

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Financial Report

Year Ended June 30, 2022

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INDEPENDENT AUDITORS' REPORT

The Honorable Becket Breaux
St. Martin Parish Sheriff
St. Martinville, Louisiana

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Change in Accounting Principle

As described in Note 20 to the financial statements, in 2022, the St. Martin Parish Sheriff adopted new accounting guidance, GASB Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, schedule of employer's share of net pension liability, schedule of employer contributions, schedule of changes in the Sheriff's total OPEB liability and related ratios, and the notes to the required supplementary information on pages 50 through 55 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the St. Martin Parish Sheriff's basic financial statements. The Justice System Funding Reporting Schedules (reporting schedules) were created by Act 87 of the Louisiana 2020 Regular Legislative Session. The reporting schedules are presented for purposes of additional analysis and are also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the reporting schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the budgetary comparison information for the General Fund revenues and expenses and the affidavit but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2022, on our consideration of the St. Martin Parish Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the St. Martin Parish Sheriff's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the St. Martin Parish Sheriff's internal control over financial reporting and compliance.

Champagne & Company, LLC

Certified Public Accountants

Breaux Bridge, Louisiana
November 30, 2022

BASIC FINANCIAL STATEMENTS

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

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Statement of Net Position
June 30, 2022

ASSETS

Current assets:

Cash and interest-bearing deposits	\$ 5,911,087
Investments	8,700,000
Inventory	38,026
Receivables	731,605
Due from other governmental units	816,209
Prepaid items	<u>276,094</u>
Total current assets	<u>16,473,021</u>

Noncurrent assets:

Capital assets:

Non-depreciable	2,199,621
Depreciable, net	<u>10,260,561</u>
Total capital assets	12,460,182
Net pension asset	564,594
Receivable (noncurrent portion of lease receivable)	<u>121,609</u>
Total noncurrent assets	<u>13,146,385</u>
Total assets	<u>29,619,406</u>

DEFERRED OUTFLOWS OF RESOURCES:

Deferred amount on pension	3,182,936
Deferred amount on postemployment benefit plan	<u>4,097,409</u>
Total deferred outflows of resources	<u>7,280,345</u>

LIABILITIES

Current liabilities:

Accounts payable	340,942
Due to others	88,841
Other accrued liabilities	871,627
Financed purchase liability	<u>52,667</u>
Total current liabilities	<u>1,354,077</u>

Noncurrent liabilities:

Financed purchase liability	105,334
Postemployment benefit obligation payable	<u>11,984,668</u>
Total noncurrent liabilities	<u>12,090,002</u>
Total liabilities	<u>13,444,079</u>

DEFERRED INFLOWS OF RESOURCES

Deferred amount on lease	281,896
Deferred amount on pension	6,103,110
Deferred amount on postemployment benefit plan	<u>3,029,537</u>
Total deferred inflows of resources	<u>9,414,543</u>

NET POSITION

Net investment in capital assets	12,302,181
Unrestricted	<u>1,738,948</u>
Total net position	<u>\$ 14,041,129</u>

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

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Statement of Activities
For the Year Ended June 30, 2022

Expenses:	
Public safety:	
Personal services and related benefits	\$ 10,616,452
Operating services	3,498,171
Operations and maintenance	5,022,674
Interest expense	<u>389</u>
Total expenses	<u>19,137,686</u>
Program revenues:	
Public safety:	
Fees, fines, and charges for services	4,243,286
Operating grants and contributions:	
Federal sources	483,410
State sources	<u>671,798</u>
Total program revenues	<u>5,398,494</u>
Net program expense	<u>(13,739,192)</u>
General revenues:	
Property taxes, levied for general purposes	7,324,483
Sales tax	4,778,112
State revenue sharing	108,996
Video poker	2,226,348
Nonemployer pension contributions	526,274
Interest and investment earnings	53,411
Miscellaneous	<u>1,131,297</u>
Total general revenues	<u>16,148,921</u>
Change in net position	2,409,729
Beginning net position	<u>11,631,400</u>
Ending net position	<u>\$ 14,041,129</u>

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

FUND FINANCIAL STATEMENTS (FFS)

FUND DESCRIPTIONS - GOVERNMENTAL 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.

Special Revenue Fund

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

911 Communications District -

To account for the operation of the communications district which was established to implement and administer the 911 emergency telephone system. The system is financed by user fees assessed on customer's telephone service. Expenditures for this system are paid from this fund.

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Balance Sheet
Governmental Funds
June 30, 2022

	<u>General</u>	<u>911 Communications District</u>	<u>Total</u>
ASSETS			
Cash and interest-bearing deposits	\$ 5,643,304	\$ 267,783	\$ 5,911,087
Investments	7,500,000	1,200,000	8,700,000
Receivables:			
Due from other governmental units	816,209	-	816,209
Due from other funds	15,327	-	15,327
Sales tax receivable	464,850	-	464,850
Lease receivable	281,896	-	281,896
Other receivables	7,662	98,806	106,468
Inventory	38,026	-	38,026
Prepaid items	270,007	6,087	276,094
Total assets	<u>\$ 15,037,281</u>	<u>\$ 1,572,676</u>	<u>\$ 16,609,957</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE			
Liabilities:			
Accounts payable	\$ 340,942	\$ -	\$ 340,942
Due to others	88,841	-	88,841
Other accrued liabilities	596,308	29,026	625,334
Due to other funds	-	15,327	15,327
Total liabilities	<u>1,026,091</u>	<u>44,353</u>	<u>1,070,444</u>
Deferred inflows of resources:			
Deferred amount on lease	<u>281,896</u>	<u>-</u>	<u>281,896</u>
Fund balances -			
Nonspendable	308,033	6,087	314,120
Restricted	-	-	-
Committed	3,032,945	-	3,032,945
Assigned	-	1,522,236	1,522,236
Unassigned	<u>10,388,316</u>	<u>-</u>	<u>10,388,316</u>
Total fund balances	<u>13,729,294</u>	<u>1,528,323</u>	<u>15,257,617</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 15,037,281</u>	<u>\$ 1,572,676</u>	<u>\$ 16,609,957</u>

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

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

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

Total fund balance for governmental funds at June 30, 2022		\$ 15,257,617
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	\$ 1,153,593	
Construction in progress	1,046,028	
Buildings and improvements, net of \$3,946,082 accumulated depreciation	6,448,037	
Equipment and vehicles, net of \$7,460,066, accumulated depreciation	<u>3,812,524</u>	12,460,182
The deferred outflows of expenditures are not a use of current resources, and are therefore not reported in the funds:		
Pension plan	3,182,936	
Postemployment benefit obligation	<u>4,097,409</u>	7,280,345
General long-term debt of governmental activities is not payable from current resources and, therefore, not reported in the funds. This debt is:		
Financed purchase liability	(158,001)	
Accrued compensated absences	(246,293)	
Postemployment benefit obligation payable	(11,984,668)	
Net pension asset	<u>564,594</u>	(11,824,368)
The deferred inflows of contributions are not available resources, and therefore, are not reported in the funds:		
Pension plan	(6,103,110)	
Postemployment benefit obligation	<u>(3,029,537)</u>	<u>(9,132,647)</u>
Total net position of governmental activities at June 30, 2022		<u>\$ 14,041,129</u>

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

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances-
Governmental Funds
For the Year Ended June 30, 2022

	General	911 Communications District	Totals
	<u>General</u>	<u>District</u>	<u>Totals</u>
Revenues:			
Taxes	\$ 12,102,595	\$ -	\$ 12,102,595
Intergovernmental	3,490,552	-	3,490,552
Fees, charges, and commissions for services	3,078,984	1,202,916	4,281,900
Interest income	49,696	3,715	53,411
Miscellaneous	1,264,681	-	1,264,681
Total revenues	<u>19,986,508</u>	<u>1,206,631</u>	<u>21,193,139</u>
Expenditures:			
Current -			
Public safety:			
Personal services and related benefits	10,067,549	806,797	10,874,346
Operating services	3,272,103	226,068	3,498,171
Operations and maintenance	3,777,803	108,726	3,886,529
Debt service - principal	81,461	-	81,461
Debt service - interest	389	-	389
Capital outlay	1,920,399	27,584	1,947,983
Total expenditures	<u>19,119,704</u>	<u>1,169,175</u>	<u>20,288,879</u>
Excess of revenues over expenditures	<u>866,804</u>	<u>37,456</u>	<u>904,260</u>
Fund balances, beginning	<u>12,862,490</u>	<u>1,490,867</u>	<u>14,353,357</u>
Fund balances, ending	<u>\$ 13,729,294</u>	<u>\$ 1,528,323</u>	<u>\$ 15,257,617</u>

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

ST. MARTIN PARISH SHERIFF
St. Martinville, 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, 2022

Total net change in fund balances for the year ended June 30, 2022 per Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 904,260
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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 Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 1,947,983	
Depreciation expense for the year ended June 30, 2022	<u>(1,224,030)</u>	723,953

Because governmental funds do not record fixed assets and accumulated
depreciation, any assets disposed of with no selling price does not affect
the statement of revenues, expenditures, and changes in fund balances.
However, in the statement of activities, a gain or loss is shown on assets
that are not fully depreciated.

Net gain on disposal of assets	88,900	
Proceeds from disposal of assets	<u>(133,384)</u>	(44,484)

Expenses not requiring the use of current financial resources and
therefore are not reported as expenditures in the governmental funds:

Net change in financed purchase liability	81,461	
Net change in postemployment benefit obligation payable and related deferrals	(588,717)	
Net change in net pension asset and related deferrals	<u>1,371,870</u>	864,614

Revenues recognized in the Statement of Revenues, Expenditures, and Changes in Fund Balance in a different year as compared to the Statement of Activities: Fines, forfeitures, and other fees	<u>(38,614)</u>
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Total change in net position for the year ended June 30, 2022 per Statement of activities	<u>\$ 2,409,729</u>
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The accompanying notes are an integral part of the basic financial statements.

FUND DESCRIPTIONS - FIDUCIARY FUNDS

CUSTODIAL FUNDS

All of these funds are reflected in the totals of the custodial funds presented in the statement of fiduciary net position and statement of changes in 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 appropriate taxing bodies.

Bonds and Fines Fund

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

Inmate Trust 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.

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Statement of Fiduciary Net Position - Custodial Funds
June 30, 2022

ASSETS	
Cash and cash equivalents	\$ 1,128,421
Receivables	<u>86,793</u>
Total assets	<u>1,215,214</u>
LIABILITIES	
Accounts payable	\$ 65,152
Due to local governments	<u>616,832</u>
Total liabilities	<u>681,984</u>
NET POSITION	
Restricted for:	
Individuals, organizations, and other governments	<u>\$ 533,230</u>

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

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended June 30, 2022

Additions:	
Sheriff's sales, suits, and seizures	\$ 642,289
Garnishments	154,565
Bonds	216,500
Fines and costs	1,375,410
Inmate deposits	510,658
Taxes, fees, etc., paid to tax collector	44,352,610
Interest earned	<u>107,343</u>
Total additions	<u>47,359,375</u>
Deductions:	
Taxes, fees, etc., distributed to taxing bodies and others	44,459,087
Payments to Sheriff's General Fund	284,272
Payments to local government	1,387,928
Payments to other	1,032,181
Payments to inmates	<u>103,128</u>
Total deductions	<u>47,266,596</u>
Net increase in net position	92,779
Net position, beginning	<u>440,451</u>
Net position, ending	<u>\$ 533,230</u>

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

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

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

The accompanying financial statements of the St. Martin 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 in subsequent subsections of this note.

The accounting and reporting policies of the St. Martin Parish Sheriff (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

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 government 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 government, parish school board, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

considered separate reporting entities and issue financial statements separate from those of the parish Sheriff.

In determining the financial reporting entity, the Sheriff complies with the provisions of GASB Statement 14, "The Financial Reporting Entity," and includes all component units of which the Sheriff appointed a voting majority of the units' board; the Sheriff is either able to impose its will on the unit or a financial benefit or burden relationship exists. Blended component units are separate legal entities that meet the criteria described above and whose governing body is the same or substantially the same as the Sheriff or the component unit provides services entirely to the Sheriff. These component units' funds are blended into those of the Sheriff's by appropriate activity type to compose the primary government presentation. The component unit that is blended into the reporting activity of the Sheriff's report is described below:

The 911 Communications District was created in 1988 to implement and administer the 911 emergency telephone system. The Sheriff is financially accountable for the District as a result of fiscal dependency. The District is reported as a special revenue fund.

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, if management chooses to define a particular fund as major, or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

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 considered to be major funds are described below:

Governmental Funds –

General Fund

The General Fund, as provided by Louisiana Revised Statute 33:1422, is the principal fund of the Sheriff's office and accounts for and reports all operations of the Sheriff's office not accounted for and reported in another fund. The Sheriff's primary sources of revenue are an ad valorem tax levied by the law enforcement district, sales and use tax of one-half percent (.5%), and fees for feeding and keeping prisoners. Other sources of revenue include video poker revenue, 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.

911 Communications District Special Revenue Fund

This special revenue fund accounts for the operation of the communications district which was established to implement and administer the conventional and wireless 911 emergency telephone system. The system is financed by user fees assessed on customers' telephone service. Expenditures for this system are paid from this fund.

The Sheriff also reports the following:

Fiduciary Funds –

Fiduciary funds are used to report assets held in a trustee or custodial capacity for others and therefore are not available to support the Sheriff programs. The Sheriff has adopted GASBS No. 84 for the reporting and classification of its fiduciary activities. Fiduciary reporting focus is on net position and changes in net position.

The Sheriff's fiduciary funds are presented in the fiduciary fund financial statements by type (custodial). Because by definition these assets are being held for the benefit of a third party (other local governments, private parties, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements. The individual custodial funds used by the Sheriff for the year ended June 30, 2022 are as follows:

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

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 ad valorem taxes and fees. The Tax Collector Fund is used to collect and distribute these taxes and fees to the appropriate taxing bodies.

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

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

Inmate Welfare Fund – To account for funds confiscated from inmates and used for the general welfare of the inmates as a whole.

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 focus. 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

ST. MARTIN PARISH SHERIFF
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Notes to Basic Financial Statements (continued)

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 when "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within 60 days of the end of the fiscal year. For revenue recognition as it relates to federal awards, available means collectible within 12 months of the end of the fiscal year. 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 and interest-bearing deposits

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.

Investments

In accordance with Louisiana R.S. 49:327(D), those funds determined by the Sheriff to be in excess of immediate needs shall be available for investment. The Sheriff's investments, which consist solely of U.S. Treasury securities, are stated at amortized cost (since maturities are less than 1 year when purchased). Amortized cost is net of the amortized premium or discount associated with the U.S. Treasury securities. The premium or discount is amortized over the term of the security. Interest income is accrued when earned.

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.

ST. MARTIN PARISH SHERIFF
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Notes to Basic Financial Statements (continued)

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.

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

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

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

Compensated Absences

Employees of the Sheriff's office earn from 96 hours to 120 hours per calendar year of vacation leave depending on total years of service and number of hours worked. A maximum of 48 hours of unused accrued vacation time is allowed to be carried over to subsequent years. An amount in excess of 48 hours per employee can be carried over only at the discretion of the Sheriff. Full-time employees earn 96 hours per year of sick leave. Sick leave may be accumulated; however, if an employee resigns or is terminated, the accumulated sick leave is forfeited. Upon retirement, accumulated sick leave in excess of 720 hours shall be paid in biweekly installments. An exception shall be made for retirees who have attained 25 or more years of uninterrupted service with St. Martin Parish Sheriff's Office prior to July 1, 2021. This class of retirees shall be entitled to be paid in biweekly installments for all hours of unused sick leave in excess of 320 hours. In lieu of biweekly installments, a retiree may request a lump sum payment barring any budgetary constraints. At June 30, 2022 the Sheriff has \$246,293 of leave benefits required to be accrued and reported.

ST. MARTIN PARISH SHERIFF
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Notes to Basic Financial Statements (continued)

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, net position is classified as net assets and displayed in three components:

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other 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 other two categories of net position.

In the fund statements, governmental fund equity is classified as fund balance. Fund balances of the governmental funds are 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 resolutions approved by the Sheriff.

ST. MARTIN PARISH SHERIFF
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Notes to Basic Financial Statements (continued)

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 he may assign amounts for specific purposes.

Unassigned – all other spendable amounts.

As of June 30, 2022, fund balances are composed of the following:

	General Fund	911 Communications District	Total Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
Nonspendable:			
Prepaid items	\$ 270,007	\$ 6,087	\$ 276,094
Inventory	38,026	-	38,026
Committed:			
Construction of enforcement facility	3,032,945	-	3,032,945
Assigned:			
911 services	-	1,522,236	1,522,236
Unassigned	<u>10,388,316</u>	<u>-</u>	<u>10,388,316</u>
Total fund balances	<u>\$ 13,729,294</u>	<u>\$ 1,528,323</u>	<u>\$ 15,257,617</u>

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 his commitment or assignment actions.

E. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2022 are recorded as prepaid items. The prepaid items that existed at June 30, 2022 were prepaid insurance and prepaid software and maintenance agreements.

F. Inventory

The inventory is stated at cost, which is determined by the first-in, first-out method.

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

G. Revenues and Expenditures

Program Revenues

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the Sheriff's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Sheriff's general revenues.

Revenues

- Ad valorem taxes and the related state revenue sharing are recorded in the year taxes are due and payable. See Note (4) which discusses how these taxes are levied and the process of billing taxing bodies.
- Sales taxes are considered as "measurable" when in the hands of the sales tax collector and are recognized as revenue at that time.
- Intergovernmental revenues and fees, charges and commissions for services are recorded when the Sheriff is entitled to the funds.
- Interest on interest-bearing deposits is recorded or accrued as revenue when earned.
- Substantially all other revenues are recorded when received.

Grant Revenue

In general, grants received by the Sheriff are reimbursable type grants, and revenues are recognized as earned only when the expenditures to be reimbursed have been incurred.

Other Financing Sources

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

Expenditures

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

H. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (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 expenses during the reporting period. Actual results could differ from those estimates.

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

(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, 2022, the Sheriff has cash and interest-bearing deposits (book balances) totaling \$7,039,508 of which \$1,128,421 is attributable to fiduciary funds, which is 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 the Sheriff 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, 2022 are secured as follows:

Bank balances	<u>\$ 7,620,703</u>
At June 30, 2022 the deposits are secured as follows:	
Federal deposit insurance	\$ 1,295,885
Pledged securities	<u>6,324,818</u>
Total	<u>\$ 7,620,703</u>

Deposits in the amount of \$6,324,818 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institution's trust department, but not in the Sheriff's name. The Sheriff does not have a policy for custodial credit risk.

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

(3) Investments

Investments in the amount of \$8,700,000 at June 30, 2022 are deposited at Edward Jones. These investments are permitted as outlined in Louisiana Revised Statute 33:2955.

As of June 30, 2022, the investments at Edward Jones were comprised of an insured bank balance of \$2,132, and the following securities:

Description	Maturities	Amortized Cost
U.S. Treasury Bill	8/11/2022	\$ 1,496,085
U.S. Treasury Bill	9/8/2022	996,351
U.S. Treasury Bill	10/6/2022	1,193,752
U.S. Treasury Note	11/15/2022	1,008,565
U.S. Treasury Note	12/15/2022	2,804,666
U.S. Treasury Bill	10/13/2022	199,980
U.S. Treasury Bill	3/23/2023	998,469
Total		\$ 8,697,868

The credit rate risk and concentration of credit risk is managed by adherence to R.S. 33:2955.

The custodial credit risk for investments is the risk, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the Sheriff will not be able to recover the value of its investments or collateral securities that are in the possession of another party.

The Sheriff does not have a formally adopted investment policy that addresses interest rate, custodial credit risk, or credit rate risk.

(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 June and are actually billed to the taxpayers by the Sheriff in October. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Tax Assessor of St. Martin 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, 2022, law enforcement taxes applicable to the Sheriff's General Fund, were levied at the rate of 17.91 mills on property with assessed valuations totaling \$413,713,842.

Total law enforcement taxes levied during 2022 were \$7,409,625.

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

(5) Due from Other Governmental Units and Others

Amounts due from other governmental units at June 30, 2022, consist of the following:

Maintenance of prisoners	\$ 204,173
State and parish contracts	41,166
Video poker revenue	285,281
Salary reimbursements	61,131
Pay telephone commissions	8,239
Other sources	216,219
Totals	\$ 816,209

(6) Capital Assets

Capital asset activity for the year ended June 30, 2022 was as follows:

	Balance 07/01/21	Additions	Deletions	Balance 06/30/22
Governmental activities:				
Land	\$ 1,153,593	\$ -	\$ -	\$ 1,153,593
Construction in progress	329,741	1,046,028	(329,741)	1,046,028
Buildings and improvements	10,317,313	100,162	(23,356)	10,394,119
Equipment and vehicles	10,629,314	1,130,858	(487,582)	11,272,590
Totals	22,429,961	2,277,048	(840,679)	23,866,330
Less accumulated depreciation				
Buildings and improvements	(3,689,820)	(273,666)	17,404	(3,946,082)
Equipment and vehicles	(6,959,428)	(950,364)	449,726	(7,460,066)
Total accumulated depreciation	(10,649,248)	(1,224,030)	467,130	(11,406,148)
Governmental activities, capital assets, net	\$ 11,780,713	\$ 1,053,018	\$ (373,549)	\$ 12,460,182

Depreciation expense was charged to governmental activities as operations and maintenance in the amount of \$1,224,030.

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

(7) Leases

In the year ended June 30, 2019, the Sheriff entered into a lease agreement with the Louisiana State Police which allowed the Louisiana State Police to occupy Jail II and related Substation facility for a period of five years from March 21, 2019 through March 30, 2024. The lease agreement calls for total payments to be \$861,577, which includes: an initial payment of \$4,787 in March 2019, fifty-nine monthly payments of \$14,360 per month beginning April 2019, and a final payment of \$9,573 in March 2024. Total lease payments received by the Sheriff for the year ended June 30, 2022 totaled \$172,315. The facility has a cost of \$990,711, accumulated depreciation of \$666,997, and a carrying value of \$323,714.

The Sheriff recognized a lease receivable at June 30, 2022 in the amount of \$281,896. Measurement of the lease receivable was determined based on the present value of payments expected to be received during the lease term discounted at a 5.75% interest rate, which is an estimated incremental borrowing rate. The Sheriff also recognized a deferred inflow of resources in the amount of \$281,896 which was calculated on the same basis as the lease receivable.

The Sheriff recognized interest income in the amount of \$20,964 related to this lease for the year ended June 30, 2022. The remaining payments until the end of the lease term are as follows:

Year Ending	Principal	Interest	Total
June 30			
2023	\$ 160,287	\$ 12,028	\$ 172,315
2024	121,609	2,841	124,450
	<u>\$ 281,896</u>	<u>\$ 14,869</u>	<u>\$ 296,765</u>

(8) 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 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.

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

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 also provides methods to calculate participating employers' proportionate share of net pension liability (asset), deferred inflows, deferred outflows, pension expense, and amortization periods for deferred inflows and deferred outflows. GASB Statement No. 67 – *Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25* 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.

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 (asset) related to its employees. The net pension liability (asset) attributed to the Fund's employees is allocated to the remaining employers based on their respective employer allocation percentage.

Plan Fiduciary Net Position:

Plan fiduciary net position is a significant component of the Fund's collective net pension liability (asset). 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.

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

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 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

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

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.

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.

Deferred Retirement Option Plan (DROP) / Back Deferred Retirement Option Plan (Back-DROP):

For members retiring before July 1, 2001 in lieu of terminating employment and accepting a service retirement, members could elect to participate in the Deferred Retirement Option Plan (DROP). Upon entering the DROP employee and employer contributions cease. The monthly retirement contribution that would have been paid if the member retired is deposited into the DROP account for up to three years. Funds held in the DROP account earn interest and can be disbursed to the member upon request. Effective July 1, 2001, the Back-DROP program replaced the DROP program. 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. A member elects to "take" Back-DROP at the time of separation from employment to retire. 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. A member's Back-DROP benefit is the maximum monthly retirement benefit 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 Fund during the Back-DROP period. The member's DROP and Back-DROP balances left

ST. MARTIN PARISH SHERIFF
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Notes to Basic Financial Statements (continued)

on deposit are managed by a third party, fixed income investment manager. Participants have the option to opt out of this program and take a distribution, if eligible, or to rollover the assets to another qualified plan.

Permanent Benefit Increases / Cost-of-Living Adjustments

As fully described in Title 11 of the Louisiana Revised Statutes, the Fund allows for the payment of permanent benefit increases, also known as cost-of-living adjustments (COLAs), which 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, 2021, 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 also receives ad valorem taxes, insurance premium taxes, and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities but are not considered special funding situations. Non-employer contributions are recognized as revenue and excluded from pension expense. Non-employer contributions for the year ended June 30, 2022, were \$526,274.

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, 2021 as compared to the total of all employers' contributions received by the Fund during the fiscal year ended June 30, 2021.

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

At June 30, 2022, the Sheriff reported an asset of \$564,594 for its proportionate share of the net pension liability. The net pension asset was measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Sheriff's proportion of the net pension asset was based on a projection of the Sheriff's

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2021, the Sheriff's proportion was 1.139327%, which was an increase of 0.073657% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the Sheriff recognized pension expense of \$215,392 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$889.

At June 30, 2022, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ -	\$ 786,148
Changes of assumptions	1,737,399	-
Net difference between projected and actual earnings on pension plan investments	-	5,098,520
Change in proportion and differences between employer contributions and proportionate share of contributions	383,660	218,442
Employer contributions subsequent to the measurement date	1,061,877	-
Total	\$ 3,182,936	\$ 6,103,110

Deferred outflows of resources of \$1,061,877 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, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ended		
2023		\$ (779,787)
2024		(749,788)
2025		(924,222)
2026		(1,528,254)
		\$ (3,982,051)

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

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, 2021 are as follows:

Valuation Date	June 30, 2021
Actuarial Cost Method	Individual Age Normal Method
Actuarial Assumptions:	
Investment Rate of Return	6.90%, net of pension plan investment expense, including inflation
Discount Rate	6.90%
Projected Salary Increases	5.00% (2.50% inflation, 2.50% merit)
Mortality Rates	Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 120% for males and 115% for females for active members, each with full generational projection using the appropriate MP2019 scale. Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees multiplied by 120% for males and 115% for females for annuitants and beneficiaries, each with full generational projection using the appropriate MP2019 scale. Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees multiplied by 120% for males and 115% for females for disabled annuitants, each with full generational projection using the appropriate MP2019 scale.

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

Expected Remaining Service Lives	2021 - 5 years
	2020 - 6 years
	2019 - 6 years
	2018 - 6 years
	2017 - 7 years
	2016 - 7 years

Cost of Living Adjustments

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

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

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

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

Asset Class	Expected Rate of Return		
	Target Asset Allocation	Real Return Arithmetic Basis	Long-term Expected Portfolio Real Rate of Return
Equity Securities	62%	7.08%	4.39%
Fixed Income	25%	1.44%	0.36%
Alternative Investments	<u>13%</u>	4.38%	<u>0.57%</u>
Totals	100%		5.32%
Inflation			<u>2.55%</u>
Expected Arithmetic Nominal Return			<u>7.87%</u>

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

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

Sensitivity of the employer's proportionate share of the net pension liability to changes in the discount rate:

The following presents the employer's proportionate share of the net pension liability using the discount rate of 6.90%, 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 (5.90%) or one percentage-point higher (7.90%) than the current rate as of June 30, 2021:

	Changes in Discount Rate		
		Current	
	1.0% Decrease 5.90%	Discount Rate 6.90%	1.0% Increase 7.90%
Employer's proportionate share of the net pension liability / (asset)	\$ 6,199,180	\$ (564,594)	\$(6,203,424)

Changes in Net Pension Liability:

The changes in the net pension liability for the year ended June 30, 2021 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 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 difference between expected and actual experience resulted in deferred inflows of resources in the amount of \$786,148 for the year ended June 30, 2022.
- b. Changes of assumptions: The 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. The changes of assumptions or other inputs resulted in a deferred outflow of resources in the amount of \$1,737,399 for the year ended June 30, 2022.
- c. Differences between projected and actual investment earnings: 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

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

between projected and actual investment earnings resulted in a deferred inflow of resources in the amount of \$5,098,520 for the year ended June 30, 2022.

- 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 (benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan. The change in proportion resulted in a deferred outflow of resources in the amount of \$383,660 and in a deferred inflow of resources in the amount of \$218,442 for the year ended June 30, 2022.

Contributions - Proportionate Share:

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

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.

Retirement Fund Audit Report:

The Sheriffs' Pension and Relief Fund has issued a stand-alone audit report on their financial statements for the year ended June 30, 2021. Access to the report can be found on the Louisiana Legislative Auditor's website, www.la.gov.

(9) Changes in Long-Term Debt

The following is a summary of long-term debt transactions of the St. Martin Parish Sheriff for the year ended June 30, 2022. The capital leases relate to governmental activities, and the payments are made from the general fund. In the past, payments on long-term debt that pertained to the Sheriff's governmental activities were made by either the debt service fund or by the general fund.

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

	Financed Purchase Liability		Total
	Equipment	Vehicle	
Long-term debt at June 30, 2021	\$ 210,668	\$ 28,794	\$ 239,462
Debt retired	(52,667)	(28,794)	(81,461)
Long-term debt at June 30, 2022	\$ 158,001	\$ -	\$ 158,001

Long-term debt at June 30, 2022 is comprised of the following:

Equipment Financed Purchase Liability:

\$234,079 financed purchase on taser packages for police officers due in annual installments of \$23,411 for the first payment, and \$52,667 for the remaining four payments; from December 2, 2020 to December 2, 2024 \$ 158,001

The annual requirements to amortize all debt outstanding at June 30, 2022 are as follows:

Year Ending June 30	Principal	Interest	Total
2023	\$ 52,667	\$ -	\$ 52,667
2024	52,667	-	52,667
2025	52,667	-	52,667
Totals	\$ 158,001	\$ -	\$ 158,001

(10) Litigation and Claims

At June 30, 2022, the Sheriff is involved in several lawsuits claiming damages. Management is of the opinion that insurance coverage should be adequate to cover most monetary damages. A liability has been accrued at June 30, 2022 in the amount of \$39,278 (included in other accrued liabilities balance), which represents additional anticipated out-of-pocket costs.

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

The cost of maintaining and operating the Sheriff's office building, as required by statute, is paid by the St. Martin Parish Government. These expenditures are not included in the accompanying financial statements.

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

(12) Risk Management

The Sheriff is exposed to risks of loss in the areas of general and auto liability, property hazards, and workers' compensation. Those risks, with the exception of workers' compensation, are handled by purchasing commercial insurance. The Sheriff is liable for claims up to \$25,000 per incident. The Sheriff's office is considered to be self-insured for workers' compensation. There have been no significant reductions in insurance coverage during the current fiscal year nor have settlements exceeded coverage during the preceding two years. There was one settlement during the year ended June 30, 2022.

(13) Health Care Liability

The Sheriff established a limited risk management program for group hospitalization insurance, effective July 1, 2011. The Sheriff hired UMR as administrator for this program.

The General Fund of the Sheriff recognizes the assets, liabilities, revenues and expenditures of the group hospitalization insurance plan. The claims liability of \$238,870 (included in other accrued liabilities balance) reported in the general fund at June 30, 2022, 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.

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				
2019-2020	\$ 88,424	2,456,535	(2,511,414)	\$ 33,545
2020-2021	\$ 33,545	2,691,498	(2,547,505)	\$ 177,538
2021-2022	\$ 177,538	3,340,858	(3,279,526)	\$ 238,870

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

(14) Interfund Transactions

A. Receivables and Payables

Interfund receivables and payables consisted of the following at June 30, 2022:

	Receivables	Payables
Major Funds:		
Governmental Funds:		
General Fund	\$ 15,327	\$ -
911 Communications District	-	15,327
Total	\$ 15,327	\$ 15,327

Several months of operating expenses had not yet been reimbursed at year-end, causing the balances noted above. These reimbursements are expected to be made within the next fiscal year.

(15) Other Post-Retirement Health Care and Life Insurance Benefits / GASB 75

Plan Description –The St. Martin Parish Sheriff’s Office (the Sheriff) provides certain continuing health care and life insurance benefits for its retired employees. The St. Martin Parish Sheriff’s OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the Sheriff. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the Sheriff. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Governmental Accounting Standards Board (GASB) Statement No. 75.

Benefits Provided – Medical and life insurance benefits are provided through comprehensive plans and are made available to employees upon actual retirement. Employees retirement eligibility (D.R.O.P. entry) provisions are as follows: attainment of 30 years of service at any age, or age 55 and 12 years of service if earlier; or, for employees hired after January 1, 2012, the earliest of age 55 and 30 years of service, age 60 and 20 years of service, and age 62 with 12 years of service. Notwithstanding this there is a minimum service requirement of 15 years for benefits for employees hired prior to July 1, 2009, otherwise for a minimum of 20 years.

Life insurance coverage is provided to retirees and 100% of the blended rate (active and retired) for the full amount is paid by the employer for employees hired prior to July 1, 2009, otherwise the employer pays for \$10,000 face amount. The amount of life insurance coverage while active is continued after retirement, but insurance coverage amounts are reduced to 75% of the original amount at age 65 and to 50% of the original amount at age 70.

Employees Covered by Benefit Terms – At July 1, 2021, the following employees were covered by the benefit terms:

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

Inactive employees or beneficiaries currently receiving benefit payments	58
Inactive members entitled to but not yet receiving benefit payments	-
Active employees	<u>186</u>
	<u>244</u>

Total OPEB Liability

The Sheriff's total OPEB liability of \$11,984,668 was measured as of June 30, 2022, the end of the fiscal year.

Actuarial Assumptions and Other Inputs – The total OPEB liability in the July 1, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.0%
Salary increases	3.0%, including inflation
Discount rate	2.16% (Beginning of Year to Determine ADC)
	3.54% (As of End of Year Measurement Date)
Healthcare cost trend rates	5.5% annually for 10 years, 4.5% after
Mortality	SOA RP-2014 Table

The discount rate was based on the Bond Buyers' 20 Year General Obligation municipal bond index over the 52 weeks immediately preceding the applicable measurement dates.

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2022.

Changes in the Total OPEB Liability

Balance at June 30, 2021	\$ <u>14,900,549</u>
Changes for the year:	
Service cost	210,507
Interest	324,125
Differences between expected and actual experience	(111,912)
Changes in assumptions	(3,177,218)
Benefit payments, net transfers, and direct expenses	<u>(161,383)</u>
Net changes	<u>(2,915,881)</u>
Balance at June 30, 2022	<u>\$ 11,984,668</u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following presents the

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

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

	1.0% Decrease 2.54%	Current Discount Rate 3.54%	1.0% Increase 4.54%
Total OPEB liability	<u>\$ 14,159,298</u>	<u>\$ 11,984,668</u>	<u>\$ 10,277,255</u>

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

	1.0% Decrease 4.5%	Current Trend Rate 5.5%	1.0% Increase 6.5%
Total OPEB liability	<u>\$ 10,700,296</u>	<u>\$ 11,984,668</u>	<u>\$ 13,603,726</u>

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

For the year ended June 30, 2022, the Sheriff recognized OPEB expense of \$750,131. At June 30, 2022, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ 502,418	\$ 306,237
Changes of assumptions	3,594,991	2,723,300
Net difference between projected and actual earnings on OPEB plan investments	-	-
Total	<u>\$ 4,097,409</u>	<u>\$ 3,029,537</u>

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

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

Fiscal Year Ending June 30	
2023	\$ 215,498
2024	215,498
2025	215,498
2026	(117,840)
2027	(117,840)
Thereafter	<u>657,058</u>
	<u>\$ 1,067,872</u>

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

(16) Ex-officio Tax Collector

The amount of cash on hand at year-end was \$530,039. The amount of ad valorem taxes collected by taxing authority was:

St. Martin Parish Government	\$ 13,209,160
St. Martin Parish School Board	13,543,396
St. Martin Parish Assessor	1,366,091
St. Martin Parish Water & Sewer Districts	443,287
St. Martin Parish Law Enforcement	7,260,141
St. Martin Parish Library	3,133,511
Teche-Vermillion Freshwater District	571,567
Atchafalaya Basin Levee District	543,899
Municipalities	518,985
Department of Agriculture and Forestry	20,318
Louisiana Tax Commission	25,680
St. Martin Parish Hospital District	917,005
	\$ 41,553,040

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

	<u>LTC</u> <u>Decreases</u>	<u>FDIC</u> <u>Property</u>	<u>Adjudi-</u> <u>cations</u>	<u>Unpaid</u>
St. Martin Parish Government	\$ 195,708	\$ 30	\$ 13,071	\$ 97,440
St. Martin Parish School Board	187,989	35	13,392	93,842
St. Martin Parish Assessor	18,962	4	1,351	9,466
St. Martin Parish Water & Sewer Districts	1,423	-	860	892
St. Martin Parish Law Enforcement	100,774	19	7,179	50,306
St. Martin Parish Library	43,494	8	3,098	21,712
Teche-Vermillion Freshwater District	7,933	2	565	3,960
Atchafalaya Basin Levee District	3,346	4	559	2,686
Municipalities	3,511	-	899	465
Department of Agriculture and Forestry	20	-	5	-
Louisiana Tax Commission	-	-	-	-
St. Martin Parish Hospital District	10,638	9	836	1,246
	\$ 573,798	\$ 111	\$ 41,815	\$ 282,015

The amount of occupational licenses collected by taxing authority was:

St. Martin Parish Government	\$ 737,006
St. Martin Parish Law Enforcement	130,060
	\$ 867,066

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

(17) Tax Abatements

The Sheriff is subject to certain property tax abatements granted by the Louisiana State Board of Commerce and Industry (the "State Board"), a state entity governed by board members representing major economic groups and gubernatorial appointees. Abatements to which the Sheriff is subject includes those issued for property taxes under the Industrial Tax Exemption Program ("ITEP").

Under the ITEP, as authorized by *Article 7, Section 21(F) of the Louisiana Constitution and Executive Number JBE 2016-73*, companies that qualify as manufacturers can apply to the State Board for a property tax exemption on all new property, as defined, used in the manufacturing process. Under the ITEP, companies are required to promise to expand or build manufacturing facilities in Louisiana, with a minimum investment of \$5 million. The exemptions are granted for a 5-year term and are renewable for an additional 5-year term upon approval by the State Board. In the case of the local government, these state-granted abatements have resulted in reductions of property taxes, which the 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%. The Assessor may recapture abated taxes if a company fails to expand facilities or otherwise fails to fulfill its commitments under the agreement. At June 30, 2022, the Sheriff's ad valorem taxes were reduced by \$63,616 for the industrial exemptions in effect.

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

Under Act 706, the St. Martin 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, 2022.

Entity head: Becket Breaux, Sheriff

Salary and allowance	\$ 183,277
Benefits - insurance	12,762
Benefits - retirement	<u>22,451</u>
Total	<u>\$ 218,490</u>

(19) Risks and Uncertainties

The COVID-19 outbreak in the United States has caused business disruption through mandated closings, 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 uncertainty around the duration of and the implications of the closings. The St. Martin Parish Sheriff expects this matter to negatively impact the availability of resources and operating results. The financial impact cannot be reasonably estimated at this time.

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

(20) New Accounting Pronouncement

In June of 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, *Leases*. The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The St. Martin Parish Sheriff adopted this standard in the year ended June 30, 2022. The implementation of this standard resulted in the St. Martin Parish Sheriff recording a lease receivable and deferred inflow of resources in the amount of \$433,247 as of July 1, 2021. Therefore, there is no restatement of net position as a result of the implementation of this standard.

**REQUIRED
SUPPLEMENTARY INFORMATION**

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana
General Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$10,764,000	\$11,879,000	\$12,102,595	\$ 223,595
Intergovernmental	2,552,456	3,588,894	3,490,552	(98,342)
Fees, charges, and commissions for services	2,655,306	3,062,429	3,078,984	16,555
Interest Income	22,800	20,800	49,696	28,896
Miscellaneous	728,056	873,584	1,264,681	391,097
Total revenues	<u>16,722,618</u>	<u>19,424,707</u>	<u>19,986,508</u>	<u>561,801</u>
Expenditures:				
Current:				
Public safety:				
Personal services and related benefits	9,676,323	10,173,569	10,067,549	106,020
Operating services	2,914,000	3,291,573	3,272,103	19,470
Operations and maintenance	3,082,020	3,405,866	3,777,803	(371,937)
Debt service	141,786	81,850	81,850	-
Capital outlay	371,397	2,360,987	1,920,399	440,588
Total expenditures	<u>16,185,526</u>	<u>19,313,845</u>	<u>19,119,704</u>	<u>194,141</u>
Excess of revenues over expenditures	<u>537,092</u>	<u>110,862</u>	<u>866,804</u>	<u>755,942</u>
Fund balance, beginning	<u>11,385,024</u>	<u>12,862,490</u>	<u>12,862,490</u>	<u>-</u>
Fund balance, ending	<u>\$11,922,116</u>	<u>\$12,973,352</u>	<u>\$13,729,294</u>	<u>\$ 755,942</u>

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana
Special Revenue Fund - 911 Communications District

Budgetary Comparison Schedule
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenue				
Fees, charges, and commissions for services				
911 fees	\$ 1,140,050	\$ 1,148,600	\$ 1,202,916	\$ 54,316
Interest income	5,680	2,150	3,715	1,565
Total revenues	<u>1,145,730</u>	<u>1,150,750</u>	<u>1,206,631</u>	<u>55,881</u>
Expenditures				
Current:				
Public Safety				
Personal services and related benefits:				
Salaries	686,604	678,254	710,338	(32,084)
Pension and payroll taxes	<u>95,937</u>	<u>99,150</u>	<u>96,459</u>	<u>2,691</u>
Total personnel service and related benefits	<u>782,541</u>	<u>777,404</u>	<u>806,797</u>	<u>(29,393)</u>
Operating services:				
Hospitalization insurance	166,875	175,000	219,195	(44,195)
Other liability insurance	<u>6,150</u>	<u>6,600</u>	<u>6,873</u>	<u>(273)</u>
Total operating services	<u>173,025</u>	<u>181,600</u>	<u>226,068</u>	<u>(44,468)</u>
Operations and maintenance:				
Leases and rents	1,255	1,505	1,260	245
Office supplies and expense	28,940	28,565	175	28,390
E-911 implement	45,500	38,500	44,431	(5,931)
Other	<u>62,900</u>	<u>65,510</u>	<u>62,860</u>	<u>2,650</u>
Total operations and maintenance	<u>138,595</u>	<u>134,080</u>	<u>108,726</u>	<u>25,354</u>
Capital outlay:				
Equipment and vehicles	<u>44,500</u>	<u>97,350</u>	<u>27,584</u>	<u>69,766</u>
Total expenditures	<u>1,138,661</u>	<u>1,190,434</u>	<u>1,169,175</u>	<u>21,259</u>
Excess (deficiency) of revenues over expenditures	<u>7,069</u>	<u>(39,684)</u>	<u>37,456</u>	<u>77,140</u>
Fund balance, beginning	<u>1,407,051</u>	<u>1,490,867</u>	<u>1,490,867</u>	<u>-</u>
Fund balance, ending	<u>\$ 1,414,120</u>	<u>\$ 1,451,183</u>	<u>\$ 1,528,323</u>	<u>\$ 77,140</u>

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

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

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	1.008367%	\$ 3,993,139	\$ 6,535,128	61.10%	87.34%
2016	1.074946%	4,791,590	7,127,064	67.23%	86.61%
2017	1.130292%	7,173,845	7,712,873	93.01%	82.10%
2018	1.146044%	4,962,684	7,938,059	62.52%	88.49%
2019	1.084296%	4,157,894	7,462,568	55.72%	90.41%
2020	1.113499%	5,267,105	7,785,756	67.65%	88.91%
2021	1.065670%	7,375,665	7,867,776	93.75%	84.73%
2022	1.139327%	(564,594)	8,280,734	(6.82%)	101.04%

* 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.

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

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

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	\$ 1,015,606	\$ 1,015,606	\$ -	\$ 7,127,064	14.25%
2016	1,061,242	1,061,242	-	7,712,873	13.75%
2017	1,051,793	1,051,793	-	7,938,059	13.25%
2018	951,521	951,521	-	7,462,568	12.75%
2019	956,822	956,822	-	7,785,756	12.29%
2020	969,590	969,590	-	7,867,776	12.32%
2021	1,021,067	1,021,067	-	8,280,734	12.33%
2022	1,061,877	1,061,877	-	8,621,672	12.32%

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

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Schedule of Changes in the Sheriff's Total OPEB Liability and Related Ratios
For the Year Ended June 30, 2022

	2018	2019	2020	2021	2022
Total OPEB Liability					
Service cost	\$ 143,077	\$ 149,686	\$ 241,559	\$ 269,925	\$ 210,507
Interest	270,964	288,136	359,698	284,401	324,125
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	213,560	272,993	301,699	(280,416)	(111,912)
Changes of assumptions	-	1,615,352	1,698,331	2,045,748	(3,177,218)
Benefit payments	-	(273,981)	(289,050)	(152,970)	(161,383)
Net change in total OPEB liability	<u>627,601</u>	<u>2,052,186</u>	<u>2,312,237</u>	<u>2,166,688</u>	<u>(2,915,881)</u>
Total OPEB liability - beginning	<u>7,741,837</u>	<u>8,369,438</u>	<u>10,421,624</u>	<u>12,733,861</u>	<u>14,900,549</u>
Total OPEB liability - ending	<u>\$ 8,369,438</u>	<u>\$ 10,421,624</u>	<u>\$ 12,733,861</u>	<u>\$ 14,900,549</u>	<u>\$ 11,984,668</u>
Covered-employee payroll	\$ 7,284,679	\$ 7,695,491	\$ 7,695,491	\$ 8,206,999	\$ 8,453,209
Sheriff's net OPEB liability as a percentage of covered-employee payroll	114.89%	135.43%	165.47%	181.56%	141.78%
Notes to Schedule:					
Benefit changes:	None	None	None	None	None
Changes of assumptions:					
Discount rate:	3.50%	3.50%	2.21%	2.16%	3.54%
Mortality:	RP-2000	RP-2000	RP-2000	RP-2014	RP-2014
Trend:	5.50%	5.50%	Variable	Variable	Variable

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.

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to the Required Supplementary Information
For the Year Ended June 30, 2022

(1) Budget and Budgetary Accounting

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

1. The chief financial officer prepares a proposed budget and submits it to the Sheriff for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published, and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for a hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted and as finally amended by the Sheriff. Such amendments were not material in relation to the original appropriations.

(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.

SUPPLEMENTARY INFORMATION

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Justice System Funding Schedule - Collecting/Disbursing Schedule
As Required by Act 87 of the 2020 Regular Legislative Session
Cash Basis Presentation
June 30, 2022

	First Six Month Period Ended 12/31/21	Second Six Month Period Ended 6/30/22
Beginning Balance of Amounts Collected (i.e. cash on hand)	\$ 353,612	\$ 360,863
Add: Collections		
Civil Fees (<i>including refundable amounts such as garnishments or advance deposits</i>)	75,544	79,021
Bond Fees	138,829	111,086
Asset Forfeiture/Sale	272,557	369,732
Pre-Trial Diversion Program Fees	-	-
Criminal Court Costs/Fees	377,630	627,589
Criminal Fines - Contempt	20,050	23,450
Criminal Fines - Other	106,610	168,126
Restitution	-	-
Probation/Parole/Supervision Fees	-	-
Service/Collection Fees (e.g. credit card fees, report fees, 3rd party service fees)	-	-
Interest Earnings on Collected Balances	73	792
Other (<i>do not include collections that fit into more specific categories above</i>)	29,648	12,092
Subtotal Collections	\$ 1,020,941	\$ 1,391,888
Less: Disbursements To Governments & Nonprofits: (<i>Must include one agency name and one collection type on each line and may require multiple lines for the same agency if more than one collection type is applicable. Additional rows may be added as necessary.</i>)		
<i>Acadiana Crime Lab / Bond Fees</i>	630	732
<i>Acadiana Crime Lab / Criminal Court Costs / Fees</i>	42,732	65,038
<i>Crime Stoppers / Criminal Court Costs / Fees</i>	2,660	4,024
<i>16th Judicial District Attorney / Criminal Fines - Contempt</i>	23,650	20,750
<i>Department of Social Services / Other</i>	4,568	2,341
<i>16th Judicial District Attorney / Bond Fees</i>	66,970	54,243
<i>16th Judicial District Attorney / Criminal Court Costs / Fees</i>	109,153	157,173
<i>16th Judicial District Attorney / Criminal Fines - Other</i>	95,929	135,657
<i>16th Judicial District Attorney / Interest Earnings on Collected Balances</i>	132	-
<i>16th Judicial District Indigent Defender Board / Bond Fees</i>	31,123	24,365
<i>16th Judicial District Indigent Defender Board / Criminal Court Costs / Fees</i>	59,944	91,253
<i>Louisiana Department of Public Safety / Criminal Court Costs / Fees</i>	595	677
<i>LDHH Traumatic Head & Spinal Cord Injury Trust / Criminal Court Costs / Fees</i>	4,585	7,020
<i>Louisiana Commission on Law Enforcement / Criminal Court Costs / Fees</i>	5,168	7,442
<i>Louisiana Department of Wildlife & Fisheries / Criminal Court Costs / Fees</i>	-	715
<i>Louisiana Supreme Court / Criminal Court Costs / Fees</i>	664	1,004
<i>St. Martin Parish Clerk of Court / Asset Forfeiture Fees</i>	22,367	24,829
<i>St. Martin Parish Clerk of Court / Bond Fees</i>	630	732
<i>St. Martin Parish Clerk of Court / Criminal Court Costs / Fees</i>	22,592	33,723
<i>St. Martin Parish Government / Criminal Court Costs / Fees</i>	100,066	151,532
<i>State of Louisiana, Treasurer / Criminal Court Costs / Fees</i>	4,002	6,065

(continued)

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Justice System Funding Schedule - Collecting/Disbursing Schedule (continued)
As Required by Act 87 of the 2020 Regular Legislative Session
Cash Basis Presentation
June 30, 2022

	First Six Month Period Ended 12/31/21	Second Six Month Period Ended 6/30/22
Less: Amounts Retained by Collecting Agency		
Collection Fee for Collecting/Disbursing to Others Based on Percentage of Collection	77,753	55,733
Collection Fee for Collecting/Disbursing to Others Based on Fixed Amount	3,626	3,120
Bond Fees	43,257	35,431
Criminal Court Costs/Fees	23,079	33,895
Criminal Fines - Other	13,081	18,499
Interest Earnings on Collected Balances	18	-
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Civil Fee Refunds	-	-
Bond Fee Refunds	-	-
Restitution Payments to Individuals (additional detail is not required)	-	-
Other Disbursements to Individuals (additional detail is not required)	254,716	319,127
Payments to 3rd Party Collection/Processing Agencies	-	-
Subtotal Disbursements/Retainage	\$ 1,013,690	\$ 1,255,120
Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)	\$ 360,863	\$ 497,631
Ending Balance of "Partial Payments" Collected but not Disbursed <i>(only applies if collecting agency does not disburse partial payments until fully collected) - This balance is included in the Ending Balance of Amounts Collected but not Disbursed/Retained above.</i>	\$ -	\$ -
Other Information:		
Ending Balance of Total Amounts Assessed but not yet Collected <i>(i.e. receivable balance)</i>	\$ -	\$ -
Total Waivers During the Fiscal Period <i>(i.e. non-cash reduction of receivable balances, such as time served or community service)</i>	\$ -	\$ -

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Justice System Funding Schedule - Receiving Schedule
As Required by Act 87 of the 2020 Regular Legislative Session
Cash Basis Presentation
June 30, 2022

	First Six Month Period Ended 12/31/21	Second Six Month Period Ended 6/30/22
Receipts From: <i>(Must include one agency name and one collection type - see below - on each line and may require multiple lines for the same agency. Additional rows may be added as necessary.)</i>		
<i>16th Judicial District Attorney / Asset Forfeiture / Sale</i>	\$ 36,840	\$ 93,156
<i>19th Judicial District Clerk of Court / Civil Fees</i>	362	739
<i>Abbeville City Court / Civil Fees</i>	-	74
<i>Acadia Parish Clerk of Court / Civil Fees</i>	446	30
<i>Acadia Parish Sheriff's Office / Civil Fees</i>	84	-
<i>Allen Parish Clerk of Court / Civil Fees</i>	25	-
<i>Ascension Parish Clerk of Court / Civil Fees</i>	54	33
<i>Assumption Parish Clerk of Court / Civil Fees</i>	3	-
<i>Avoyelles Parish Clerk of Court / Civil Fees</i>	102	42
<i>Breaux Bridge City Court / Civil Fees</i>	29	44
<i>Calcasieu Parish Clerk of Court / Civil Fees</i>	174	570
<i>Cameron Parish Clerk of Court / Civil Fees</i>	48	-
<i>City of Baton Rouge / Civil Fees</i>	288	-
<i>Concordia Parish Clerk of Court / Civil Fees</i>	35	-
<i>Crowley City Court / Civil Fees</i>	-	54
<i>Denham Springs City Court / Civil Fees</i>	91	249
<i>Desoto Parish Clerk of Court / Civil Fees</i>	28	-
<i>East Baton Rouge Parish Clerk of Court / Civil Fees</i>	-	166
<i>East Feliciana Parish Clerk of Court / Civil Fees</i>	41	126
<i>Evangeline Parish Clerk of Court / Civil Fees</i>	90	-
<i>Franklin City Court / Civil Fees</i>	64	-
<i>Franklin Parish Clerk of Court / Civil Fees</i>	-	-
<i>Houma City Court / Civil Fees</i>	-	348
<i>Iberia Parish Clerk of Court / Civil Fees</i>	1,637	1,523
<i>Iberia Parish Sheriff's Office / Civil Fees</i>	60	-
<i>Iberville Parish Clerk of Court / Civil Fees</i>	116	-
<i>Jeanerette City Court / Civil Fees</i>	-	3
<i>Jefferson Parish Clerk of Court / Civil Fees</i>	47	56
<i>Jefferson Davis Parish Clerk of Court / Civil Fees</i>	-	78
<i>Jennings City Court / Civil Fees</i>	116	-
<i>Lafayette City Court / Civil Fees</i>	853	1,245
<i>Lafayette Parish Consolidated Government / Civil Fees</i>	-	54
<i>Lafayette Parish Clerk of Court / Civil Fees</i>	6,395	-
<i>Lafayette Parish Sheriff's Office / Civil Fees</i>	181	9,097
<i>Lafourche Parish Clerk of Court / Civil Fees</i>	55	435

(continued)

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Justice System Funding Schedule - Receiving Schedule (continued)
As Required by Act 87 of the 2020 Regular Legislative Session
Cash Basis Presentation
June 30, 2022

	First Six Month Period Ended 12/31/21	Second Six Month Period Ended 6/30/22
<i>Lake Charles City Court / Civil Fees</i>	145	44
<i>Livingston Parish Clerk of Court / Civil Fees</i>	143	78
<i>Monroe City Court / Civil Fees</i>	-	-
<i>Morehouse Parish Clerk of Court / Civil Fees</i>	-	47
<i>Morgan City City Court / Civil Fees</i>	134	11
<i>Natchitoches Parish Clerk of Court / Civil Fees</i>	41	-
<i>New Iberia City Court / Civil Fees</i>	63	-
<i>Opelousas City Court / Civil Fees</i>	141	379
<i>Orleans Parish Sheriff's Office / Civil Fees</i>	227	60
<i>Ouachita Parish Clerk of Court / Civil Fees</i>	-	176
<i>Pineville City Court / Civil Fees</i>	-	14
<i>Plaquemines Parish Clerk of Court / Civil Fees</i>	-	38
<i>Point Coupee Parish Clerk of Court / Civil Fees</i>	174	92
<i>Port Allen City Court / Civil Fees</i>	-	11
<i>Rapides Parish Clerk of Court / Civil Fees</i>	56	180
<i>St. Charles Parish Clerk of Court / Civil Fees</i>	-	160
<i>St. James Parish Clerk of Court / Civil Fees</i>	-	54
<i>St. Landry Parish Clerk of Court / Civil Fees</i>	1,983	1,565
<i>St. Martin Parish Clerk of Court / Civil Fees</i>	48,160	47,550
<i>St. Mary Parish Clerk of Court / Civil Fees</i>	523	-
<i>St. Mary Parish Sheriff's Office / Civil Fees</i>	29	210
<i>St. Tammany Parish Clerk of Court / Civil Fees</i>	59	31
<i>Tangipahoa Parish Clerk of Court / Civil Fees</i>	58	145
<i>Terrebonne Parish Clerk of Court / Civil Fees</i>	120	-
<i>Thibodaux City Court / Civil Fees</i>	-	11
<i>Vermilion Parish Clerk of Court / Civil Fees</i>	266	227
<i>Washington Parish Clerk of Court / Civil Fees</i>	-	41
<i>West Baton Rouge Parish Clerk of Court / Civil Fees</i>	112	140
<i>West Feliciana Parish Clerk of Court / Civil Fees</i>	41	-
<i>Winn Parish Clerk of Court / Civil Fees</i>	54	-
Subtotal Receipts	\$ 100,793	\$ 159,386
Ending Balance of Amounts Assessed but Not Received (only applies to those agencies that assess on behalf of themselves, such as courts)	\$ -	\$ -

Collection Types to be used in the "Receipts From:" section above
Civil Fees
Bond Fees
Asset Forfeiture/Sale
Pre-Trial Diversion Program Fees
Criminal Court Costs/Fees
Criminal Fines - Contempt
Criminal Fines - Other
Restitution
Probation/Parole/Supervision Fees
Service/Collection Fees (e.g. credit card fees, report fees, 3rd party service fees)
Interest Earnings on Collected Balances
Other (do not include collections that fit into more specific categories above)

OTHER INFORMATION

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana
General Fund

Budgetary Comparison Schedule - Revenues
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Taxes:				
Ad valorem	\$ 7,264,000	\$ 7,279,000	\$ 7,324,483	\$ 45,483
Sales tax	<u>3,500,000</u>	<u>4,600,000</u>	<u>4,778,112</u>	<u>178,112</u>
Total taxes	<u>10,764,000</u>	<u>11,879,000</u>	<u>12,102,595</u>	<u>223,595</u>
Intergovernmental:				
Federal grants	403,912	515,350	483,410	(31,940)
State of Louisiana -				
State grants	24,569	24,569	27,290	2,721
Revenue sharing	108,975	108,975	108,996	21
Video poker	1,400,000	2,300,000	2,226,348	(73,652)
Supplemental pay	<u>615,000</u>	<u>640,000</u>	<u>644,508</u>	<u>4,508</u>
Total intergovernmental	<u>2,552,456</u>	<u>3,588,894</u>	<u>3,490,552</u>	<u>(98,342)</u>
Fees, charges, and commissions for services				
Taxes and licenses	190,000	205,000	231,299	26,299
Civil and criminal fees	515,000	500,000	490,502	(9,498)
Court attendance	16,000	10,500	12,138	1,638
Feeding and keeping prisoners	1,250,000	1,631,615	1,664,205	32,590
State and parish contracts	444,306	450,314	424,588	(25,726)
Commissary sales	90,000	115,000	116,329	1,329
Telephone commissions	<u>150,000</u>	<u>150,000</u>	<u>139,923</u>	<u>(10,077)</u>
Total fees, charges, and commissions for services	<u>2,655,306</u>	<u>3,062,429</u>	<u>3,078,984</u>	<u>16,555</u>
Interest income	<u>22,800</u>	<u>20,800</u>	<u>49,696</u>	<u>28,896</u>
Miscellaneous	<u>728,056</u>	<u>873,584</u>	<u>1,264,681</u>	<u>391,097</u>
Total revenues	<u>\$ 16,722,618</u>	<u>\$ 19,424,707</u>	<u>\$ 19,986,508</u>	<u>\$ 561,801</u>

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana
General Fund

Budgetary Comparison Schedule - Expenditures
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Current:				
Public Safety				
Personal services and related benefits:				
Sheriff's salary	\$ 165,720	\$ 166,378	\$ 166,616	\$ (238)
Deputies' salaries	7,997,265	8,389,471	7,990,222	399,249
Other salaries	343,100	382,750	730,726	(347,976)
Pension and payroll taxes	1,096,241	1,149,973	1,100,025	49,948
Sheriff's expense allowance	16,197	16,197	16,662	(465)
Other related benefits	57,800	68,800	63,298	5,502
Total personnel service and related benefits	9,676,323	10,173,569	10,067,549	106,020
Operating services:				
Hospitalization insurance	2,500,000	2,861,283	2,852,146	9,137
Auto insurance	170,000	170,000	162,786	7,214
Other liability insurance	244,000	260,290	257,171	3,119
Total operating services	2,914,000	3,291,573	3,272,103	19,470
Operations and maintenance				
Auto fuel and oil	456,000	536,000	557,662	(21,662)
Auto maintenance	151,721	161,439	166,435	(4,996)
Deputy uniforms, supplies, etc.	222,425	264,513	278,063	(13,550)
Training	61,725	60,804	47,081	13,723
Office supplies and expenses	248,070	241,453	227,389	14,064
Small equipment	101,126	61,741	159,324	(97,583)
Telephone and utilities	289,000	347,100	359,843	(12,743)
Radio	500	500	-	500
Prisoner feeding and maintenance	299,008	375,656	384,858	(9,202)
Legal and professional fees	196,267	201,267	246,367	(45,100)
Criminal investigation expense	-	-	37,489	(37,489)
Leases and rents	60,587	31,404	31,392	12
Commissary expense	185	185	-	185
Other	995,406	1,123,804	1,281,900	(158,096)
Total operations and maintenance	3,082,020	3,405,866	3,777,803	(371,937)

(continued)

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana
General Fund

Budgetary Comparison Schedule - Expenditures (continued)
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Debt service:				
Principal payments	134,697	77,758	81,461	(3,704)
Interest	<u>7,089</u>	<u>4,093</u>	<u>389</u>	<u>3,704</u>
Total debt service	<u>141,786</u>	<u>81,850</u>	<u>81,850</u>	<u>-</u>
Capital outlay:				
Autos	320,000	229,860	440,317	(210,457)
Buildings	261	937,177	1,037,225	(100,048)
Other equipment	<u>51,136</u>	<u>1,193,950</u>	<u>442,857</u>	<u>751,093</u>
Total capital outlay	<u>371,397</u>	<u>2,360,987</u>	<u>1,920,399</u>	<u>440,588</u>
Total expenditures	<u>\$ 16,185,526</u>	<u>\$ 19,313,845</u>	<u>\$ 19,119,704</u>	<u>\$ 194,141</u>

STATE OF LOUISIANA, PARISH OF ST. MARTIN

AFFIDAVIT

The Honorable Becket Breaux, Sheriff of St. Martin Parish

BEFORE ME, the undersigned authority, personally came and appeared, Becket Breaux, the sheriff of St. Martin Parish, State of Louisiana, who after being duly sworn, deposed and said:

The following information is true and correct:

\$530,039 is the amount of cash on hand in the tax collector account on June 30, 2022;

He further deposed and said:

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

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

[Handwritten signature]

Signature
Sheriff of St. Martin Parish

SWORN to and subscribed before me, Notary, this 14th day of Dec. 2022, in my office in the City of St. Martin, Louisiana.

(City/Town)

[Handwritten signature: Darren Dore]

(Signature)

Darren Dore (Print), # 21224

Notary Public

at death (Commission)

**INTERNAL CONTROL
COMPLIANCE
AND
OTHER MATTERS**

Champagne & Company, LLC

Certified Public Accountants

Russell F. Champagne, CPA, CGMA*
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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 Becket Breaux
St. Martin Parish Sheriff
St. Martinville, 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 St. Martin Parish Sheriff, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the St. Martin Parish Sheriff's basic financial statements and have issued our report thereon dated November 30, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the St. Martin Parish Sheriff's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the St. Martin Parish Sheriff's internal control. Accordingly, we do not express an opinion on the effectiveness of the St. Martin 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 were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified one deficiency in internal control, described in the schedule of prior and current year audit findings and management's corrective action plan as item 2022-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the St. Martin Parish Sheriff's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

St. Martin Parish Sheriff's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the St. Martin Parish Sheriff's response to the finding identified in our audit and described in the accompanying schedule of prior and current year audit findings and management's corrective action plan. The St. Martin Parish Sheriff's response was not subjected to the other auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. 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
November 30, 2022

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Schedule of Prior and Current Year Audit Findings and
Management's Corrective Action Plan
For the Year Ended June 30, 2022

I: Prior Year Findings:

Internal Control Over Financial Reporting

2021-001 – Inadequate Controls Over Financial Statement Preparation; Year Initially Occurred - Unknown

Finding:

The Sheriff's department does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including the related notes.

Status:

Unresolved. See item 2022-001.

2021-002 – Inadequate Controls over Allowable Costs; U. S. Department of Treasury; Assistance Listing #21.019 – Coronavirus Relief Fund; Passed through the State of Louisiana Department of Treasury; Year Initially Occurred – 2021

Finding:

In testing internal controls with respect to allowable costs, 40 payroll transactions were selected in order to determine whether the controls in place were operating effectively to ensure that the payroll costs submitted as allowable under the grant agreed to the documentation on file. The sample was a statistically valid sample. Based on this test, two instances were noted where the hours reported as allowable did not agree to the hours documented on the timesheet. Neither exception resulted in questioned costs.

Status:

This is not applicable since a Uniform Guidance audit was not performed in year ended June 30, 2022.

Compliance

There were no items reported at June 30, 2021.

Management Letter Items

There were no items reported at June 30, 2021.

(continued)

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Schedule of Prior and Current Year Audit Findings and
Management's Corrective Action Plan (continued)
For the Year Ended June 30, 2022

II. Current Year Findings and Management's Corrective Action Plan:

Internal Control Over Financial Reporting

2022-001 – Inadequate Controls Over Financial Statement Preparation; Year Initially Occurred – Unknown

Condition and criteria:

The Sheriff does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements.

Effect:

This condition represents a significant deficiency in the internal control of the Sheriff.

Cause:

The condition resulted because Sheriff personnel do not have the qualifications and training to apply GAAP in recording the entity's financial transactions or preparing the financial statements.

Recommendation:

The Sheriff should consider outsourcing this task to its independent auditors and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.

Management's Corrective Action Plan:

Mr. Becket Breaux, Sheriff, has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and has determined that it is in the best interest of the government to hire additional staff and begin implementing training to enhance qualifications of both current and new staff that will allow staff to apply GAAP in recording transactions and preparing its financial statements in the future. For the current year, the Sheriff will outsource this task to its independent auditors and carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.

Compliance

There were no items reported at June 30, 2022.

Management Letter Items

There were no items reported at June 30, 2022.

ST. MARTIN PARISH SHERIFF

St. Martinville, Louisiana

Statewide Agreed-Upon Procedures Report
Year Ended June 30, 2022

Champagne & Company, LLC

Certified Public Accountants

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Management of St. Martin Parish Sheriff's Office and the Louisiana Legislative Auditor:

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

The St. Martin Parish Sheriff's Office's management has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2021 through June 30, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
No exceptions noted.
 - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
No exceptions noted.

- c) **Disbursements**, including processing, reviewing, and approving.
No exceptions noted.
- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
No exceptions noted.
- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
No exceptions noted.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
No exceptions noted.
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
The entity's policies and procedures do not mention the required approvers of statements and the process to monitor card usage.
- h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
No exceptions noted.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
No exceptions noted.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
No exceptions noted.
- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
No exceptions noted.
- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.
The entity's policies and procedures do not mention annual reporting requirements.

Board or Finance Committee

The St. Martin Parish Sheriff is not required to maintain minutes; therefore, these steps are not applicable.

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

Bank Reconciliations

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

Obtained a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Management identified the entity's main operating account. Obtained bank statements and reconciliations for the main operating account and 4 additional accounts for one random month during the period.

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

No exceptions noted.

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

No exceptions noted.

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

No exceptions noted.

Collections (excluding electronic funds transfers)

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

Obtained a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete.

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

Obtained a listing of collection locations for each deposit site and management's representation that the listing is complete. Obtained written representation and procedures relating to employee job duties.

- a) Employees responsible for cash collections do not share cash drawers/registers.

No exceptions noted.

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

No exceptions noted.

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

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

Obtained a listing of locations that process payments for the fiscal period and management's representation that the listing is complete.

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

Obtained a listing of those employees involved with non-payroll purchasing and payment functions. Obtained written policies and procedures relating to employee job duties.

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

No exceptions noted.

- b) At least two employees are involved in processing and approving payments to vendors.

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

- 10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:

Obtained the entity's non-payroll disbursement transaction population and management's representation that the population is complete.

- a) Observe that the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.

No exceptions noted.

- b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

No exceptions noted.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

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

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

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

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

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

documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

Obtained from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete.

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

No exceptions noted.

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

No exceptions noted.

- c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

No exceptions noted.

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

No exceptions noted.

Contracts

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

Obtained from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period and management's representation that the listing is complete.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

Payroll and Personnel

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

Obtained a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. No exceptions noted.

17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)

No exceptions noted.

- b) Observe that supervisors approved the attendance and leave of the selected employees or officials.

One of the employees tested did not have supervisor approval of attendance.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

Ethics

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

- a) Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

No exceptions noted.

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

St. Martin Parish Sheriff did not make changes to the ethics policy during the fiscal period; therefore, this step was not applicable.

Debt Service

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

St. Martin Parish Sheriff did not issue any bonds/notes or other debt instruments during the fiscal period; therefore, this test was not applicable.

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

St. Martin Parish Sheriff does not have any outstanding bonds/notes at the end of the fiscal period; therefore, this test was not applicable.

Fraud Notice

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

St. Martin Parish Sheriff did not have misappropriations of public funds and assets during the fiscal period.; therefore, this test was not applicable.

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

No exceptions noted.

Information Technology Disaster Recovery/Business Continuity

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

- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

We performed the procedure and discussed the results with management.

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

We performed the procedure and discussed the results with management.

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

We performed the procedure and discussed the results with management.

Sexual Harassment

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

No exceptions noted.

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

No exceptions noted.

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

Obtained St. Martin Parish Sheriff's annual sexual harassment report for the current fiscal period, however, the report was not dated on or before February 1st.

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

No exceptions noted.

- b) Number of sexual harassment complaints received by the agency;

No exceptions noted.

- c) Number of complaints which resulted in a finding that sexual harassment occurred;

No exceptions noted.

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

No exceptions noted.

- e) Amount of time it took to resolve each complaint.

No exceptions noted.

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

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

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

Champagne & Company, LLC
Certified Public Accountants

Breaux Bridge, Louisiana
November 30, 2022

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Management's Response to Statewide Agreed-Upon Procedures
For the Year Ended June 30, 2022

Management Response to Item:

- 1g,l St. Martin Parish Sheriff's Office (SMPSO) will update its policies and procedures to include items required by the Statewide Agreed-Upon Procedures.
- 17b SMPSO will ensure its policies and procedures are followed related to supervisor approval of attendance.
- 28 SMPSO will ensure its sexual harassment annual report is submitted prior to February 1st of each year.