## **BASIC FINANCIAL STATEMENTS**

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

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

Statement of Net Position  
June 30, 2020

ASSETS	
Current assets:	
Cash and interest-bearing deposits	\$ 228,005
Investments	3,271,627
Due from other governmental units and others	5,258,887
Prepaid items	<u>839,804</u>
Total current assets	<u>9,598,323</u>
Noncurrent assets:	
Restricted assets -	
Cash and interest-bearing deposits	968,842
Investments	1,116,827
Capital assets:	
Other capital assets, net of depreciation	<u>103,347,113</u>
Total noncurrent assets	<u>105,432,782</u>
Total assets	<u>115,031,105</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pension plan	5,184,137
Deferred outflows related to bond refunding	937,394
Deferred outflows related to post-employment benefits plan	<u>9,160,252</u>
Total deferred outflows of resources	<u>15,281,783</u>
LIABILITIES	
Current liabilities:	
Accounts and other payables	1,288,359
Compensated absences payable	584,339
Accrued interest payable	128,615
Claims payable	322,719
Unearned revenue	17,115
Bonds payable	600,000
Community disaster loan	<u>594,841</u>
Total current liabilities	<u>3,535,988</u>
Noncurrent liabilities:	
Community disaster loan	895,693
Postemployment benefit obligation payable	19,175,844
Bonds payable	8,925,275
Net pension liability	<u>8,439,878</u>
Total noncurrent liabilities	<u>37,436,690</u>
Total liabilities	<u>40,972,678</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pension plan	1,661,340
Deferred inflows related to post-employment benefits plan	<u>20,150,182</u>
Total deferred inflows of resources	<u>21,811,522</u>
NET POSITION	
Net investment in capital assets	94,421,823
Restricted	1,116,827
Unrestricted (deficit)	<u>(28,009,962)</u>
Total net position	<u>\$ 67,528,688</u>

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

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

Statement of Activities  
For the Year Ended June 30, 2020

Expenses:	
Public safety:	
Personal services and related benefits	\$ 16,769,437
Operating services	5,038,611
Operations and maintenance	10,185,329
Travel	160
Interest expense	<u>356,424</u>
Total expenses	<u>32,349,961</u>
Program revenues:	
Fines, forfeitures, and other fees	8,627,798
Federal grants	<u>1,879,197</u>
Total program revenues	<u>10,506,995</u>
Net program expense	<u>(21,842,966)</u>
General revenues:	
Property taxes, levied for general purposes	17,007,100
State sources	1,379,698
Interest and investment earnings	85,290
Loss on sale of assets	(21,040)
Miscellaneous	<u>1,946,924</u>
Total general revenues	<u>20,397,972</u>
Change in net position	(1,444,994)
Beginning net position	<u>68,973,682</u>
Ending net position	<u>\$ 67,528,688</u>

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

**FUND FINANCIAL STATEMENTS (FFS)**

## **FUND DESCRIPTION - MAJOR FUNDS**

### **MAJOR FUNDS**

#### **General Fund**

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

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

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

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

Balance Sheet  
Governmental Funds  
June 30, 2020

	General	Capital Projects Fund - Katrina Projects	Total
ASSETS			
Cash and interest-bearing deposits	\$ 1,163,850	\$ 32,997	\$ 1,196,847
Investments	4,388,454	-	4,388,454
Receivables:			
Due from other governmental units and others	4,021,964	1,236,923	5,258,887
Due from other funds	-	131,828	131,828
Prepaid items	839,804	-	839,804
Total assets	\$ 10,414,072	\$ 1,401,748	\$11,815,820
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 943,215	\$ 100,695	\$ 1,043,910
Salaries and pension liabilities	37,205	-	37,205
Claims payable	322,719	-	322,719
Unearned revenue	192	17,115	17,307
Due to other funds	131,828	-	131,828
Due to others	23,936	-	23,936
Due to employees	183,308	-	183,308
Total liabilities	1,642,403	117,810	1,760,213
Fund balance -			
Nonspendable	839,804	-	839,804
Restricted	1,845,427	1,283,938	3,129,365
Committed	-	-	-
Assigned	250,000	-	250,000
Unassigned	5,836,438	-	5,836,438
Total fund balances	8,771,669	1,283,938	10,055,607
Total liabilities and fund balances	\$ 10,414,072	\$ 1,401,748	\$11,815,820

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

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

Reconciliation of the Governmental Funds Balance Sheet  
to the Statement of Net Position  
June 30, 2020

Total fund balance for governmental funds at June 30, 2020		\$ 10,055,607
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Land	\$ 47,203	
Buildings and improvements, net of \$15,665,993 accumulated depreciation	101,497,564	
Equipment and vehicles, net of \$11,774,546 accumulated depreciation	<u>1,802,346</u>	103,347,113
The deferred outflows of expenditures are not a use of current resources, and are therefore, not reported in the funds:		
Pension plan	5,184,137	
Bond refunding	937,394	
Post-employment benefit obligation	<u>9,160,252</u>	15,281,783
General long-term debt of governmental activities is not payable from current resources and, therefore, not reported in the funds. This debt is:		
Bond payable and underlying bond premium and accrued interest	(9,653,890)	
Community disaster loan	(1,490,534)	
Net postemployment benefit obligation payable	(19,175,844)	
Compensated absences payable	(584,339)	
Net pension liability	<u>(8,439,878)</u>	(39,344,485)
The deferred inflows of contributions are not available resources, and are therefore, not reported in the funds:		
Pension plan	(1,661,340)	
Post-employment benefit obligation	<u>(20,150,182)</u>	(21,811,522)
Other long-term assets are not available to pay for current-period expenditures and therefore are unearned in the funds:		
Federal grant (FEMA funds)		<u>192</u>
Total net position of governmental activities at June 30, 2020		<u>\$ 67,528,688</u>

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



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

Statement of Revenues, Expenditures, and Changes in Fund Balances -  
Governmental Funds  
For the Year Ended June 30, 2020

	General	Capital Projects Fund - Katrina Projects	Total
Revenues:			
Taxes	\$ 17,007,100	\$ -	\$17,007,100
Intergovernmental	2,548,227	909,354	3,457,581
Fees, charges, and commissions for services	8,890,240	-	8,890,240
Interest income	79,497	5,793	85,290
Miscellaneous	<u>1,946,924</u>	<u>-</u>	<u>1,946,924</u>
Total revenues	<u>30,471,988</u>	<u>915,147</u>	<u>31,387,135</u>
Expenditures:			
Current -			
Public safety	17,411,226	-	17,411,226
Operating services	5,038,611	-	5,038,611
Operations and maintenance	6,705,402	-	6,705,402
Travel	160	-	160
Debt service - principal	570,000	-	570,000
Debt service - interest	357,726	-	357,726
Capital outlay	<u>533,790</u>	<u>885,590</u>	<u>1,419,380</u>
Total expenditures	<u>30,616,915</u>	<u>885,590</u>	<u>31,502,505</u>
Excess (deficiency) of revenues over expenditures	(144,927)	29,557	(115,370)
Fund balances, beginning	<u>8,916,596</u>	<u>1,254,381</u>	<u>10,170,977</u>
Fund balances, ending	<u>\$ 8,771,669</u>	<u>\$ 1,283,938</u>	<u>\$10,055,607</u>

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

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

Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
For the Year Ended June 30, 2020

Total net change in fund balance at June 30, 2020 per Statement of Revenues, Expenditures and Changes in Fund Balances		\$ (115,370)
The change in net position reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay which is considered expenditures on the Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 1,419,380	
Depreciation expense for the year ended June 30, 2020	<u>(3,531,687)</u>	(2,112,307)
Because governmental funds do not record fixed assets and accumulated depreciation, any assets disposed of with no selling price do not affect the statement of revenues, expenditures, and changes in fund balance. However, in the statement of activities, a gain or loss is shown on assets that are not fully depreciated.		
		(21,040)
Expenses not required the use of current financial resources and therefore are not reported as expenditures in the governmental funds:		
Net change in bonds payable, unamortized premium, accrued interest and related deferred	571,302	
Net change in compensated absences payable	(85,269)	
Net change in OPEB liability and related deferreds	1,084,321	
Net change in pension liability and related deferreds	<u>(305,503)</u>	1,264,851
Revenues recognized in the Statement of Revenues, Expenditures, and Changes in Fund Balance in a different year as compared to the Statement of Activities:		
Federal grant (FEMA funds)		<u>(461,128)</u>
Total changes in net position at June 30, 2020 per Statement of Activities		<u>\$ (1,444,994)</u>

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

## **FUND DESCRIPTIONS - NONMAJOR FUNDS**

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

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

#### **Civil Fund**

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

#### **Tax Collector Fund**

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

#### **Installment Fines Fund**

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

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

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

#### **Prison Inmate Fund**

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

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

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

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

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

The Plaquemines Parish Retired Employees' Insurance Fund was created during the year ended June 30, 2013. This fund is being used to accumulate funds with the intention of using these funds to pay for retiree benefits that are being accrued under GASB 75. These funds are considered assets for GASB 75 purposes and therefore, reduce the liability as noted on page 43.

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

Statement of Fiduciary Net Position - Agency Funds and Trust Fund  
June 30, 2020

	Agency Funds	Other Post Employment Benefit Plan - PREIF Trust Fund	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 2,582,936	\$ -	\$ 2,582,936
Cash and deposits	-	17,753	17,753
Domestic equity investments	-	238,470	238,470
Fixed income investments	-	337,961	337,961
Total assets	<u>2,582,936</u>	<u>594,184</u>	<u>3,177,120</u>
<b>LIABILITIES</b>			
Held for others pending court action	559,340	-	559,340
Held for inmates	108,600	-	108,600
Held for taxing bodies	1,914,996	-	1,914,996
Total liabilities	<u>2,582,936</u>	<u>-</u>	<u>2,582,936</u>
<b>NET POSITION</b>			
Net position restricted for postemployment benefits other than pensions	-	594,184	594,184
Total net position	<u>\$ -</u>	<u>\$ 594,184</u>	<u>\$ 594,184</u>

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

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

Statement of Changes in Fiduciary Net Position -  
Other Post Employment Benefit Plan - PREIF Trust Fund  
For the Year Ended June 30, 2020

Additions:	
Employer contributions	<u>\$ 1,003,817</u>
Investment income:	
Net decrease in fair value of investments	(687)
Interest and dividends	20,392
Capital gain distributions	3,007
Investment expense	<u>(7,022)</u>
Net investment income	<u>15,690</u>
Total additions	<u>1,019,507</u>
Deductions:	
Benefit payments	<u>1,253,817</u>
Net decrease in net position	(234,310)
Net position, beginning	<u>828,494</u>
Net position, ending	<u>\$ 594,184</u>

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

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

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

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

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

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

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

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

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

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

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

Notes to Basic Financial Statements (Continued)

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

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

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

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

Fund Financial Statements

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

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

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

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

Governmental Funds –

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

Notes to Basic Financial Statements (Continued)

General Fund

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

Capital Projects Fund – Katrina Projects –

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

The Sheriff also reports the following funds:

Agency Funds

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

The individual agency funds used by the Sheriff for the year ended June 30, 2020 are as follows:

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

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

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

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

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



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

Notes to Basic Financial Statements (Continued)

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

Trust Fund –

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

C. Measurement Focus/Basis of Accounting

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

Measurement Focus

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

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

Basis of Accounting

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

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

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

Notes to Basic Financial Statements (Continued)

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

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

Cash, interest-bearing deposits, and investments

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

Interfund receivables and payables

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

Receivables

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

Capital Assets

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

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

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

Notes to Basic Financial Statements (Continued)

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

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

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

Long-term debt

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

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

Compensated Absences

Employees of the Sheriff's office earn from 10 to 25 days of vacation leave each year, depending on their length of service and earn 5 days of sick leave. Both vacation and sick leave must be taken in the calendar year it is earned. Therefore, at December 31 of each year, any unused days are lost. At June 30, 2020, the Sheriff had \$584,339 of accrued benefits.

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively.

Equity Classifications

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

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

Notes to Basic Financial Statements (Continued)

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

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

*Nonspendable* – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

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

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

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

*Unassigned* – all other spendable amounts.

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

Notes to Basic Financial Statements (Continued)

As of June 30, 2020, fund balances are composed of the following:

	General Fund	Capital Projects Fund - Katrina Projects	Total Governmental Funds
Nonspendable:			
Prepaid items	\$ 839,804	\$ -	\$ 839,804
Restricted:			
Bond proceeds and sinking fund	1,845,427	-	1,845,427
Capital projects - FEMA funds	-	1,283,938	1,283,938
Committed:			
	-	-	-
Assigned:			
Emergency preparation	250,000	-	250,000
Unassigned:			
	5,836,438	-	5,836,438
Total fund balances	\$8,771,669	\$ 1,283,938	\$ 10,055,607

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

E. Cash, Interest-Bearing Deposits and Investments

Cash, interest-bearing deposits and investments include amounts in demand deposits, time deposits, and interest-bearing securities invested with the Louisiana Asset Management Pool (LAMP), which are stated at cost. An investment in the amount of \$4,388,454 at June 30, 2020 is deposited in LAMP, a local government investment pool. In accordance with GASB Codification Section I50.165, the investment in LAMP is not categorized into the three risk categories provided by GASB Codification Section I50.164 because the investment is in the pool of funds and thereby not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, and is governed by a board of directors comprised of representatives from various local governments and statewide professional organizations. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP

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

Notes to Basic Financial Statements (Continued)

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

F. Use of Estimates

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

(2) Cash and Interest-Bearing Deposits

Under state law, the Sheriff may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Sheriff may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2020, the Sheriff has cash and interest-bearing deposits (book balances) totaling \$4,373,967 of which \$3,177,120 is attributable to fiduciary funds, which are not presented in the statement of net position.

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Sheriff's deposits may not be recovered or will not be able to recover the collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the pledging financial institution. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the financial institution. These securities are held in the name of the pledging financial institution in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2020, are secured as follows:

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

Notes to Basic Financial Statements (Continued)

Bank balances	<u>\$ 4,675,074</u>
At June 30, 2020 the deposits are secured as follows:	
Federal deposit insurance	\$ 775,221
Pledged securities	<u>3,899,853</u>
Total	<u>\$ 4,675,074</u>

Deposits in the amount of \$3,899,853 were exposed to custodial credit risk. These are uninsured and collateralized with securities held by the pledging financial institution's trust department or agent but not in the Sheriff's name. The Sheriff does not have a policy for custodial credit risk.

(3) Investment

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

At June 30, 2020, the Sheriff's investment, at cost, is \$4,388,454. The amortized cost of this investment at June 30, 2020 was also \$4,388,454.

(4) Ad Valorem Taxes

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

Ad valorem taxes are budgeted and recorded in the year levied and billed. For the year ended June 30, 2020, law enforcement taxes applicable to the Sheriff's General Fund, were levied at the rate of 17.90 mills on property with assessed valuations totaling \$993,528,253.

Total law enforcement taxes levied during 2020 were \$17,784,170. Taxes receivable in the General Fund at June 30, 2020 was \$64,838 and is presented as cash on the statement of net position because the funds were in the hands of the tax collector at June 30, 2020.

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

Notes to Basic Financial Statements (Continued)

(5) Due from Other Governmental Units and Others

Amounts due from other governmental units at June 30, 2020 consist of the following:

Federal grants	\$ 3,515,935
State grants	27,949
Maintenance of prisoners	1,255,543
Video poker	30,894
Re-entry program reimbursement	135,628
Other	<u>292,938</u>
	<u>\$ 5,258,887</u>

(6) Capital Assets

Capital asset activity for the year ended June 30, 2020 was as follows:

	Balance 07/01/19	Additions	Deletions	Balance 06/30/20
Governmental activities:				
Assets not being depreciated:				
Construction in progress	\$ 1,998,507	\$ 885,590	\$ (2,884,097)	\$ -
Land	47,203	-	-	47,203
Assets being depreciated:				
Buildings and improvements	114,323,744	2,884,097	(44,284)	117,163,557
Equipment and vehicles	13,425,721	533,790	(382,619)	13,576,892
Totals	<u>129,795,175</u>	<u>4,303,477</u>	<u>(3,311,000)</u>	<u>130,787,652</u>
Less accumulated depreciation:				
Buildings and improvements	(12,785,002)	(2,906,877)	25,886	(15,665,993)
Equipment and vehicles	(11,529,713)	(624,810)	379,977	(11,774,546)
Total accumulated depreciation	<u>(24,314,715)</u>	<u>(3,531,687)</u>	<u>405,863</u>	<u>(27,440,539)</u>
Governmental activities, capital assets, net	<u>\$ 105,480,460</u>	<u>\$ 771,790</u>	<u>\$ (2,905,137)</u>	<u>\$ 103,347,113</u>

Depreciation expense was charged to governmental activities as operations and maintenance in the amount of \$3,531,687.



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

Notes to Basic Financial Statements (Continued)

(7) Accounts and Other Payables

The accounts and other payables consisted of the following at June 30, 2020:

Accounts	\$1,043,910
Due to employees	220,513
Due to others	<u>23,936</u>
Totals	<u>\$1,288,359</u>

(8) Short-Term Debt

The Sheriff borrowed \$2,500,001 from Mississippi River Bank during the course of the fiscal year ended June 30, 2020 to cover general operating expenditures. This was a revenue anticipation note, bearing interest at 3.67%. The principal and interest due was paid before June 30, 2020.

(9) Long-Term Debt

The following is a summary of long-term debt transactions of the Sheriff for the year ended June 30, 2020:

Long-term debt, June 30, 2019	\$ 11,654,706
Debt assumed	-
Debt retired	<u>(638,897)</u>
Long-term debt, June 30, 2020	<u>\$ 11,015,809</u>

The General Fund has historically paid this debt.

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

Notes to Basic Financial Statements (Continued)

\$3,163,271 Community Disaster Loan due in annual installments of \$163,648 to \$180,000; interest rate of 2.69 percent; full maturity at September, 2026	\$ 1,490,534
\$8,875,000 Series 2016 Limited Tax Refunding Bonds due in annual installments of \$55,000 to \$885,000; interest rates of 2.0 percent to 4.0 percent; full maturity at September, 2031, including unamortized premium	<u>9,525,275</u>
Total long-term debt	11,015,809
Less: Current portion	<u>(1,194,841)</u>
Net long-term portion	<u>\$ 9,820,968</u>

The annual requirements to amortize all debt outstanding as of June 30, 2020 are as follows:

Year Ending June 30,	Principal	Interest	Total
2021	\$ 1,194,841	\$ 554,101	\$ 1,748,942
2022	754,554	320,219	1,074,773
2023	778,308	297,715	1,076,023
2024	802,163	274,510	1,076,673
2025	826,121	247,227	1,073,348
2026-2029	4,109,548	751,448	4,860,996
2031-2032	<u>1,735,000</u>	<u>70,100</u>	<u>1,805,100</u>
	10,200,535	2,515,320	12,715,855
Add: Unamortized premium	<u>815,274</u>	<u>-</u>	<u>815,274</u>
	<u>\$11,015,809</u>	<u>\$ 2,515,320</u>	<u>\$ 13,531,129</u>

(10) Risk Management

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

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

Notes to Basic Financial Statements (Continued)

A. Health Care Liability

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

The General Fund of the Sheriff recognizes the assets, liabilities, revenues and expenditures of the group hospitalization insurance plan. The claims liability of \$177,258 reported in the fund at June 30, 2020, is based on the loss that is probable to have existed at the date of the financial statements and the amount of the loss that can be reasonably reduced by estimated insurance reimbursements. The Sheriff currently does not discount its claims liabilities.

B. Workers' Compensation

The Sheriff established a limited risk management program for workers' compensation. The Sheriff hired Gulf South Risk Services, Inc. as the administrator for this program. The liability for these claims is \$25,015 and is part of the claims payable balance at June 30, 2020.

A reconciliation of changes in liabilities is as follows:

	Balance at Beginning of Fiscal Year	Claims and Changes in Estimates	Benefit Payments and Claims	Balance at Fiscal Year-End
Group hospitalization				
2018-2019	114,314	3,160,603	(3,136,763)	138,154
2019-2020	138,154	3,723,693	(3,684,589)	177,258
Workers' Compensation				
2018-2019	62,317	(94,101)	(59,583)	(91,367)
2019-2020	(91,367)	141,594	(25,212)	25,015

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

Notes to Basic Financial Statements (Continued)

Claims payable for group hospitalization of \$177,258 at June 30, 2020 was determined as follows:

1. Claims incurred prior to June 30, 2020 and paid subsequently	\$ 179,278
2. Provision for claims incurred but not reported	-
3. Health insurance receivable	<u>(2,020)</u>
Total claims payable	<u>\$ 177,258</u>

The provision for claims incurred but not reported was estimated at June 30, 2020 based on historical information.

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

(11) Changes in Agency Fund Balances

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

	Civil Fund	Tax Collector Fund	Installment Fines Fund	Bonds and Fines Fund	Prison Inmate Fund
Balances, June 30, 2019	\$ 60,983	\$ 2,992,658	\$ 323,966	\$ 191,270	\$ 56,531
Additions	574,448	68,569,537	73,447	675,193	1,365,448
Deletions	<u>(566,727)</u>	<u>(69,647,199)</u>	<u>(85,385)</u>	<u>(687,855)</u>	<u>(1,313,379)</u>
Balances, June 30, 2020	<u>\$ 68,704</u>	<u>\$ 1,914,996</u>	<u>\$ 312,028</u>	<u>\$ 178,608</u>	<u>\$ 108,600</u>
		Transitional Work Release Fund			
Balances, June 30, 2019	\$ 6,053				
Additions	238,838				
Deletions	<u>(244,891)</u>				
Balances, June 30, 2020	<u>\$ -</u>				

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

Notes to Basic Financial Statements (Continued)

(12) Operating Leases

Rental expense for the year ended June 30, 2020 was \$127,575. The Sheriff had the following outstanding lease agreements at June 30, 2020:

<u>Description</u>	<u>Term</u>	<u>Expiration Date</u>	<u>Monthly Lease Amount</u>
Copier	5 Years	12/21	\$ 127
Copier	5 Years	12/21	125
Copier	5 Years	7/21	166
Copier	4 Years	12/24	138
Copier	5 Years	1/25	295
Copier	5 Years	1/25	554
Copier	5 Years	1/25	165
Copier	5 Years	2/25	138
Copier	5 Years	3/25	205

The minimum future payments for these arrangements are as follows:

<u>Year Ended June 30</u>	
2021	\$ 22,956
2022	19,618
2023	17,940
2024	17,940
2025	10,875
	<u>\$ 89,329</u>

(13) Commitments and Contingencies

A. Contingent Liabilities

At June 30, 2020, the Sheriff is involved in several lawsuits claiming damages. On several claims, the Sheriff feels that they may have to satisfy a portion of their deductible of \$25,000; accordingly, \$120,446 has been accrued for these claims. The other claims are either premature for estimation of possible loss or management believes there is no exposure. Therefore, no accrual has been recorded for these claims.

B. Grant Audit

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already

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

Notes to Basic Financial Statements (Continued)

collected, may constitute a liability. The amount, if any, of expenditures which may be disallowed by grantor agencies cannot be determined. A receivable of \$3,026,172 is included in due from other governmental units. This balance represents the amount expected to be reimbursed by the FEMA Public Assistance Grant for expenditures incurred in years ended June 30, 2006 through June 30, 2020.

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

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

(15) Interfund Transactions

A. Receivables and Payables

Interfund receivables and payables consisted of the following at June 30, 2020:

	Receivables	Payables
Major funds		
Governmental Funds:		
General Fund	\$ -	\$ 131,828
Capital Projects Fund - Katrina Projects	131,828	-
Total	\$ 131,828	\$ 131,828

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

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

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

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

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

Notes to Basic Financial Statements (Continued)

*Plan Membership* – At June 30, 2020, the Plan’s membership consisted of the following:

Inactive members or beneficiaries currently receiving benefit payments	58
Inactive members entitled to but not yet receiving benefit payments	-
Active plan members	248
	306

*Benefits Provided* – Medical and life insurance benefits are provided to employees upon actual retirement. The employer pays a 100% of the medical coverage for the retiree. Retirees pay \$180 per month for dependent coverage prior to Medicare eligibility and \$39.70 per month for Medicare dependents. Employees are covered by a retirement system whose retirement eligibility (D.R.O.P. entry) provisions as follows: age 55 and 12 years of service; or, 30 years of service at any age. Employees first eligible for the retirement system on and after January 1, 2012 are eligible for retirement (D.R.O.P. entry) as follows: age 62 and 12 years of service; or, age 60 and 20 years of service; or age 55 and 30 years of service. At least 12 years of service with Plaquemines Parish Sheriff’s Office is required for retiree medical benefits.

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

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

**Investments**

*Investment policy* – The Investment Management Board consist of Chairman which is the Sheriff, two Sheriff employee members and the Sheriff’s Office legal member. The Investment Management Board meets with the Trust’s investment advisor on a quarterly basis to review the asset allocation and make any changes deemed necessary. These are public meetings that are advertised prior to the meeting dates and times. The following was the asset allocation policy as of June 30, 2020:

Asset Class	Target Allocation
Equities	41.71%
Bonds	50.67%
Long/Short Alt	4.96%
Cash	2.66%

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

- 5.07% – T. Rowe Blue Chip Growth
- 6.00% – Vanguard Equity Income
- 10.06% – Vanguard Total Stock Market
- 6.02% – American Funds Europacific Growth

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

Notes to Basic Financial Statements (Continued)

5.08% – Vanguard Total International Stock Index  
 5.99% – Artisan High Income  
 6.83% – Eaton Vance Floating Rate Advantage  
 8.07% – Templeton Global Bond  
 19.88% – Fidelity Government Income  
 9.86% – Vanguard Short-Term Federal  
 5.01% – Merger Fund Institutional Class

*Rate of Return* – For the year ended June 30, 2020, the annual money-weighted rate of return on investments, net of investment expense, was 2.96%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Net OPEB Liability**

The components of the net OPEB liability of the Sheriff at June 30, 2020 , were as follows:

Total OPEB liability	\$ 19,770,028
Plan fiduciary net position	<u>(594,184)</u>
Sheriff's net OPEB liability	<u>\$ 19,175,844</u>
Plan fiduciary net position as a percentage of the total OPEB liability	3.01%

The Sheriff's net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

*Actuarial Assumptions* – The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	4.0%, including inflation
Discount rate	3.50% annually (beginning of year to determine ADC) 2.10% annually (as of end of year measurement date)
Healthcare cost trend rates	5.5% annually for ten years, 4.5% after
Mortality	SOA RP-2000 Table

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2008 to June 30, 2019.

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



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

Notes to Basic Financial Statements (Continued)

future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2019 are summarized in the following table:

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

*Discount Rate* – The discount rate used to measure the total OPEB liability was 2.10%. The projection of cash flows used to determine the discount rate assumed that the Sheriff contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB’s plan fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**Changes in the Net OPEB Liability**

	<u>Increases (Decreases)</u>		
	<u>Total OPEB Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net OPEB Liability (a) - (b)</u>
Balances at 06/30/2019	\$ 39,118,519	\$ 828,494	\$ 38,290,025
Service Cost	1,014,957	-	1,014,957
Interest Cost at 3.50%	1,347,206	-	1,347,206
Difference between expected and actual experience	(22,957,705)	-	(22,957,705)
Employer contributions			
Trust	-	-	-
Net investment income	-	22,712	(22,712)
Changes of assumptions	2,500,868	-	2,500,868
Benefit payments			
a. From Trust	(250,000)	(250,000)	-
b. Direct	(1,003,817)	-	(1,003,817)
Administrative expense			
a. From Trust	-	(7,022)	7,022
b. Direct	-	-	-
Net changes:	<u>(19,348,491)</u>	<u>(234,310)</u>	<u>(19,114,181)</u>
Balances at 06/30/2020	<u>\$ 19,770,028</u>	<u>\$ 594,184</u>	<u>\$ 19,175,844</u>

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

Notes to Basic Financial Statements (Continued)

*Sensitivity of the net OPEB liability to Changes in the Discount Rate* – The following represents the net OPEB liability of the Sheriff, as well as what the Sheriff’s net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (1.10%) or 1-percentage point higher (3.10%) than the current discount rate:

	<u>1.0% Decrease</u> 1.10%	<u>Current</u> Discount Rate 2.10%	<u>1.0% Increase</u> 3.10%
Net OPEB liability	<u>\$22,148,189</u>	<u>\$ 19,175,844</u>	<u>\$17,214,312</u>

*Sensitivity of the net OPEB liability to Changes in the Healthcare Cost Trend Rate* – The following represents the net OPEB liability of the Sheriff, as well as what the Sheriff’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower (4.50%) or 1-percentage point higher (6.50%) than the current healthcare trend rates:

	<u>1.0% Decrease</u> 4.50%	<u>Current</u> Trend Rate 5.50%	<u>1.0% Increase</u> 6.50%
Net OPEB liability	<u>\$17,097,408</u>	<u>\$ 19,175,844</u>	<u>\$ 22,288,634</u>

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

For the year ended June 30, 2020, the Sheriff recognized OPEB expense of \$(80,504). At June 30, 2020, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows</u> <u>of Resources</u>	<u>Deferred Inflows</u> <u>of Resources</u>
Differences between expected and actual experiences	\$ 1,430	\$ 21,522
Changes of assumptions	7,571,251	-
Net difference between projected and actual earnings on OPEB plan investments	<u>1,587,571</u>	<u>20,128,660</u>
Total	<u>\$ 9,160,252</u>	<u>\$ 20,150,182</u>

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

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

Notes to Basic Financial Statements (Continued)

Fiscal Year Ended	
2021	\$ (2,425,190)
2022	(2,425,190)
2023	(2,422,380)
2024	(2,417,080)
2025	(2,417,437)
Thereafter	1,117,347
	\$ (10,989,930)

There was no payable for outstanding contributions to OPEB plan at June 30, 2020.

(17) Ex-officio Tax Collector

The amount of cash on hand at year end was \$1,914,996. The amount of taxes collected by taxing authority was:

Plaquemines Parish Government	\$ 16,157,002
Plaquemines Parish School Board	26,032,332
Plaquemines Parish Assessor	1,040,523
Plaquemines Parish Hospital Service Districts	5,665,067
Plaquemines Parish Law Enforcement	17,245,697
Louisiana Tax Commission	97,999
	\$ 66,238,620

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

	LTC Decreases	No Property Found	Unpaid	Bankruptcies
Plaquemines Parish Government	\$ 24,668	\$ 77,978	\$ 394,950	\$ 13,257
Plaquemines Parish School Board	39,745	125,639	636,348	21,359
Plaquemines Parish Assessor	1,588	5,022	25,435	854
Plaquemines Parish Hospital Service Districts	8,649	27,341	138,480	4,648
Plaquemines Parish Law Enforcement	26,330	83,232	421,563	14,150
Louisiana Tax Commission	-	-	-	-
	\$ 100,980	\$ 319,212	\$ 1,616,776	\$ 54,268

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

Notes to Basic Financial Statements (Continued)

The amount of occupational licenses collected by taxing authority was:

Plaquemines Parish Government	\$ 677,374
Plaquemines Parish Law Enforcement	119,536
	<u>\$ 796,910</u>

(18) Pension Plan / GASB 68

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Sheriffs' Pension and Relief Fund (Fund) and additions to/deductions from the Fund's fiduciary net position have been determined on the same basis as they are reported by the Fund. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The Sheriffs' Pension and Relief Fund (Fund) is a cost-sharing, multiple-employer defined benefit pension plan established in accordance with the provisions of Louisiana Revised Statute 11:2171 to provide retirement, disability, and survivor benefits to employees of sheriff's offices throughout the State of Louisiana, employees of the Louisiana Sheriffs' Association, and the Sheriffs' Pension and Relief Fund's office.

Summary of Significant Accounting Policies:

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

Basis of Accounting:

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

Fund Employees:

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

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

Notes to Basic Financial Statements (Continued)

Plan Fiduciary Net Position:

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

Plan Description:

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

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

Retirement Benefits

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

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

For a member whose first employment making him eligible for membership in the system began on or before June 30, 2006, final average compensation is based on the average

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

Notes to Basic Financial Statements (Continued)

monthly earnings during the highest thirty-six consecutive months or joined months if service was interrupted. The earnings to be considered for each twelve-month period within the thirty-six month period shall not exceed 125% of the preceding twelve-month period.

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

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

Disability Benefits

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

Survivor Benefits

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

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

Notes to Basic Financial Statements (Continued)

Deferred Benefits

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

Back Deferred Retirement Option Plan (Back-DROP)

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

Permanent Benefit Increases/Cost-of-Living Adjustments

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

Employer Contributions:

According to state statute, contribution requirements for all employers are actuarially determined each fiscal year. For the year ending June 30, 2019, the actual employer contribution rate was 12.25% with an additional 0% allocated from the Funding Deposit Account.

In accordance with state statute, the Fund receives ad valorem taxes, insurance premium taxes, and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities but are not considered special funding situations. Non-employer contributions are recognized as revenue in the amount of \$755,814 and excluded from pension expense for the year ended June 30, 2019.

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

Notes to Basic Financial Statements (Continued)

Schedule of Employer Allocations:

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

The allocation method used in determining each employer's proportion was based on each employer's contributions to the Fund during the fiscal year ended June 30, 2019 as compared to the total of all employers' contributions received by the Fund during the fiscal year ended June 30, 2019.

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

At June 30, 2020, the Sheriff reported a liability of \$8,439,878 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019 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, 2019, the Sheriff's proportion was 1.784243%, which was an increase of 0.066439% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the Sheriff recognized pension expense of \$2,684,570 less employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$7,303.

At June 30, 2020, 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 experiences	\$ -	\$ 1,616,910
Changes of assumptions	2,579,345	-
Net difference between projected and actual earnings on pension plan investments	303,713	-
Change in proportion and differences between employer contributions and proportionate share of contributions	685,128	44,430
Employer contributions subsequent to the measurement date	<u>1,615,951</u>	<u>-</u>
Total	<u>\$ 5,184,137</u>	<u>\$ 1,661,340</u>



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

Notes to Basic Financial Statements (Continued)

Deferred outflows of resources of \$1,615,951 related to pensions resulting from the Sheriff's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ended		
2021		\$ 699,001
2022		(116,754)
2023		521,756
2024		597,798
2025		205,045
		\$ 1,906,846

Actuarial Assumptions:

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

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2019 are as follows:

Valuation Date	June 30, 2019
Actuarial Cost Method	Entry Age Normal Method
Actuarial Assumptions:	
Investment Rate of Return	7.10%, net of investment expense
Discount Rate	7.10%
Projected Salary Increases	5.5% (2.50% inflation, 3.00% merit)
Mortality Rates	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Table for active members, healthy annuitants, and beneficiaries.
	RP-2000 Disabled Lives Mortality Table for disabled annuitants.

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

Notes to Basic Financial Statements (Continued)

Expected Remaining Service Lives	2019 - 6 years
	2018 - 6 years
	2017 - 7 years
	2016 - 7 years
	2015 - 6 years
	2014 - 6 years

Cost-of-Living Adjustments

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

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

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

Estimates of arithmetic real rates of return for each major asset class based on the Fund's target asset allocation as on June 30, 2019 were as follows:

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

Notes to Basic Financial Statements (Continued)

Asset Class	Long-Term Expected Rate of Return		
	Target Asset Allocation	Real Return Arithmetic Basis	Long-term Expected Portfolio Real Rate of Return
Equity Securities	62%	7.1%	4.4%
Bonds	23%	3.0%	0.7%
Alternative Investments	15%	4.6%	0.6%
Totals	100%		5.7%
Inflation			<u>2.4%</u>
Expected Arithmetic Nominal Return			<u>8.1%</u>

The discount rate used to measure the total pension liability was 7.10%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the Fund's actuary. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity to Changes in the Discount Rate:

The following presents the employer's proportionate share of the net pension liability using the discount rate of 7.10%, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.10%) or one percentage-point higher (8.10%) than the current rate as of June 30, 2019 :

	Changes in discount rate		
	1.0% Decrease 6.10%	Current Discount Rate 7.10%	1.0% Increase 8.10%
Employer's proportionate share of the net pension liability	<u>\$17,649,075</u>	<u>\$ 8,439,878</u>	<u>\$ 689,499</u>

Change in Net Pension Liability:

The changes in the net pension liability for the year ended June 30, 2019 were recognized in the current reporting period except as follows:

- a. Differences between Expected and Actual Experience: The differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability were recognized as pension expense using the

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

Notes to Basic Financial Statements (Continued)

straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The difference between expected and actual resulted in a deferred inflow of resources in the amount of \$1,616,910 for the year ended June 30, 2020.

- b. Changes of Assumptions: The changes of assumptions about future economic or demographic factors were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The changes of assumptions resulted in a deferred outflow of resources in the amount of \$2,579,345 for the year ended June 30, 2020 .
- c. Differences between Projected and Actual Investment Earnings: The differences between projected and actual investment earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed five-year period. The differences between projected and actual investment earnings resulted in a deferred outflow of resources in the amount of \$303,713 for the year ended June 30, 2020.
- d. Change in Proportion: Changes in the employer's proportionate shares of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in the employer's pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan. The change in proportion resulted in a deferred outflow of resources in the amount of \$685,128 and deferred inflow of resources in the amount of \$44,430 for the year ended June 30, 2020.

Contributions - Proportionate Share:

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

Estimates:

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

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

Notes to Basic Financial Statements (Continued)

Retirement Fund Audit Report:

The Sheriffs' Pension and Relief Fund has issued a stand-alone audit report on their financial statements for the year ended June 30, 2019. Access to the report can be found on the Louisiana Legislative Auditor's website, [www.lla.la.gov](http://www.lla.la.gov).

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

Under Act 706, the Plaquemines Parish Sheriff's Office is required to disclose the compensation, reimbursements, benefits, and other payments made to the Sheriff, in which the payments are related to the position. The following is a schedule of payments made to the Sheriff for the year ended June 30, 2020.

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

Salary and allowance	\$	165,869
Benefits - insurance		36,916
Benefits - retirement		43,463
Benefits - life insurance		1,231
Registration fees		750
Travel		<u>2,266</u>
 Total	 \$	 <u>250,495</u>

(20) Excess of Expenditures Over Appropriations

For the year ended June 30, 2020, the following fund had actual expenditures over appropriations:

Fund	Final Budget	Actual	Excess
General Fund	\$ 29,813,160	\$ 30,616,915	\$ (803,755)

(21) New Accounting Pronouncement

In January of 2017, the Governmental Accounting Standards Board (GASB) issued Statement No.84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. On May 8, 2020, the GASB agreed to delay the effective date of the standard by one year. Therefore, the new standard will be effective for fiscal year ending June 30, 2021. The effect of implementation on the Plaquemines Parish Sheriff's Office financial statements has not yet been determined.

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

Notes to Basic Financial Statements (Continued)

(22) Subsequent Event

The COVID-19 outbreak in the United States has caused business disruption through mandated closing, reduction of operating hours, or operational restrictions for nonessential businesses, including retail stores, restaurants, personal service businesses and all entertainment venues. While the disruption is expected to be temporary, there is still an uncertainty about the duration of and the implications of the closings. The Plaquemines Parish Sheriff expects this matter to negatively impact availability of resources and operating results. The financial impact cannot be reasonably estimated at this time.

The Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into law on March 27, 2020. This Act provides for reimbursement of eligible expenditures to certain state and local governments impacted by the COVID-19 outbreak. Plaquemines Parish Sheriff received \$277,163 of funding in September 2020 for eligible expenditures incurred through June 30, 2020. These funds were accrued at June 30, 2020. In addition, Plaquemines Parish Sheriff is expected to receive \$1,285,706 of additional funding. These funds will be reflected as revenue on the financial statements for the year ended June 30, 2021.

(23) Tax Abatements

The parish is subject to certain property tax abatements granted by the Louisiana Board of Commerce and Industry ("LBCI"), a state entity governed by board members representing major economic groups and gubernatorial appointees. Abatements to which the Parish may be subject include those issued for property taxes under the Industrial Tax Exemption Program ("ITEP") and the Restoration Tax Abatement Program ("RTAP"). For the year ended June 30, 2020, the Sheriff had abatements of ad valorem taxes through ITEP.

ITEP is authorized by Article 7, Section 21(F) of the Louisiana Constitution. Companies qualifying as manufacturers can apply to the LBCI for a property tax exemption on all new property, as defined, used in the manufacturing process. Under ITEP, companies are required to promise to expend or build manufacturing facilities in Louisiana, with a minimum investment of \$5 million. The exemptions are granted for a 5 year term and are renewable for an additional 5 year term upon approval by LBCI. These state-granted abatements have resulted in reductions of property taxes, which the Plaquemines Parish 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 Parish may recapture abated taxes if a company fails to expend facilities or otherwise fail to fulfill its commitments under the agreement. For the year ended June 30, 2020, approximately \$470,000 in ad valorem tax revenues were abated by the state of Louisiana through ITEP.

**REQUIRED  
SUPPLEMENTARY INFORMATION**

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

Budgetary Comparison Schedule  
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments to Budget Basis	Actual Budget Basis	Variance with Final Budget Positive (Negative)
Revenues:						
Taxes	\$ 16,728,000	\$ 16,965,000	\$ 17,007,100	\$ -	\$ 17,007,100	\$ 42,100
Intergovernmental	1,359,233	2,020,303	2,548,227	-	2,548,227	527,924
Fees, charges, and commissions for services	7,230,660	8,582,007	8,890,240	-	8,890,240	308,233
Interest Income	65,000	75,000	79,497	-	79,497	4,497
Miscellaneous	1,995,500	2,310,241	1,946,924	-	1,946,924	(363,317)
Total revenues	<u>27,378,393</u>	<u>29,952,551</u>	<u>30,471,988</u>	<u>-</u>	<u>30,471,988</u>	<u>519,437</u>
Expenditures:						
Current:						
Public safety -						
Personal services and related benefits	16,230,338	17,340,674	17,411,226	-	17,411,226	(70,552)
Operating services	3,966,190	4,726,967	5,038,611	-	5,038,611	(311,644)
Operations and maintenance	6,010,500	6,540,888	6,705,402	-	6,705,402	(164,514)
Travel	-	160	160	-	160	-
Debt service	967,150	927,726	927,726	-	927,726	-
Capital outlay	192,000	276,745	533,790	(281,975)	251,815	24,930
Total expenditures	<u>27,366,178</u>	<u>29,813,160</u>	<u>30,616,915</u>	<u>(281,975)</u>	<u>30,334,940</u>	<u>(521,780)</u>
Excess (deficiency) of revenues over expenditures	<u>12,215</u>	<u>139,391</u>	<u>(144,927)</u>	<u>281,975</u>	<u>137,048</u>	<u>(2,343)</u>
Fund balance, beginning	<u>8,743,253</u>	<u>8,916,596</u>	<u>8,916,596</u>	<u>-</u>	<u>8,916,596</u>	<u>-</u>
Fund balance, ending	<u>\$ 8,755,468</u>	<u>\$ 9,055,987</u>	<u>\$ 8,771,669</u>	<u>\$ 281,975</u>	<u>\$ 9,053,644</u>	<u>\$ (2,343)</u>



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

Budgetary Comparison Schedule - Revenues  
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments to Budget Basis	Actual Budget Basis	Variance with Final Budget Positive (Negative)
Taxes:						
Ad valorem	\$ 16,728,000	\$16,965,000	\$17,007,100	\$ -	\$17,007,100	\$ 42,100
Intergovernmental:						
Federal grants	31,500	672,849	1,175,353	-	1,175,353	502,504
Refuge revenue sharing (payment in lieu)	10,000	4,500	4,698	-	4,698	198
State of Louisiana -						
Revenue sharing	221,733	217,800	217,807	-	217,807	7
Poker machines	180,000	150,000	178,319	-	178,319	28,319
Supplemental pay	852,000	909,875	908,687	-	908,687	(1,188)
Grants	64,000	65,279	63,363	-	63,363	(1,916)
Total intergovernmental	<u>1,359,233</u>	<u>2,020,303</u>	<u>2,548,227</u>	<u>-</u>	<u>2,548,227</u>	<u>527,924</u>
Fees, charges, and commissions for services:						
Feeding and keeping prisoners	5,472,000	6,976,870	6,934,037	-	6,934,037	(42,833)
Re-entry program prisoners	1,100,000	1,000,000	908,412	-	908,412	(91,588)
Civil and criminal fees	487,750	428,550	434,744	-	434,744	6,194
Reimbursements from parish council	164,910	171,587	198,102	-	198,102	26,515
Commissary sales commissions	-	-	410,055	-	410,055	410,055
Witness fees	6,000	5,000	4,890	-	4,890	(110)
Total fees, charges, and commissions for services	<u>7,230,660</u>	<u>8,582,007</u>	<u>8,890,240</u>	<u>-</u>	<u>8,890,240</u>	<u>308,233</u>
Interest income	<u>65,000</u>	<u>75,000</u>	<u>79,497</u>	<u>-</u>	<u>79,497</u>	<u>4,497</u>
Miscellaneous:						
Contraband	10,000	35,064	40,887	-	40,887	5,823
Sale of assets	5,500	54,569	70,895	-	70,895	16,326
Miscellaneous	1,980,000	2,206,680	1,816,177	-	1,816,177	(390,503)
Donations	-	13,928	18,965	-	18,965	5,037
Total miscellaneous	<u>1,995,500</u>	<u>2,310,241</u>	<u>1,946,924</u>	<u>-</u>	<u>1,946,924</u>	<u>(363,317)</u>
Total revenues	<u>\$ 27,378,393</u>	<u>\$29,952,551</u>	<u>\$30,471,988</u>	<u>\$ -</u>	<u>\$30,471,988</u>	<u>\$ 519,437</u>

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

Budgetary Comparison Schedule - Expenditures  
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments to Budget Basis	Actual Budget Basis	Variance with Final Budget Positive (Negative)
Current:						
Public Safety -						
Personal services and related benefits:						
Sheriff's salary and expense allowance	\$ 160,338	\$ 160,338	\$ 165,869	\$ -	\$ 165,869	\$ (5,531)
Deputies' salaries	12,932,000	14,032,296	14,018,326	-	14,018,326	13,970
Pension and payroll taxes	3,138,000	3,148,040	3,227,031	-	3,227,031	(78,991)
Total personnel service and related benefits	<u>16,230,338</u>	<u>17,340,674</u>	<u>17,411,226</u>	-	<u>17,411,226</u>	<u>(70,552)</u>
Operating services:						
Hospitalization insurance	2,700,000	2,600,112	2,796,581	-	2,796,581	(196,469)
Hospitalization reinsurance/admin. fee	-	798,840	786,032	-	786,032	12,808
Life insurance	205,000	205,295	206,193	-	206,193	(898)
Auto insurance	305,000	339,000	459,952	-	459,952	(120,952)
Deputy liability insurance	293,000	298,000	326,340	-	326,340	(28,340)
Other liability insurance	463,190	485,720	463,513	-	463,513	22,207
Total operating services	<u>3,966,190</u>	<u>4,726,967</u>	<u>5,038,611</u>	-	<u>5,038,611</u>	<u>(311,644)</u>
Operations and maintenance:						
Auto fuel and oil	860,450	712,746	796,007	-	796,007	(83,261)
Auto maintenance	350,000	320,000	344,773	-	344,773	(24,773)
Deputy uniforms, supplies, etc.	275,000	235,850	231,622	-	231,622	4,228
Office supplies and expenses	400,500	401,470	409,482	-	409,482	(8,012)
Recordation expenses	20,000	45,000	23,695	-	23,695	21,305
Leases and rentals	90,000	128,855	127,575	-	127,575	1,280
Utilities	595,000	569,675	482,039	-	482,039	87,636
Commissary	3,000	500	108	-	108	392
Telephone	107,000	94,550	103,076	-	103,076	(8,526)
Prisoner feeding and maintenance	1,608,500	1,894,250	1,907,362	-	1,907,362	(13,112)
Legal fees	35,000	37,000	36,529	-	36,529	471
Other professional fees	1,000,000	989,302	955,837	-	955,837	33,465
Criminal investigation expense	50,000	57,000	60,056	-	60,056	(3,056)
Equipment maintenance	206,750	405,050	429,410	-	429,410	(24,360)
Boat and computer maintenance	132,500	46,200	42,475	-	42,475	3,725
Witness fees	1,000	-	-	-	-	-
Membership dues	65,000	178,000	176,932	-	176,932	1,068
Grant expenses	18,500	61,295	104,199	-	104,199	(42,904)
Other	192,300	364,145	474,225	-	474,225	(110,080)
Total operations and maintenance	<u>6,010,500</u>	<u>6,540,888</u>	<u>6,705,402</u>	-	<u>6,705,402</u>	<u>(164,514)</u>

(continued)

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

Budgetary Comparison Schedule - Expenditures (Continued)  
 For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments to Budget Basis	Actual Budget Basis	Variance with Final Budget Positive (Negative)
Travel	-	160	160	-	160	-
Debt service:						
Interest	407,150	357,726	357,726	-	357,726	-
Bond principal payments	560,000	570,000	570,000	-	570,000	-
Total debt service	967,150	927,726	927,726	-	927,726	-
Capital outlay:						
Equipment	192,000	276,745	533,790	(281,975)	251,815	24,930
Total capital outlay	192,000	276,745	533,790	(281,975)	251,815	24,930
Total expenditures	<u>\$ 27,366,178</u>	<u>\$ 29,813,160</u>	<u>\$ 30,616,915</u>	<u>\$ (281,975)</u>	<u>\$ 30,334,940</u>	<u>\$ (521,780)</u>

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

Schedule of Employer's Share of Net Pension Liability  
For the Year Ended June 30, 2020

Year ended June 30,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	1.524730%	\$ 6,037,939	\$ 9,570,338	63.09%	87.34%
2016	1.579899%	7,042,427	10,479,675	67.20%	86.61%
2017	1.627864%	10,331,882	11,117,371	92.93%	82.10%
2018	1.612011%	6,980,449	11,165,492	62.52%	88.49%
2019	1.717804%	6,587,175	11,823,187	55.71%	90.41%
2020	1.784243%	8,439,878	12,450,366	67.79%	88.90%

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

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

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

Schedule of Employer's Contributions  
For the Year Ended June 30, 2020

Year ended June 30,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2015	\$ 1,493,354	\$ 1,493,354	\$ -	\$ 10,479,675	14.25%
2016	1,528,639	1,528,639	-	11,117,371	13.75%
2017	1,479,428	1,479,428	-	11,165,492	13.25%
2018	1,507,456	1,507,456	-	11,823,187	12.75%
2019	1,525,170	1,525,170	-	12,450,366	12.25%
2020	1,615,951	1,615,951	-	13,191,439	12.25%

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

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

Schedule of Changes in the Sheriff's Total OPEB Liability and Related Ratios  
For the Year Ended June 30, 2020

	2017	2018	2019	2020
<b>Total OPEB Liability:</b>				
<b>Beginning total OPEB liability</b>	\$ 26,936,857	\$ 28,601,349	\$ 34,047,695	\$ 39,118,519
Service cost	681,207	752,735	1,003,163	1,014,957
Interest	1,616,211	1,692,533	1,293,440	1,347,206
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(632,926)	(554,619)	1,831,813	(22,957,705)
Changes of assumptions	-	4,340,624	2,193,337	2,500,868
Benefit payments	-	(784,927)	(1,250,929)	(1,253,817)
Net change in total OPEB liability	1,664,492	5,446,346	5,070,824	(19,348,491)
<b>Ending total OPEB liability (A)</b>	\$ 28,601,349	\$ 34,047,695	\$ 39,118,519	\$ 19,770,028
<b>Plan Fiduciary Net Position:</b>				
<b>Beginning plan fiduciary net position</b>	\$ 950,852	\$ 1,208,848	\$ 1,028,246	\$ 828,494
Contributions - employer	1,127,126	1,152,837	-	-
Net investment income	77,996	78,801	57,978	22,712
Benefit payments	(947,126)	(1,402,837)	(250,000)	(250,000)
Administrative expense	-	(9,403)	(7,730)	(7,022)
Net change in plan fiduciary net position	257,996	(180,602)	(199,752)	(234,310)
<b>Plan fiduciary net position - ending (B)</b>	\$ 1,208,848	\$ 1,028,246	\$ 828,494	\$ 594,184
Net OPEB Liability (A - B)	\$ 27,392,501	\$ 33,019,449	\$ 38,290,025	\$ 19,175,844
Plan fiduciary net position as a percentage of the total OPEB liability	4.23%	3.02%	2.12%	3.01%
Covered-employee payroll	\$ 9,587,539	\$ 10,512,281	\$ 10,932,773	\$ 11,808,898
Sheriff's net OPEB liability as a percentage of covered-employee payroll	285.71%	314.10%	350.23%	162.38%
Money-weighted rate of return on investments	8.20%	5.77%	4.88%	1.91%
Notes to Schedule:				
Benefit Change:	None	None	None	None
Changes of Assumptions:	None	None	None	None
Discount Rate:	6.00%	3.87%	3.50%	2.10%

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

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

Schedule of Employer's OPEB Contributions  
For the Year Ended June 30, 2020

Year ended June 30,	Actuarially Required Contribution	Contributions in Relation to Actuarially Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2017	\$ 2,580,395	\$ 1,062,600	\$ 1,517,795	\$ 9,587,539	11.08%
2018	2,742,770	534,927	2,207,843	10,512,281	5.09%
2019	2,882,656	1,000,929	1,881,727	10,932,773	9.16%
2020	3,096,837	1,003,817	2,093,020	11,808,898	8.50%

Notes to Schedule:

*Actuarial cost method: Individual Entry Age Normal*

*Amortization method: Level dollar, open*

*Amortization period: 30 years*

*Asset valuation method: Market value*

*Inflation: 2.5% annually*

*Healthcare trend: 5.5% annually for 10 years, 4.5% after 10 years*

*Salary increases: 4.0% annually*

*Discount rate: 3.50% annually (beginning of year); 2.10% (end of year)*

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

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

Notes to the Required Supplementary Information  
For the Year Ended June 30, 2020

(1) Budget and Budgetary Accounting

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

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

(2) Pension Plan

Changes of Assumptions – Changes of assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan.

(3) OPEB Plan

Benefit Changes – None

Discount rate – Rate decreased from 3.50% at the beginning of the year to 2.10% at the end of the year.



**OTHER SUPPLEMENTARY INFORMATION**

STATE OF LOUISIANA, PARISH OF PLAQUEMINES

AFFIDAVIT

Gerald A. Turlich, Jr. Sheriff of Plaquemines

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

The following information is true and correct:

\$1,914,996 is the amount of cash on hand in the tax collector account on June 30, 2020;

He further deposed and said:

All itemized statements of the amount of taxes collected for tax year 2019, 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.

*Gerald A. Turlich, Jr.*

Signature  
Sheriff of Plaquemines Parish

SWORN to and subscribed before me, Notary, this 19<sup>th</sup> day of NOVEMBER 2020  
in my office in the Belle Chasse, Louisiana.  
(City/Town)

Monica Nicosia (Signature)

Monica Nicosia (Print), # 81045  
Notary Public

Ex-Officio Notary (Commission)

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

**INTERNAL CONTROL  
COMPLIANCE  
AND  
OTHER MATTERS**

# Champagne & Company, LLC

Certified Public Accountants

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

Shayne M. Breaux, CPA  
Kaylee Champagne Frederick, CPA

113 East Bridge Street  
PO Box 250  
Breaux Bridge, LA 70517  
Phone: (337) 332-4020  
Fax: (337) 332-2867

\*A Professional Accounting Corporation

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Plaquemines Parish Sheriff, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Plaquemines Parish Sheriff's basic financial statements and have issued our report thereon dated February 5, 2021.

### Internal Control over Financial Reporting

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

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

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

accompanying schedule of findings, questioned costs and management's corrective action plan as item 2020-001 that we consider to be a material weakness.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Plaquemines Parish Sheriff's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings, questioned costs and management's corrective action plan as item 2020-002.

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

The Plaquemines Parish Sheriff's responses to the findings identified in our audit are described in the accompanying schedule of findings, questioned costs and management's corrective action plan. The Plaquemine Parish Sheriff's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

### **Purpose of this Report**

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

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

Breaux Bridge, Louisiana  
February 5, 2021

# Champagne & Company, LLC

## Certified Public Accountants

---

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

Shayne M. Breaux, CPA  
Kaylee Champagne Frederick, CPA

113 East Bridge Street  
PO Box 250  
Breaux Bridge, LA 70517  
Phone: (337) 332-4020  
Fax: (337) 332-2867

\*A Professional Accounting Corporation

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

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

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

We have audited the Plaquemines Parish Sheriff's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Plaquemines Parish Sheriff's major federal programs for the year ended June 30, 2020. Plaquemines Parish Sheriff's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings, questioned costs and management's corrective action plan.

#### **Management's Responsibility**

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

#### **Auditors' Responsibility**

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

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

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

In our opinion, the Plaquemines Parish Sheriff complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

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

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

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

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

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

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

Breaux Bridge, Louisiana  
February 5, 2021

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

Notes to Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2020

1) General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the Plaquemines Parish Sheriff (the Sheriff). The Sheriff's reporting entity is defined in Note 1 to the basic financial statements for the year ended June 30, 2020. All federal financial assistance received directly from federal agencies is included on the schedule as well as federal financial assistance passed through other government agencies. The major program is identified with an asterisk (\*) on the schedule.

2) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the Sheriff's basic financial statements for the year ended June 30, 2020.

3) Indirect Cost Rate

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

4) Relationship to Federal Financial Reports

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



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

Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program Name/Grant Name	Pass-through Identifying Number	CFDA Number	Expenditures
<u>United States Department of Homeland Security</u>			
Passed through Louisiana Office of Homeland Security and Emergency Preparedness -			
Disaster Grants - Public Assistance *	**	97.036	\$ 1,028,770
COVID-19 Disaster Grant - Public Assistance*	**	97.036	38,820
Total Public Assistance Grants			<u>1,067,590</u>
Port Security Grant Program	2067-PU-00623 / 2017-PS-00669	97.056	148,334
Passed through the Plaquemines Parish Government			
State Homeland Security Grant Program	EMW-2019-SS-00014-S01	97.067	7,460
Total United States Department of Homeland Security			<u>1,223,384</u>
<u>United States Department of Transportation</u>			
Passed through Louisiana Highway Safety Commission -			
State and Community Highway Safety/Overtime Traffic Safety Program	**	20.600	613
<u>United States Department of Justice</u>			
Edward Byrne Memorial Justice Assistance Grant Program - Bullet Proof Vest Program	N/A	16.738	6,588
Edward Byrne Memorial Justice Assistance Grant Program - New Orleans Saints & Simmers	N/A	16.738	1,951
Passed through Louisiana Commission on Law Enforcement -			
Crime Victim Assistance Program	2017-VA-01/02/03/04-4476 / 2018-VA-01/02/03/04-4495	16.575	23,863
Edward Byrne Memorial Justice Assistance Grant Program - Street Sales Disruption	2017-DJ-01-4645	16.738	4,260
Passed through City of Gretna -			
Law Enforcement Assistance Narcotics and Dangerous Drugs Laboratory Analysis	**	16.001	65,000
Passed through Jefferson Parish Sheriff			
Services for Trafficking Victims	**	16.320	11,721
Total United States Department of Justice			<u>113,383</u>
<u>United States Executive Office of the President</u>			
Passed through Jefferson Parish Sheriff			
High Intensity Drug Trafficking Areas Program	G19GC001A/G20GC001A	95.001	27,236
Total			<u>\$ 1,364,616</u>

\* - Denotes major program

\*\* - Not readily accessible

N/A - Not applicable

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

Schedule of Findings, Questioned Costs and  
Management's Corrective Action Plan  
For the Year Ended June 30, 2020

Part I: Summary of Auditors' Results:

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

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

2020-001 – Inadequate Segregation of Accounting Functions; Year Initially Occurred – Unknown

Condition and Criteria:

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

Effect:

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

Cause:

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

(continued)

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

Schedule of Findings, Questioned Costs and  
Management's Corrective Action Plan (Continued)  
For the Year Ended June 30, 2020

Recommendation:

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

Management's Corrective Action Plan:

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

2020-002 – Noncompliance with SEC Continuing Disclosure Requirements; Year Initially Occurred – 2020

Condition and Criteria:

The Plaquemines Parish Sheriff did not comply with SEC Rule 15c2-12, Continuing Disclosures.

Effect:

This condition represents a violation of disclosure requirements.

Cause:

The condition resulted because the Sheriff's accounting department relied on the bond attorney to handle annual filing requirements as it relates to the Series 2016 bonds. The accounting department timely provided the required information to the bond attorney's office. A representative of the bond attorney's office confirmed that they mistakenly failed to timely file the required documents. The required documents have now been appropriately filed.

Recommendation:

The Sheriff's department should confirm/verify with the bond attorney's office that annual required filings are being handled timely.

Management's Corrective Action Plan:

Monica Nicosia, Chief Deputy Tax Collector will confirm annually with bond attorney's office that required disclosures are timely filed.

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

There are no findings and questioned costs at June 30, 2020.

Part IV: Management Letter Items

There are no items reported at June 30, 2020.

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

Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2020

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

2019-001 – Inadequate Segregation of Accounting Functions

Finding:

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

Status:

Unresolved. See item 2020-001.

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

There were no findings or questioned costs reported at June 30, 2019.

Section II: Management Letter Items

There were no items reported at June 30, 2019.

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

8022 HIGHWAY 23  
BELLE CHASSE,  
LOUISIANA 70037

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

**504-934-6892**  
**Fax 504-433-4456**

February 5, 2021

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

The Plaquemines Parish Sheriff respectfully submits the following corrective action plan for the year ended June 30, 2020.

Independent public accounting firm:

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

Audit period: Fiscal year ended June 30, 2020

The findings from the June 30, 2020 schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

Findings – Financial Statement Audit: Material Weakness and Compliance

2020-001-Inadequate Segregation of Accounting Functions; Year Initially Occurred-Unknown

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

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

2020-002 - Noncompliance with SEC Continuing Disclosure Requirements; Year Initially Occurred – 2020

Recommendation: The Sheriff's department should confirm/verify with the bond attorney's office that annual required filings are being handled timely.

Action Taken: Monica Nicosia, Chief Deputy Tax Collector will confirm annually with bond attorney's office that required disclosures are timely filed.

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

Sincerely,



Gerald A Turlich, Jr.  
Sheriff