

**POINTE COUPEE PARISH SHERIFF
NEW ROADS, LOUISIANA**

ANNUAL FINANCIAL REPORT

AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

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INDEPENDENT AUDITORS' REPORT

Honorable Beauregard Torres, III
Pointe Coupee Parish Sheriff
P.O. Box 248
New Roads, Louisiana 70760

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Pointe Coupee Parish Sheriff as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Pointe Coupee Parish Sheriff, as of June 30, 2018, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 through 9 and on pages 42 through 45, be presented to supplement the basic financial statements. Such information, including pension and other post-employment benefit information on pages 46 through 49, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Sheriff's basic financial statements. The accompanying supplemental information schedules and other information as listed in the foregoing table of contents are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The accompanying supplemental information schedules and other information as listed in the foregoing table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 7, 2018 on our consideration of the Pointe Coupee 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 Pointe Coupee 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 Pointe Coupee Parish Sheriff's internal control over financial reporting and compliance.



Major, Morrison & David
New Roads, Louisiana
November 7, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS

POINTE COUPEE PARISH SHERIFF
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2018

Within this section of the Pointe Coupee Parish Sheriff (the Sheriff) annual financial report, the Sheriff's management provides this narrative discussion and analysis of the financial activities of the Sheriff for the fiscal year ended June 30, 2018. The Sheriff's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

FINANCIAL HIGHLIGHTS

The Sheriff's assets exceeded its liabilities by \$11,789,014 (net position) for the fiscal year reported.

Total assets are comprised of the following:

1. Capital assets, net of related debt, of \$2,270,664 includes property and equipment, net of accumulated depreciation, and reduced for outstanding debt.
2. Restricted net position of \$101,175 represents amounts restricted for grants and potential claim liabilities.
3. Unrestricted net position of \$9,417,175 represents the portion available to maintain the Sheriff's continuing obligations to citizens and creditors.

The Sheriff's governmental funds reported total ending fund balance of \$17,132,409 this year. This compares to the prior year ending fund balance of \$14,933,485, showing an increase of \$2,198,924. General fund balance of \$17,131,203 shows a \$2,198,924 increase from the prior year.

At the end of the current fiscal year, unassigned fund balance for the General Fund was \$11,276,524. Due to increases in feeding and housing prisoners, local revenues, and decreases in capital outlay expenditures, but remaining within budget constraints, the Sheriff's office was able to improve operating performance, increase cash flow, and improve fund balance for this current fiscal year end. Unassigned fund balance was decreased due to committing \$5,754,710 for potential use covering other post-employment benefits should the Sheriff proceed with the use of these funds. The financial highlights are explained in more detail in the "financial analysis" section of this document.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

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

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

POINTE COUPEE PARISH SHERIFF

**MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2018**

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

The government-wide financial statements present governmental activities of the Sheriff that are principally supported by property taxes. The sole purpose of these governmental activities is public safety. The government-wide financial statements are presented on pages 11 and 12 of this report.

Fund Financial Statements

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

The Sheriff has two kinds of funds:

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

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives. The basic governmental fund financial statements are presented on pages 13 through 16 of this report.

Fiduciary funds are reported in the fund financial statements and report taxes collected for other taxing bodies, deposits held pending a court action and the individual prison inmate accounts. The Sheriff only reports agency funds. The basic agency fund financial statement is presented on page 17 of this report.

Notes to the basic financial statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 19 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Sheriff's budget presentations, management's discussion and analysis, pension liability with the Sheriff's Pension & Relief Fund, and other post-employment retirement benefits. Budgetary comparison statements are included as "required supplementary information" for the general fund and special revenue funds. These statements and schedules demonstrate compliance with the Sheriff's adopted and final revised budgets. Required supplementary information can be found on pages 42 through 49 of this report.

POINTE COUPEE PARISH SHERIFF

**MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2018**

In addition, other supplemental information providing details on the non-major governmental funds, individual agency funds, tax collector agency fund – affidavit, and schedule of compensation, benefits, and other payments to agency head are presented on pages 51 through 58 of this report.

FINANCIAL ANALYSIS OF THE SHERIFF AS A WHOLE

The Sheriff's net position at fiscal year-end is \$11,789,014. The following table provides a summary of the Sheriff's net position:

Summary of Net Position

	2017		2018	
	Governmental Activities	%	Governmental Activities	%
	Total	Total	Total	Total
Assets:				
Current assets and other assets	\$ 15,354,024	86%	\$ 17,502,257	89%
Capital assets	2,571,288	14%	2,270,664	11%
Total Assets	17,925,312	100%	19,772,921	100%
Deferred outflows of resources	1,515,835	100%	844,169	100%
Liabilities:				
Current liabilities	420,540	8%	369,848	4%
Long-term liabilities	4,721,990	92%	7,874,535	96%
Total liabilities	5,142,530	100%	8,244,383	100%
Deferred inflows of resources	452,708	100%	583,693	100%
Net position:				
Investment in capital assets, net of debt	2,571,288	19%	2,270,664	19%
Restricted	151,340	1%	101,175	1%
Unrestricted	11,123,281	80%	9,417,175	80%
Total net position	\$ 13,845,909	100%	\$ 11,789,014	100%

The Sheriff's current ratio increased during the current year due to the increase in investments and accounts receivable within the current assets category. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 47.32 to 1 reflecting a 29.61% increase over the prior year's operating cycle. The Sheriff continues to maintain a strong current ratio.

The Sheriff reported positive ending balances in net position for the governmental activities. Net position for the sheriff decreased overall by \$2,056,895 for the governmental activities in the fiscal year ending June 30, 2018. This resulted from an increase of \$2,150,702 from current year operations, but a decrease of \$4,207,597 for restatement of beginning net position due to the implementation of GASB 75 requiring the Sheriff to record his office's total other post-employment retirement benefit liability. Note that 19% of the governmental activities' net position is tied up in capital assets. The Sheriff uses these capital assets to provide services to its citizens.

POINTE COUPEE PARISH SHERIFF

**MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2018**

The following table provides a summary of the Sheriff's changes in net position:

Summary of Changes in Net Position

	Governmental Activities 6/30/17	Percent of Total 6/30/17	Governmental Activities 6/30/18	Percent of Total 6/30/18
Revenues:				
Program:				
Charges for services	\$ 3,822,393	31%	\$ 3,802,440	31%
Operating grants	537,310	4%	557,334	5%
Capital grants	45,560	1%	146,800	1%
General:				
Ad valorem taxes	7,492,187	61%	7,265,096	59%
Unrestricted state grants	264,786	2%	257,247	2%
Interest earnings	28,857	0%	76,462	1%
Miscellaneous	168,616	1%	161,793	1%
Total revenues	<u>12,359,709</u>	<u>100%</u>	<u>12,267,172</u>	<u>100%</u>
Program expenses:				
Public safety	<u>8,365,982</u>	<u>100%</u>	<u>10,116,470</u>	<u>100%</u>
Total expenses	<u>8,365,982</u>	<u>100%</u>	<u>10,116,470</u>	<u>100%</u>
Change in net position	3,993,727		2,150,702	
Beginning net position	9,852,182		13,845,909	
GASB 75 adjustment (see note 1N)	<u>-0-</u>		<u>(4,207,597)</u>	
Beginning net position – as restated	<u>9,852,182</u>		<u>9,638,312</u>	
Ending net position	<u>\$ 13,845,909</u>		<u>\$ 11,789,014</u>	

Governmental Revenues

The Sheriff is heavily reliant on property taxes to support its operation. Property taxes provided 59% of the sheriff's total revenues. Program revenues, intergovernmental agreements, sheriff's office fees and commissions, other sheriff's office revenues, and interest on deposits fund 41% of governmental operating expenses. Current year program earnings such as operating grants and local revenues remained stagnant, investment earnings increased due to market conditions, while ad valorem taxes and feeding and housing prisoners decreased compared to the prior year. Overall expenditures increased \$50,488 consisting of increases in personnel and benefits, but decreases in capital outlay costs. An allowance for bad debts relating to the feeding and housing of prisoners was recorded in the amount of \$1,700,000 from the result of conflicts with the responsibilities of funding the detention center with the local Police Jury. Expenditures increased only slightly from the prior year due to maintaining strict controls over costs and remaining within the approved budgets.

Governmental Functional Expenses

The total function of the Sheriff's office is public safety activities. Of the total public safety costs, depreciation on the capital assets and post employment benefit expenses were \$629,558 and \$349,922, respectively, representing 9.7% of total costs.

POINTE COUPEE PARISH SHERIFF

**MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2018**

FINACIAL ANALYSIS OF THE SHERIFF'S FUNDS

Governmental funds:

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$17,132,409. Of this year-end total, \$11,276,524 is unassigned indicating availability for continuing the sheriff's activities. Legally restricted fund balances include \$99,969 for possible liability claims and \$1,206 for grant programs, and committed fund balance of \$5,754,710 for potential use of funding other post-employment retirement benefits.

The total ending fund balances of governmental funds show an increase of \$2,198,924. Revenues were mainly stagnant with decreases in ad valorem tax revenues and feeding and housing prisoners, while expenditures were up minimally as a result of increases in personnel and benefit costs with decreases in capital outlay. Overall the sheriff continues to operate within the funds generated while still maintaining a surplus allowing him to build on current high reserves.

Major Governmental Funds

The General Fund is the Sheriff's primary operating fund and the largest source of day-to-day service delivery. The General Fund's balance increased by \$2,198,924 for the current year ended June 30, 2018 compared to a \$3,976,081 increase for the year ended June 30, 2017. The current year revenues decreased mainly due to lower revenues from ad valorem taxes and feeding and housing prisoners. Expenses increased slightly due to decreased capital outlay and increases in personnel and related benefits. The General Fund's ending fund balance increased over the prior year, reflecting continued improvement to the department's operations through efficiency and cost containment.

The ODP Homeland Security special revenue fund is also considered a major fund of the sheriff due to its importance involving federal funding. This fund accounts for homeland security grant funds provided to the sheriff for specific expenditures to be used for terrorism prevention and similar security improvements. The funds are provided on a cost-reimbursement basis for expenditures approved according to grant guidelines.

Budgetary Highlights

The General Fund's budget was amended during the current year primarily for decreased revenues in ad valorem taxes and feeding and housing prisoners. Revenues from feeding and housing prisoners was absorbed for many years by the Sheriff's office, however, the Police Jury is now being billed for the actual costs of operating the detention center. Due to the refusal of the Police Jury to remit reimbursements, the sheriff has recorded an allowance for bad debts pending resolution of such reimbursements.

The actual results in comparison to the final budget reflected a decrease in all expenditure categories than was budgeted with revenues coming in slightly higher than anticipated mainly due to local revenues. These expenditure decreases are highlighted below:

- Salaries and related benefits were less due to smaller increases in personnel overtime, health insurance and pension costs than estimated by \$317,882.
- Capital outlay was less than estimated in the budget by \$25,662 due to lower expenditures on equipment than anticipated.
- General operating expenses and material and supplies were lower than budgeted by \$421,711 due to cost containment and efficiency in department operations.
- Miscellaneous expenditures were budgeted higher with the recording of an allowance for bad debts in the amount of \$1,700,000.

POINTE COUPEE PARISH SHERIFF

**MANAGEMENT’S DISCUSSION AND ANALYSIS
JUNE 30, 2018**

CAPITAL ASSETS AND DEBT ADMINISTRATION

The Sheriff’s investment in capital assets, net of accumulated depreciation and debt as of June 30, 2018, was \$2,270,664. The overall decrease was 11.7% for the Sheriff as a whole. See footnote number 7 for additional information about changes in capital assets during the fiscal year and balances at year end. The following table reflects a summary of capital asset activity.

Capital Assets:

	Governmental Activities	
	2017	2018
Depreciable assets:		
Building, equipment & furniture	\$ 2,114,596	\$ 2,171,507
Weapons & law enforcement equipment	3,816,129	3,899,107
Vehicles	2,940,125	3,046,248
Total depreciable assets	8,870,850	9,116,862
Less accumulated depreciation	6,299,562	6,846,198
Book value – depreciable assets	\$ 2,571,288	\$ 2,270,664
Percentage depreciated	71%	75%

The major additions to capital assets include:

Weapons, equipment & communication equipment	\$ 111,196
New computers, fixtures, and building improvements	\$ 70,154
Law enforcement vehicles	\$ 148,739

Long-term debt:

At the end of the fiscal year, the Sheriff had no long-term debt.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

Approximately 59% of the sheriff’s revenues are derived from ad valorem taxes, with NRG Energy, Inc. providing 19% of the ad valorem taxes in the parish. Ad valorem taxes are expected to decrease or remain stable, decreases in revenue from housing state prisoners is also expected, with most other revenues of the office remaining stable. Health insurance costs are not expected to increase, pension costs will decline by .5%, and a 5% salary increase will be granted to personnel. In addition to these costs, nine new patrol vehicles are budgeted, five of them to be assigned to criminal patrol, through a continual replacement policy to contain maintenance costs. Additional monies will be budgeted to fund building improvements to the 911 center, and an additional two patrolmen and one civil deputy will be employed. Other than these increased expenditures, all other expenditures should remain consistent with prior year amounts and result in a surplus for the coming year. The sheriff mandates maintaining a balanced budget through efficiency and cost containment as well as exploring plans to increase current revenues.

CONTACTING THE SHERIFF’S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Sheriff’s finances, comply with finance-related laws and regulations, and demonstrate the Sheriff’s commitment to public accountability. If you have questions about this report or would like to request additional information, contact Beauregard Torres, III, Sheriff, Pointe Coupee Parish Sheriff and Tax Collector, 215 East Main Street New Roads, LA, 70760.

BASIC FINANCIAL STATEMENTS

**POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana**

Statement of Net Position

June 30, 2018

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents	\$ 136,382
Investments	15,225,364
Accounts receivable	86,649
Intergovernmental receivables	2,053,862
Capital assets:	
Land	85,161
Other capital assets, net of depreciation	<u>2,185,503</u>
 Total Assets	 <u>19,772,921</u>
DEFERRED OUTFLOWS OF RESOURCES	
Resources related to pensions	<u>844,169</u>
Total deferred outflows of resources	<u>844,169</u>
LIABILITIES	
Accounts payable and accrued expenses	369,848
Non-current liabilities:	
Net pension liability	2,119,825
Other post-employment benefits	<u>5,754,710</u>
 Total Liabilities	 <u>8,244,383</u>
DEFERRED INFLOWS OF RESOURCES	
Resources related to pensions	514,241
Resources related to other post-employment benefits	<u>69,452</u>
Total deferred inflows of resources	<u>583,693</u>
NET POSITION	
Invested in capital assets, net of related debt	2,270,664
Restricted for:	
Claims Liability	99,969
Grant programs	1,206
Unrestricted (deficit)	<u>9,417,175</u>
 Total net position	 <u>\$ 11,789,014</u>

The accompanying notes are an integral part of this statement.

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana

Statement of Activities

For the Year Ended June 30, 2018

FUNCTIONS/PROGRAMS	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
General government - Public Safety	\$ 10,116,470	\$ 3,802,440	\$ 557,334	\$ 146,800	\$ (5,609,896)
Total governmental activities:	<u>\$ 10,116,470</u>	<u>\$ 3,802,440</u>	<u>\$ 557,334</u>	<u>\$ 146,800</u>	<u>(5,609,896)</u>
General revenues:					
Ad valorem taxes					7,265,096
State revenue sharing					160,231
Video poker revenues					97,016
Gain (loss) on sale of equipment					(1,154)
Miscellaneous					162,947
Unrestricted investment earnings					<u>76,462</u>
Total general revenues					<u>7,760,598</u>
Change in net position					2,150,702
Net position - beginning of the year					13,845,909
GASB 75 adjustment (see note (1)N)					<u>(4,207,597)</u>
Net position - beginning of the year as restated					<u>9,638,312</u>
Net position - end of the year					<u>\$ 11,789,014</u>

The accompanying notes are an integral part of this statement.

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2018

	GENERAL FUND	ODP HOMELAND SECURITY	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS AND OTHER DEBITS				
Assets:				
Cash and cash equivalents	\$ 136,308	\$ 55	\$ 19	\$ 136,382
Investments	15,225,364	-	-	15,225,364
Receivables	2,099,295	38,059	3,157	2,140,511
Due from other funds	3,157	-	1,132	4,289
Prepaid assets	-	-	-	-
TOTAL ASSETS AND OTHER DEBITS	\$ 17,464,124	\$ 38,114	\$ 4,308	\$ 17,506,546
LIABILITIES, EQUITY, AND OTHER CREDITS				
Liabilities:				
Accounts and salaries payable	\$ 18,844	\$ 38,059	\$ -	\$ 56,903
Due to other funds	1,132	-	3,157	4,289
Compensated absences payable	212,976	-	-	212,976
Claims liability	99,969	-	-	99,969
Total Liabilities	332,921	38,059	3,157	374,137
Equity and Other Credits:				
Fund balances				
Nonspendable:				
Prepaid expenses	-	-	-	-
Restricted for:				
Federal Grants	-	55	1,151	1,206
Claims liability	99,969	-	-	99,969
Committed for:				
Other post-employment benefits	5,754,710	-	-	5,754,710
Unassigned	11,276,524	-	-	11,276,524
Total Equity and Other Credits	17,131,203	55	1,151	17,132,409
TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS	\$ 17,464,124	\$ 38,114	\$ 4,308	\$ 17,506,546

The accompanying notes are an integral part of this statement.

**POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana**

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

For the Year Ended June 30, 2018

Total fund balance - governmental funds	\$ 17,132,409
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the Balance sheet - governmental funds.	2,270,664
Long-term liabilities, including certificates of indebtedness, are not due and payable in the current period and therefore are not reported in the governmental funds.	
Other postemployment benefits	(5,754,710)
Net pension liability	(2,119,825)
Deferred outflows of resources related to pensions do not require the use of current financial resources and are therefore not reported in the governmental funds.	844,169
Deferred inflows of resources related to pensions do not require the use of current financial resources and are therefore not reported in the governmental funds.	(514,241)
Deferred inflows of resources related to other post-employment benefits do not require the use of current financial resources and are therefore not reported in the governmental funds.	<u>(69,452)</u>
Total net position of governmental activities	<u><u>\$ 11,789,014</u></u>

The accompanying notes are an integral part of this statement.

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
GOVERNMENTAL FUNDS

**Combined Statement of Revenues, Expenditures,
and Changes in Fund Balance
For the Year Ended June 30, 2018**

	GENERAL FUND	ODP HOMELAND SECURITY	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES				
Ad valorem taxes	\$ 7,265,096	\$ -	\$ -	\$ 7,265,096
Intergovernmental revenues:				
Federal grants	-	60,854	23,032	83,886
State grants:				
State revenue sharing	160,231	-	-	160,231
State supplemental pay	281,088	-	-	281,088
Miscellaneous	97,016	-	21,921	118,937
Local	721,668	-	-	721,668
Fees, charges, and commissions for services:				
Commissions on licenses, etc.	11,901	-	-	11,901
Civil and criminal fees	105,063	-	-	105,063
Court attendance	19,312	-	-	19,312
Feeding, transporting, and keeping prisoners	2,552,408	-	-	2,552,408
Fines and forfeitures	112,608	-	-	112,608
Interest	76,461	-	-	76,461
Miscellaneous	565,345	-	-	565,345
Total revenues	11,968,197	60,854	44,953	12,074,004
EXPENDITURES				
Public safety:				
Personal services and related benefits	6,091,506	22,794	18,135	6,132,435
Operating services	1,061,046	475	942	1,062,463
Material and supplies	632,485	-	12,328	644,813
Capital outlay	271,851	37,585	20,653	330,089
Miscellaneous	1,705,280	-	-	1,705,280
Total expenditures	9,762,168	60,854	52,058	9,875,080
EXCESS(Deficiency) OF REVENUES OVER EXPENDITURES	\$ 2,206,029	\$ -	\$ (7,105)	\$ 2,198,924
OTHER FINANCING SOURCES(Uses)				
Sale of equipment	-	-	-	-
Operating transfers in	-	-	7,105	7,105
Operating transfers out	(7,105)	-	-	(7,105)
Total other financing sources(uses)	(7,105)	-	7,105	-
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	2,198,924	-	-	2,198,924
FUND BALANCE AT BEGINNING OF YEAR	14,932,279	55	1,151	14,933,485
FUND BALANCE AT END OF YEAR	\$ 17,131,203	\$ 55	\$ 1,151	\$ 17,132,409

The accompanying notes are an integral part of this statement.

**POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana**

**Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds to the Statement of Activities**

For the Year Ended June 30, 2018

Net change in fund balances - total governmental funds	\$ 2,198,924
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Amounts reported for governmental activities in the statement of activities are different because:

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

Capital outlays	330,089
Depreciation expense	(629,558)

Governmental funds report the proceeds from the sale of capital assets as revenues. However, in the statement of activities only gains or losses are reported:

Gain (loss) on the disposal of capital assets	(1,154)
Proceeds from sale of capital assets	-

Governmental funds report current year post-employment benefits paid as expenditures. However, in the statement of activities it is an actuarially calculated expense. This represents the difference between post-employment benefits paid and the actuarially calculated expense.	(26,876)
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Governmental funds report current year pension contributions as expenditures. However, in the statement of activities it is an actuarially calculated expense. This represents the difference between pension contributions and actuarially calculated expense.	84,955
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The sheriff's proportionate share of non-employer contributions to the pension plan do not provide current financial resources and are not reported as revenue in the governmental funds.	194,322
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Change in net position of governmental activities	<u>\$ 2,150,702</u>
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The accompanying notes are an integral part of this statement.

**POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana**

**STATEMENT OF FIDUCIARY NET POSITION
June 30, 2018**

	<u>AGENCY FUNDS</u>
ASSETS	
Cash and cash equivalents	\$ 107,939
TOTAL ASSETS	<u>\$ 107,939</u>
LIABILITIES	
Due to taxing bodies and others	\$ 107,939
TOTAL LIABILITIES	<u>\$ 107,939</u>

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
Notes to the Financial Statements
As of and for the Year Ended June 30, 2018

INTRODUCTION

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

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

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

1. SUMMARY OF SIGNIFICANT POLICIES

A. BASIS OF PRESENTATION

The accompanying basic financial statements of the Pointe Coupee Parish Sheriff have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements- and Management's Discussion and Analysis- for State and Local Governments*, issued in June 1999.

B. REPORTING ENTITY

The sheriff is an independently elected official. The Pointe Coupee Parish Police Jury does maintain and operate the parish courthouse in which the sheriff's office is located. However, because the police jury does not provide significant assistance to the sheriff, which makes the sheriff fiscally independent of the police jury, the sheriff was determined not to be a component unit of the Pointe Coupee Parish Police Jury, the financial reporting entity.

The accompanying financial statements present information only on the funds maintained by the sheriff and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. FUND ACCOUNTING

The sheriff uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

Funds of the sheriff are classified into two categories: governmental and fiduciary. Each category, in turn is divided into separate fund types. The fund classifications and a description of each existing fund type follows:

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
Notes to the Financial Statements

Governmental Funds

Governmental funds account for all or most of the sheriff's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources, which may be used to finance future period programs or operations of the sheriff. The following are the sheriff's governmental funds:

General Fund -- The General Fund, as provided by Louisiana Revised Statute 13:1422, is the principal fund of the sheriff's office and accounts for all financial resources, except those required to be accounted for in other funds. The sheriff's primary source of revenue is an ad valorem tax levied by the law enforcement district. Other sources of revenue include commissions on state revenue sharing, state supplemental pay for deputies, civil and criminal fees, fees for court attendance and maintenance of prisoners, et cetera. General operating expenditures are paid from this fund.

Special Revenue Funds -- Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

Fiduciary Funds:

Fiduciary fund reporting focuses on net position and changes in net position. The only funds accounted for in this category by the sheriff are agency funds. The agency funds account for assets held by the sheriff as an agent for various taxing bodies (tax collections) and for deposits held pending court action. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The agency funds are used as depositories for civil suits, cash bonds, taxes, fees, et cetera. Disbursements from these funds are made to various parish agencies, litigants in suits, et cetera, in the manner prescribed by law. Consequently, the agency funds have no measurement focus, but use the modified accrual basis of accounting.

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the sheriff as a whole. These statements include all the financial activities of the sheriff. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, 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. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*.

Program Revenues – Program revenues included in the Statement of Activities are derived directly from users as a fee for services; program revenues reduce the cost of the function to be financed from the sheriff's general revenues.

Fund Financial Statements (FFS)

The amounts reflected in the General Fund and other funds of the Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance are accounted for using a current financial resources measurement

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
Notes to the Financial Statements

focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the sheriff's operations (See the reconciliation statements).

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

Revenues

Federal and state entitlements (which include state supplemental pay for deputies and state revenue sharing) are recorded as unrestricted grants-in-aid when available and measurable. Federal and state grants are recorded when the expenditures have been incurred.

Local intergovernmental reimbursements are recognized monthly when available and measurable.

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December, January, and February of the fiscal year.

Interest earnings on time deposits are recorded when the time deposits are matured and the interest is available. Interest on checking and money market accounts is recorded monthly when the interest is available.

Feeding, transporting, and maintenance of prisoners' revenues are recorded monthly for services rendered during the month.

Substantially all other revenues are recorded when received.

Expenditures

Salaries are recorded as expenditures when earned.

Purchases of various operating supplies are recorded as expenditures in the accounting period in which they are purchased.

Compensated absences are recognized as benefits are earned.

Substantially all other expenditures are recognized when the related fund liability has been incurred.

Other Financing Sources (Uses)

Transfers between funds, which are not expected to be repaid, are accounted for as other financing sources (uses) when the sheriff authorizes the transfer. Proceeds from the sale of equipment are also considered as an other financing source.

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
Notes to the Financial Statements

Deferred Revenues

Deferred revenues arise when resources are received by the sheriff before it has legal claim to them, as when grant monies are received before the incurrence of qualifying expenditure. In subsequent periods, when the sheriff has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

E. BUDGETS

The proposed budget for the general fund and all special revenue funds for fiscal year June 30, 2018 was made available for public inspection on June 1, 2017. The proposed budget, prepared on the modified accrual basis of accounting, was published in the official journal 13 days before the public hearing, which was held at the Pointe Coupee Parish Sheriff's office on June 14, 2017, for comments from taxpayers. The budget is legally adopted and amended, as necessary, by the sheriff.

All expenditure appropriations lapse at year-end. Unexpended appropriations and any excess of revenues over expenditures are carried forward to the subsequent year as beginning fund balance.

Encumbrance accounting is not used. However, formal integration of the budget into the accounting records is employed as a management control device. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

F. ENCUMBRANCES

The Office of the Pointe Coupee Parish Sheriff does not employ encumbrance accounting.

G. CASH AND CASH EQUIVALENTS

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

H. INVESTMENTS

Investments are limited by R.S. 33:2955 and the sheriff's investment policy. If the original maturities exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

GASB Statement No. 31 requires the sheriff to report investments at fair value in the balance sheet, except as follows:

1. Investments in nonparticipating interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, should be reported using a cost-based measure, provided that the fair value of those contracts is not significantly affected by the impairment of the credit standing of the issuer or other factors.
2. The sheriff may report at amortized cost money market investments and participating interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less, provided that the fair value of those investments is not significantly affected by the impairment of the credit standing of the issuer or by other factors. Money market investments are short-term, highly liquid

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
Notes to the Financial Statements

investment contracts include U.S. Treasury obligations. Interest-earning investment contracts that include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

In accordance with GASB Statement No. 31, the sheriff reports investments at amortized cost, money market investments and participating interest-bearing investment contracts that have a remaining maturity at time of purchase of one year or less, provided that the fair value of those investments is not significantly affected by the impairment of the credit standing of the issuer or by other factors. Money market investments are short-term, highly liquid debt instruments that include U.S. Treasury obligations.

I. PREPAID ITEMS

The Sheriff records prepaid assets for any significant expenditure that can be allocable to future periods in both the government-wide and fund financial statements.

J. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The sheriff maintains a threshold level of \$500 or more for capitalizing capital assets. All fixed assets are valued at historical cost.

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

<u>Description</u>	<u>Estimated Lives</u>
Vehicles	5 years
Office furniture & equipment	5 – 20 years
Law enforcement weapons & equipment	5 – 10 years
Buildings	40 years

K. COMPENSATED ABSENCES

The sheriff's office has the following policy relating to vacation and sick leave:

Annual Leave

- 3.5 hours per month for years 0 through 2 years of service.
 - 7.0 hours per month for years 2 through 5 years of service.
 - 10.5 hours per month for years 5 through 10 years of service.
 - 12.0 hours per month after 10 years of service.
- A maximum of 144 hours of annual leave may be carried over from one calendar year to the next.

K-time

Compensatory time may be awarded to employees in lieu of cash payments and is work performed in connection with an emergency declared by the sheriff. K-time may accrue up to a maximum of 80 hours and may be carried over from one calendar year to the next.

Sick Leave

All employees are limited to 120 hours of sick leave per year.

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
Notes to the Financial Statements

The sheriff's recognition and measurement criteria for compensated absences follows GASB Statement No. 16 which provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

- a. The employees' rights to receive compensation are attributable to services already rendered.
- b. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

L. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

The Sheriff follows GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position". This statement provides guidance for reporting deferred outflows, deferred inflows and net position in a statement of financial position and related disclosures and applies to transactions that result in the consumption or acquisition of net assets in one period that are applicable to future periods. The sheriff's deferred outflows/inflows of resources consist of resources related to pensions (see Note 9) and other post-employment benefits (see Note 10).

M. PENSIONS

Financial reporting information pertaining to the Sheriff's participation in the Sheriff's Pension and Relief Fund (SPRF) is prepared in accordance with GASB Statement No. 68, "Accounting and Financial Reporting for Pensions", as amended by GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date" and GASB Statement No. 82, "Pension Issues-an amendment of GASB Statements No. 67, No. 68, and No. 73", which was adopted by the Sheriff for the fiscal year ended June 30, 2015 and currently.

The fiduciary net position, as well as additions to and deductions from the fiduciary net position, of SPRF have been determined on the same basis as they are reported by SPRF. The financial statements were prepared using the accrual basis of accounting, member and employer contributions are recognized when due, pursuant to formal commitments and statutory requirements. Benefits and refunds of employee contributions are recognized when due and payable in accordance with the statutes governing SPRF. Expenses are recognized when the liability is incurred, regardless of when payment is made. Investments are reported at fair value on a trade date basis. The fiduciary net position is reflected in the measurement of the sheriff's proportionate share of the plan's net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense. See note 9 for additional information.

N. CHANGE IN ACCOUNTING PRINCIPLE

During the fiscal year ending June 30, 2018, the Sheriff adopted GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions". The statement's objective is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). This statement replaces the requirements of Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions". This resulted in a restatement of previously reported net position as follows:

Governmental funds net position as previously reported at June 30, 2017	\$13,845,909
Prior period adjustment:	
Net effect of recording total OPEB liability	<u>(4,207,597)</u>
Governmental funds net position as restated, June 30, 2017	<u>\$ 9,638,312</u>

O. OTHER POSTEMPLOYMENT BENEFITS

The sheriff follows GASB Statement No. 75 "Accounting and Financial Reporting for Postemployment

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
Notes to the Financial Statements

Benefits Other than Pensions”, which requires the accrual of other postemployment benefits for retired employees. The sheriff has recorded a liability for other postemployment benefits (see Note 10). In the government-wide financial statements, the other postemployment benefits liability is recorded as an expense and non-current liability and allocated on a functional basis. In the fund financial statements, other postemployment benefit expenditures are recognized in the amount contributed to the plan or expected to be liquidated with expendable available financial resources. Expendable available financial resources generally refer to other postemployment benefit payments due and payable as of the end of the year.

P. RESTRICTED NET POSITION

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

- 1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; and
- 2) imposed by law through constitutional provisions or enabling legislation.

Q. FUND EQUITY

The sheriff has adopted Governmental Accounting Standards Board (GASB) Statement No. 54 “Fund Balance Reporting and Governmental Fund Type Definitions.” This statement establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental fund types. The following describes the different classifications available for fund balances of governmental funds:

Nonspendable – amounts that cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact.

Restricted – amounts for which constraints have been externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or amounts that are imposed by law through constitutional provisions or enabling legislation.

Committed – amounts that can be used only for specific purposes determined by formal action of the sheriff, who is the highest level of decision-making authority for the Pointe Coupee Parish Sheriff’s Office. Commitments cannot be used for any other purpose unless the same action/person that established them decides to modify or remove them.

Assigned – amounts that do not meet the criteria to be classified as either restricted or committed but are intended to be used for specific purposes. Amounts can only be assigned by the sheriff.

Unassigned – the residual fund balance in the general fund.

When fund balance resources are available for a specific purpose, the sheriff considers the most restrictive funds to be used first. However, the sheriff reserves the right to spend unassigned resources first and to defer the use of more restrictive funds.

R. USE OF ESTIMATES

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

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
Notes to the Financial Statements

2. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The following funds had actual expenditures over budgeted appropriations for the year ended June 30, 2018:

<u>Fund</u>	<u>Original</u> <u>Budget</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>	<u>Unfavorable</u> <u>Variance</u>
None	\$ -	\$ -	\$ -	\$ -

3. LEVIED TAXES

The following is a summary of authorized and levied ad valorem taxes:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Property Tax	15.39	15.39	Indefinite

The following are the principal taxpayers for the parish:

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed</u> <u>Valuation</u>	<u>Percentage of</u> <u>Total Assessed</u>	<u>Ad Valorem</u> <u>Tax Revenue</u> <u>for Sheriff</u>
La. Generating, LLC	Electric	\$ 97,301,220	18.87%	\$ 1,497,466
American Commercial Lines	Transport	56,726,260	11.00%	873,017
Ingram Barge Company	Transport	39,191,540	7.60%	603,158
Entergy La., LLC- Big Cajun	Electric	25,860,300	5.01%	397,990
Acadian Gas Pipeline	Pipelines	21,635,280	4.20%	332,967
Union Pacific Corp	Railroad	17,060,430	3.31%	262,560
Heartland Barge Management	Transport	8,500,640	1.65%	130,825
Nan Ya Plastics Corp, America	Manufacturing	5,786,630	1.12%	89,056
Total		<u>\$ 272,062,300</u>	<u>52.76%</u>	<u>\$ 4,187,039</u>

4. DEPOSITS AND INVESTMENTS

A. Cash and Cash Equivalents

Cash and Cash equivalents include bank accounts and short-term investments. See Note 1(G) for additional cash disclosure note information.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure the Sheriff's deposits may not be returned. Deposits are exposed to custodial credit risk if they are either (a) uninsured and uncollateralized, or (b) uninsured and collateralized with securities held by the pledging financial institution or its trust department/agent but not in the name of the Sheriff. The Sheriff's cash and investment policy, as well as state law, require that deposits be fully secured by federal deposit insurance or the pledge of securities owned by the bank. The fair value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the bank. The following chart represents bank balances for the sheriff as of June 30, 2018. Deposits are listed in terms of whether they are exposed to custodial credit risk.

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
Notes to the Financial Statements

Bank Balances

	<u>Uninsured & Uncollateralized</u>	<u>Uninsured & collateralized With securities held by Pledging Institution or it's Trust Department/Agent but not in the Entity's Name</u>	<u>Total Bank Balances – All Deposits</u>	<u>Total Carrying Value – All Deposits</u>
Cash & Cash Equivalents	\$ -	\$ -	\$ 610,660	\$ 244,321

Total bank balances and total carrying amount of deposits includes cash in the agency funds at year-end of \$107,939 and cash on hand of \$200.

B. Investments

Investments are stated at fair value. See also Note 1 (H) for additional investment disclosure information.

Credit Risk - Investments

Investments permitted by state statute include obligations issued, insured or guaranteed by the U.S. government including certificates or other ownership interest in such obligations and/or investments in registered mutual or trust funds consisting solely of U.S. government securities. The Sheriff's investment program is limited to purchases of bank certificate of deposits, U.S. treasury and government agency obligations as well as investments in the Louisiana Asset Management Pool, Inc. (LAMP). LAMP is a nonprofit corporation formed by an initiative of the State Treasurer, and organized under the laws of the State of Louisiana which operates a 2a-7 like local government investment pool. LAMP is rated AAAM by Standard & Poor's.

Custodial Credit Risk - Investments

Custodial credit risk for investments is the risk that in the event of the failure of the counterparty to a transaction, the Sheriff will not be able to recover the value of the investment. Investments are exposed to custodial risk if the securities are (a) uninsured and unregistered and held by the counterparty or (b) uninsured, unregistered and held by the counterparty's trust department or agent but not in the name of the Sheriff. The following chart presents the investment position of the Sheriff as of June 30, 2018. The various types of investments are listed and presented by whether they are exposed to custodial credit risk.

Investments

	<u>Uninsured, Unregistered, And Held by the Counterparty</u>	<u>Uninsured, Unregistered & Held by the Counterparty's Trust Department or Agent But not in the Entity's Name</u>	<u>All Investments – Reported Amount</u>	<u>All Investments – Fair Value</u>
US Treasury Notes/Bonds	\$ -	\$ -	\$ 10,818,525	\$ 10,818,525
Certificates of Deposit	-	-	1,478,960	1,478,960
Investments Not Categorized: LAMP	-	-	2,927,879	2,927,879
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,225,364</u>	<u>\$ 15,225,364</u>

Interest Rate Risk - Investments

Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of investments. Investments can be highly sensitive to changes in interest rates due to their terms or characteristics. The Sheriff's investment policy with regards to interest rate risk is to match cash flow requirements with cash flows from investments. This

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
Notes to the Financial Statements

matching allows for securities to be held to maturity thereby avoiding realizing losses due to liquidation of securities prior to maturity, especially in a rising interest rate environment. Investing in longer term maturities that contain a “step up” in coupon interest rates will also contribute to the reduction of interest rate risk. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 60 days, and consists of no securities with a maturity in excess of 397 days. The WAM for LAMP’s total investments is 85 as of June 30, 2018. Investments classified by maturity dates at June 30, 2018 are summarized below:

<u>Investment</u>	<u>Fair Value</u>	<u>0-1 Years Before Maturity</u>	<u>1-5 Years Before Maturity</u>	<u>6+ Years Before Maturity</u>
US Treasury Notes/Bonds	\$ 10,818,525	\$ 2,305,335	\$ 8,513,190	\$ -
Certificates of Deposit	1,478,960	498,658	980,302	-
LAMP	<u>2,927,879</u>	<u>2,927,879</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 15,225,364</u>	<u>\$ 5,731,872</u>	<u>\$ 9,493,492</u>	<u>\$ -</u>

Fair Value Measurements

The Sheriff adopted GASB Statement No. 72, *Fair Value Measurement and Application*, during the prior fiscal year ending June 30, 2016. This statement establishes a hierarchy of inputs to valuation techniques used to measure fair value. The sheriff measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles using a market approach technique. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities in active markets that the entity has the ability to access
- Level 2: Inputs (other than quoted prices included within level 1) that are observable of the asset or liability, either directly or indirectly
- Level 3: Unobservable inputs significant to the fair value measurement

At June 30, 2018, the sheriff had the following recurring fair value measurements:

<u>Investments by fair value level</u>	<u>6/30/2018</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Debt Securities:				
U.S. Treasuries	\$5,720,313	5,720,313		
U.S. Agencies	5,098,212	5,098,212		
Negotiable Certificates of Deposit	1,478,960	1,478,960		
Not Categorized by fair value level:				
LAMP (2a-7 investment pool)	<u>2,927,879</u>			
Total Investments	<u>\$15,225,364</u>			

5. INTERFUND RECEIVABLES/PAYABLES

The following is a summary of interfund receivables/payables, resulting from advance of funds until grant monies are received, between funds at June 30, 2018:

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	<u>Due From Other Funds</u>	<u>Due to Other Funds</u>
General Fund:		
Dept of Justice Fund	\$ 3,157	\$ 1,132
Other Grant Fund		
Other Grant Fund:		
General Fund		
Dept. of Justice Fund:		
General Fund	<u>1,132</u>	<u>3,157</u>
 Total Receivables	 <u><u>\$ 4,289</u></u>	 <u><u>\$ 4,289</u></u>

6. RECEIVABLES

The following is a summary of receivables at June 30, 2018:

<u>Class of Receivables</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Total</u>
Intergovernmental:			
Federal	\$ 22,792	\$ 41,216	\$ 64,008
State	70,983	-	70,983
Local	1,903,872	-	1,903,872
Accounts	<u>101,648</u>	<u>-</u>	<u>101,648</u>
 Total Receivables	 <u><u>\$ 2,099,295</u></u>	 <u><u>\$ 41,216</u></u>	 <u><u>\$ 2,140,511</u></u>

The sheriff uses the allowance method whereby uncollectible amounts due from taxes and charges are recognized as bad debts through the use of an allowance account or are charged off at the time information becomes available which indicates the particular receivable is not collectible. Of the local receivables listed above, \$3,594,066 consists of charges to the Pointe Coupee Parish Police Jury for feeding and housing parish prisoners at the Detention Center. The position taken by the sheriff that the cost of feeding and housing parish prisoners is the responsibility of the police jury according to state law and is currently in dispute by the policy jury. If unresolved, it could result in potential litigation and possible adjustments for uncollectible amounts in subsequent fiscal year(s). Due to the age of the receivables, the sheriff recorded a bad debt expense and allowance charge against the receivable of \$1,700,000 during the current year ended June 30, 2018, and it is reflected under miscellaneous expenses in the statement of revenues, expenditures and changes in fund balance. The sheriff's legal counsel feels state statute would rule in his favor, therefore a reserve has been set up and the receivable has not been completely written off.

7. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2018 are as follows:

	<u>Furniture & Fixtures</u>	<u>Vehicles</u>	<u>Weapons & Equipment</u>	<u>Land & Buildings</u>	<u>Total</u>
Cost of capital assets, June 30, 2017	\$ 899,446	\$ 2,940,125	\$ 3,816,129	\$ 1,215,150	\$ 8,870,850
Additions	70,154	148,739	111,196	-0-	330,089
Deletions	<u>13,243</u>	<u>42,616</u>	<u>28,218</u>	<u>-</u>	<u>84,077</u>
Cost of capital assets, June 30, 2018	<u>956,357</u>	<u>3,046,248</u>	<u>3,899,107</u>	<u>1,215,150</u>	<u>9,116,862</u>

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Accumulated depreciation, June 30, 2017	764,561	2,057,362	3,062,398	415,241	6,299,562
Additions	54,355	328,406	211,895	34,902	629,558
Deletions	<u>13,054</u>	<u>42,616</u>	<u>27,252</u>	-	<u>82,922</u>
Accumulated depreciation, June 30, 2018	<u>805,862</u>	<u>2,343,152</u>	<u>3,247,041</u>	<u>450,143</u>	<u>6,846,198</u>
Capital assets net of accumulated depreciation, at June 30, 2018	<u>\$ 150,495</u>	<u>\$ 703,096</u>	<u>\$ 652,066</u>	<u>\$ 765,007</u>	<u>\$ 2,270,664</u>

Depreciation expense of \$629,558 for the year ended June 30, 2018 was charged to the general governmental activities.

8. ACCOUNTS AND SALARIES PAYABLE

The payables of \$369,848 at June 30, 2018, are as follows:

	General Fund	Special Revenue Funds	Total
Accounts payable	\$ 18,844	\$ 38,059	\$ 56,903
Salaries & Withholdings	0	-	0
Compensated absences	212,976	-	212,976
Other	99,969	-	99,969
Total	<u>\$ 331,789</u>	<u>\$ 38,059</u>	<u>\$ 369,848</u>

9. PENSION PLAN

Plan Description. Substantially all full-time employees of the Pointe Coupee Parish Sheriff's office are members of the Louisiana Sheriffs Pension and Relief Fund (SPRF), a cost-sharing, multiple-employer defined benefit pension plan administered by SPRF, a public corporation created in accordance with the provisions of Louisiana Revised Statute 11:2171 to provide retirement, disability, and survivor benefits to sheriff and deputy sheriff members throughout the State of Louisiana. The SPRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the SPRF, 1225 Nicholson Drive, Baton Rouge, Louisiana 70802 or by calling (225) 219-0500.

Funding Policy. Plan members are required by state statute to contribute 10.25 percent of their annual covered salary and the Pointe Coupee Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 12.75 percent of annual covered payroll. Contributions to the System also include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and funds as required and available from insurance premium taxes, which are recognized as employer contributions and considered support from non-employer contributing entities. The contribution requirements of plan members and the Pointe Coupee Parish Sheriff are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Pointe Coupee Parish Sheriff's contributions to the System for the years ending June 30, 2018, 2017, and 2016, were \$453,530, \$450,279, and \$463,442, respectively, equal to the required contributions for each year.

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

Retirement Benefits: For members who become eligible for membership on or before December 31, 2011: Members with twelve years of creditable service may retire at age fifty-five; members with thirty years of service may retire regardless of age. The

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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 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.

Deferred Benefits: The Fund does not provide for deferred benefits for vested members who terminate before being eligible for retirement. Benefits become payable once the member reaches the appropriate age for retirement.

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

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

Survivor Benefits: Survivor benefits for death solely as a result of injuries received in the line of duty are based on the following. For a spouse alone, a sum equal to 50% of the member's final average compensation with a minimum of \$150 per month. If a spouse is entitled to benefits and has a child or children under eighteen years of age (or over said age if physically or mentally incapacitated and dependent upon the member at the time of his death), an additional sum of 15% of the member's final average compensation is paid to each child with total benefits paid to spouse and children not to exceed 100%. If a member with no

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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-two, if the child is a full-time student in good standing enrolled at a board approved or accredited school, college, or university.

Cost of Living Adjustments: 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.

Contributions: According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2017, the actual employer contribution rate was 13.25% with an additional 0% allocated from the Funding Deposit Account. For the year ended June 30, 2017, the actuarially determined employer contribution rate was 9.92%. The actual rate differs from the actuarially required rate due to state statutes that require the contribution rate be calculated and set two years prior to the year effective. In accordance with state statute, the Fund receives ad valorem taxes, insurance premium taxes, and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations. The amount of non-employer contributions recognized as revenue in the government-wide governmental activities statement of activities was \$194,322 and excluded from pension expense for the year ended June 30, 2018.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2018, the sheriff reported a liability of \$2,119,825 for its proportionate share of net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The sheriff's proportion of the net pension liability was based on a projection of the sheriff's long-term share of contributions to the pension plan relative to the projected contributions of all participating sheriffs, actuarially determined. At June 30, 2017, the sheriff's proportion was 0.489536%, which was a decrease of 0.003981% from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the sheriff recognized pension expense of \$368,575. At June 30, 2018, the sheriff recognized deferred outflows of resources and deferred inflows of resources related to pensions from the following:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 369,012
Changes of assumptions	372,994	-
Net difference between projected and actual earnings on pension plan investments	-	30,426
Changes in proportion and differences between sheriff contributions and proportionate share of contributions	17,645	114,803
Sheriff contributions subsequent to the measurement date	<u>453,530</u>	<u>-</u>
Total	<u>\$ 844,169</u>	<u>\$ 514,241</u>

The \$453,530 reported as deferred outflows of resources relating to pensions resulting from the sheriff contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

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Year ended June 30:	
2019	\$(102,978)
2020	123,683
2021	19,907
2022	(172,717)
2023	2,469
Thereafter	<u>6,034</u>
Total	<u>\$ (123,602)</u>

Actuarial assumptions. The total pension liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method:	Entry Age Normal Method
Investment Rate of Return:	7.5%, net of investment expense
Projected Salary increases:	5.5% (2.775% inflation, 2.725% merit)
Mortality Rates:	RP-2000 Disabled Lives Mortality Table for disabled annuitants RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Table for active members, healthy annuitants and beneficiaries
Expected Remaining Service lives:	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 of potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

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

The long term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Estimates of arithmetic real rates of return for each major asset class based on the Fund's target asset allocation as of June 30, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Expected Rate of Return</u>		
	<u>Target Asset Allocation</u>	<u>Real Return Arithmetic Basis</u>	<u>Long-term Expected Portfolio Real Rate of Return</u>
Equity Securities	60%	7.4%	4.4%
Bonds	25	2.6	0.7
Alternative Investments	<u>15</u>	4.2	<u>0.6</u>
Totals	100%		5.7%
Inflation			<u>2.6%</u>
Expected Arithmetic Nominal Return			<u>8.3%</u>

Discount Rate. The discount rate used to measure the total pension liability was 7.4%. The projection of cash flows used to determine the discount rate assumed that conditions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by the Public Retirement

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Systems' Actuarial Committee taking into consideration the recommendation of the Fund's actuary. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity to Changes in Discount Rate. The following presents the sheriff's proportionate share of the net pension liability calculated using the discount rate of 7.4%, as well as what the sheriff's net pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate as of June 30, 2017:

	1% Decrease	Discount Rate	1% Increase
	<u>6.4 %</u>	<u>7.4%</u>	<u>8.4%</u>
Sheriff's proportionate share of the net pension liability	\$4,367,398	\$2,119,825	228,798

10. POST EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

General Information about the OPEB Plan

Plan Description - The Pointe Coupee Parish Sheriff's Office (the Sheriff) provides certain continuing health care and life insurance benefits for its retired employees. The Pointe Coupee 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 GASB Codification Section P52, *Postemployment Benefits Other Than Pensions-Reporting for Benefits Not Provided Through Trusts That Meet Specified Criteria-Defined Benefit*.

Benefits Provided - Medical/dental and life insurance benefits are provided to employees upon actual retirement. The employer pays 100% of the medical coverage for the retiree (not dependents). Employees are covered by a retirement system whose retirement eligibility (D.R.O.P. entry) provisions are as follows: age 55 and 15 years of service.

Life insurance coverage is continued to retirees by election and the employer pays for 100% of the cost. However, the rates are based on the blended active/retired rate and there is thus an implied subsidy. Based on past experience, we have assumed that 75% of retirees continue the higher insurance amounts into retirement. Insurance coverage amounts are reduced to 75% of the original amount at age 65 and to 50% of the original amount at age 70.

Employees covered by benefit terms - At June 30, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	37
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>101</u>
	<u>138</u>

Total OPEB Liability

The Sheriff's total OPEB liability of \$5,754,710 was measured as of June 30, 2018, and was determined by an actuarial valuation as of that date.

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Actuarial Assumptions and other inputs – The total OPEB liability in the June 30, 2018, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	3.0%, including inflation
Discount rate	3.62%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	Flat 5.5% annually

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index as of June 30, 2018, the end of the applicable measurement period.

Mortality rates were based on the RP-2000 Table without projection with 50%/50% unisex blend.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2018.

Changes in the Total OPEB Liability

Balance at June 30, 2017	\$ 5,797,286
Changes for the year:	
Service cost	138,519
Interest	214,876
Differences between expected and actual experience	(72,925)
Benefit payments and net transfers	<u>(323,046)</u>
Net changes	<u>(42,576)</u>
Balance at June 30, 2018	<u>\$ 5,754,710</u>

Sensitivity of the total OPEB liability to changes in the discount rate – The following represents the total OPEB liability of the Sheriff, as well as what the Sheriff's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.62%) or one percentage point higher (4.62%) than the current discount rate:

	1.0% Decrease (2.62%)	Current Discount (3.62%)	1.0% Increase (4.62%)
Total OPEB Liability	<u>\$ 6,574,721</u>	<u>\$ 5,754,710</u>	<u>\$ 5,088,973</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 one percentage point lower (4.5%) or one percentage point higher (6.5%) than the current healthcare trend rates:

	1.0% Decrease (4.5%)	Current Discount (5.5%)	1.0% Increase (6.5%)
Total OPEB Liability	<u>\$ 5,151,029</u>	<u>\$ 5,754,710</u>	<u>\$ 6,496,061</u>

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

For the year ended June 30, 2018, the Sheriff recognized OPEB expense of \$349,922. At June 30, 2018, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (69,452)
Total	\$ -	\$ (69,452)

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

Years ending June 30:	
2019	(3,473)
2020	(3,473)
2021	(3,473)
2022	(3,473)
2023	(3,473)
Thereafter	(52,087)

11. COMPENSATED ABSENCES

At June 30, 2018 employees of the sheriff have accumulated and vested \$212,976 of employee leave benefits, which was computed in accordance with GASB Codification C60. This entire amount is recorded as an obligation of the General Fund.

12. LEASES

The sheriff has operating leases of the following nature:

Lease of airport hanger	@ \$800 per month.
Lease of postage meter	@ \$541 per quarter.
Lease of storage sheds (3)	@ \$70 per month.

All operating lease agreements are cancelable upon 30 days advance notice by either party. Rental expenditures of \$13,986 for the year ended June 30, 2018 were paid from the general fund.

13. CHANGES IN AGENCY FUND BALANCES

See supplemental information Schedule of Changes in Balances Due to Taxing Bodies and Others.

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

Certain operating expenditures of the sheriff's office are paid by the parish police jury and are not included in the accompanying financial statements. These expenditures are summarized as follows:

Description
1. Utilities – Main Office Courthouse & Civil Office
2. Building Maintenance – Main Office Courthouse, Civil & Detective Office
3. Feeding and Transporting of Parish Prisoners (partially)

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15. INTERFUND TRANSFERS

The following interfund transfers, the result of local grant matches, were incurred during the year ended June 30, 2018:

Fund	<u>Transfer In From</u>	<u>Transfer Out To</u>
General Fund – Dept. of Justice	\$ -	\$ 7,105
Dept. of Justice - General Fund	<u>7,105</u>	<u>-</u>
Total	<u><u>\$ 7,105</u></u>	<u><u>\$ 7,105</u></u>

16. RISK MANAGEMENT

The Pointe Coupee Parish Sheriff is exposed to risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Sheriff purchases commercial insurance with a self-insured retention. The Sheriff accounts for and finances its uninsured risks of loss (self-insured retention) through the General Fund. The general fund is subject to a self-insured retention per occurrence for up to a maximum of \$50,000 for automobile claims, general liability and law enforcement claims, with the maximum cumulative amount of self-insured retention being \$200,000 per year in aggregate (aggregate does not apply to auto physical damage, employment related practices, healthcare or property losses). A reserve of \$99,969 was established and is reported as a restriction of the General Fund fund balance. The claims liability of \$99,969 reported in the general fund at June 30, 2018 is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

	<u>Beginning of Fiscal Year Liability</u>	<u>Current Year Claims & Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at Fiscal Year End</u>
2016-2017	234,612	(13,200)	71,278	150,134
2017-2018	150,134	(33,631)	16,534	99,969

17. LITIGATION AND CLAIMS

At June 30, 2018, the sheriff is involved in four lawsuits. The sheriff's legal counsel feels the cases will be resolved in the sheriff's favor or covered by their insurance carrier. However, the ultimate resolution of these lawsuits cannot be presently determined and no provision for any liability that may result from such claims has been made in the financial statements. The cost of litigation and claims incurred during the fiscal year was \$45,203. This entire amount has been recorded as current-year expenditures in the General Fund.

18. ON-BEHALF PAYMENTS

A portion of the salaries of the sheriff's deputies are paid through a supplement from the state. These payments provide the deputies of the sheriff's office with an additional \$500 per month, which is added to their base salary. For the year ended June 30, 2018, \$281,088 was received from the state and is included in revenues under state supplemental pay and in expenses under personal service and related benefits on the combined statement of revenue, expenditures, and changes in fund balance.

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Notes to the Financial Statements

19. TAXES PAID UNDER PROTEST

The unsettled balances due to taxing bodies and others in the agency funds at June 30, 2018, as reflected on the Combined Balance Sheet, include \$2,542 of taxes paid under protest, plus interest earned to date on the investment of these funds, totaling \$122. These funds are held pending resolution of the protests and are accounted for in the Tax Collector Agency Fund.

20. FEDERAL FINANCIAL ASSISTANCE

The sheriff participates in the following federal financial assistance programs:

Federal Grantor/ Pass-Through Grantor/ <u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass Through Grantor's Number</u>	<u>Expenditures</u>
United States Department of Justice			
Passed through the Louisiana Commission on Law Enforcement:			
Violence Against Women Formula Grants (ARRA) (Domestic Violence Program)	16.588	3647	10,690
Byrne Memorial Justice Assistance Program (Information System Upgrade)	16.738	3535	8,800
Direct Grants:			
Bullet Proof Vest Program	16.607	N/A	3,542
Total United States Department of Justice			<u>23,032</u>
United States Department of Homeland Security			
Passed through La. Governor's Office – Office of Homeland Security & Emergency Preparedness:			
Emergency Management Performance Grants (EMPG Funding)	97.042	EMT2017EP00001S01	26,396
Homeland Security Grant Program (SHSP)	97.067	EMW2015SS00043S01 EMW2017SS00058S01	2,122 <u>32,336</u>
Total United States Department of Homeland Security			<u>60,854</u>
Total Program Expenditures			<u>\$ 83,886</u>

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
Notes to the Financial Statements

21. EX-OFFICIO TAX COLLECTOR

The amount of cash on hand at fiscal year end was \$1,757. The unsettled balance of the tax collector fund at June 30, 2018 consisted of collection of current and prior year taxes not settled by the end of the current fiscal year. The tax collector has collected and disbursed the following taxes and fees for the year ended June 30, 2018, by taxing body as follows:

AD VALOREM TAXES			TAX ORDER	TOTAL		AMOUNT
TAXING AREA\TAX DESCRIPTION	MILLAGE	AMOUNT ASSESSED	CHANGES & WAIVERS	TAXES COLLECTIBLE	TAXES COLLECTED	NOT COLLECTED
POINTE COUPEE PARISH:						
Parish General Fund	3.42	1,436,110.61	\$ (5,540.62)	\$ 1,430,569.99	\$ 1,430,569.99	\$ -
Parish Assessor's Salary & Expense Fund	2.45	1,161,723.98	(4,200.98)	1,157,523.00	1,157,523.00	-
Parish Tax in City of New Roads	1.71	81,646.87	(96.47)	81,550.40	81,550.40	-
Parish Tax in Town of Livonia	3.42	22,257.11	(130.69)	22,126.42	22,126.42	-
Parish Library	4.03	1,910,905.98	(6,910.16)	1,903,995.82	1,903,995.82	-
Parish Law Enforcement	15.39	7,297,477.77	(26,388.83)	7,271,088.94	7,271,088.94	-
Parish Fire District 1 & Special Fire Distr. 1	6.50	555,618.82	(346.99)	555,271.83	555,271.83	-
Parish Fire District 2	5.16	152,423.03	(79.15)	152,343.88	152,343.88	-
Parish Fire District 3	5.97	429,854.69	(996.81)	428,857.88	428,857.88	-
Parish Fire District 4	10.91	773,031.37	(14,950.88)	758,080.49	758,080.49	-
Parish Fire District 5	5.00	1,062,860.98	(542.90)	1,062,318.08	1,062,318.08	-
Parish Sewer District 1	23.30	85,190.04	(85.98)	85,104.06	85,104.06	-
Parish Sewer District 3-A	24.24	5,915.48	(181.80)	5,733.68	5,733.68	-
Parish Water District	4.52	112,987.65	(360.80)	112,626.85	112,626.85	-
Total for the Parish	116.02	15,088,004.38	(60,813.06)	15,027,191.32	15,027,191.32	-
POINTE COUPEE PARISH SCHOOL DISTRICT:						
Parish Wide School	4.54	2,152,732.65	(7,784.55)	2,144,948.10	2,144,948.10	-
Special Parish Wide School	11.96	5,671,070.94	(20,507.42)	5,650,563.52	5,650,563.52	-
Tenth Ward School District	0.00	-	-	-	-	-
Total for Pointe Coupee Parish School District	16.50	7,823,803.59	(28,291.97)	7,795,511.62	7,795,511.62	-
OTHER:						
Atchafalaya Levee District	4.04	1,900,614.99	(6,927.30)	1,893,687.69	1,893,687.69	-
Fordoche Corporation	11.08	42,319.78	(94.74)	42,225.04	42,225.04	-
Livonia Corporation	4.83	44,604.37	13.47	44,617.84	44,617.84	-
Morganza Corporation	6.33	30,277.85	(34.31)	30,243.54	30,243.54	-
New Roads Corporation	5.94	326,977.29	34.47	327,011.76	327,011.76	-
State Forestry Tax	80.00	10,213.62	1.72	10,215.34	10,215.34	-
LTC Assessment District 1	0.40	79,354.06	-	79,354.06	79,354.06	-
LTC Assessment District 2	0.15	594.90	-	594.90	594.90	-
Total Other	112.77	2,434,956.86	(7,006.69)	2,427,950.17	2,427,950.17	-
TOTAL AD-VALOREM TAXES	245.29	\$25,346,764.83	(96,111.72)	\$25,250,653.11	\$25,250,653.11	\$ -

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
Notes to the Financial Statements

State Revenue Sharing taxes collected and remitted to the various bodies for the current year consisted of:

TAXING AREA\TAX DESCRIPTION	AMOUNT COLLECTED	AMOUNT DISBURSED
Parish General Fund	\$ 21,686	\$ 21,686
Parish Library	30,129	30,129
Parish Tax in Livonia	1,886	1,886
Parish Tax in New Roads	2,525	2,525
Parish Wide School	37,995	37,995
Special Parish Wide School	100,093	100,093
Parish Sheriff	160,231	160,231
Parish Assessment District	20,505	20,505
Atchafalaya Levee District	33,811	33,811
Parish Sewage District #1-1A	1,955	1,955
Parish Fire District #1	4,506	4,506
Parish Fire District #2	1,828	1,828
Parish Fire District #3	6,739	6,739
Parish Fire District #4	6,908	6,908
Parish Fire District #5	10,880	10,880
Parish Assessor Retirement System	761	761
Parish Clerk Retirement System	761	761
Parish District Attorney Retirement System	609	609
Parish Municipal Employee Retirement System	761	761
Parish Parochial Employee Retirement System	761	761
Parish Registrar of Voters Retirement System	191	191
Parish Sheriff Retirement System	1,523	1,523
Parish Teachers Retirement System	3,045	3,045
Total State Revenue Sharing Taxes	<u>\$ 450,089</u>	<u>\$ 450,089</u>

22. SUBSEQUENT EVENTS

Management has performed an evaluation of the Sheriff's activities through November 7, 2018, and has concluded that there are no significant subsequent events requiring recognition or disclosure through the date and time these financial statements were available to be issued on November 7, 2018.

REQUIRED SUPPLEMENTARY INFORMATION

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
GENERAL FUND

BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2018

	BUDGETED AMOUNTS		ACTUAL	VARIANCE
	ORIGINAL	FINAL		WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
REVENUES				
Ad valorem taxes	\$ 7,502,500	\$ 7,272,500	\$ 7,265,096	\$ (7,404)
Intergovernmental revenues:				
Federal grants	-	-	-	-
State grants:				
State revenue sharing	154,000	160,000	160,231	231
State supplemental pay	274,000	290,000	281,088	(8,912)
Miscellaneous	90,000	90,000	97,016	7,016
Local	702,750	718,602	721,668	3,066
Fees, charges, and commissions for services:				
Commissions on licenses, etc.	12,000	12,000	11,901	(99)
Civil and criminal fees	93,000	105,000	105,063	63
Court attendance	15,000	20,000	19,312	(688)
Feeding, transporting, and keeping prisoners	2,452,000	2,531,031	2,552,408	21,377
Interest	51,000	-	76,461	76,461
Miscellaneous	353,600	509,195	565,345	56,150
Total revenues	11,789,850	11,808,328	11,968,197	159,869
EXPENDITURES				
Public safety:				
Personal services and related benefits	6,519,525	6,409,388	6,091,506	317,882
Operating services	1,389,350	1,367,342	1,061,046	306,296
Material and supplies	771,100	747,900	632,485	115,415
Capital outlay	224,050	297,513	271,851	25,662
Miscellaneous	29,125	1,710,725	1,705,280	5,445
Total expenditures	8,933,150	10,532,868	9,762,168	770,700
EXCESS(Deficiency) OF REVENUES OVER EXPENDITURES	\$ 2,856,700	\$ 1,275,460	\$ 2,206,029	\$ 930,569
OTHER FINANCING SOURCES (Uses)				
Sale of equipment	-	-	-	-
Operating transfers in	-	5	-	(5)
Operating transfers out	(5,743)	(8,152)	(7,105)	1,047
Total other financing sources (uses)	(5,743)	(8,147)	(7,105)	1,042
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	2,850,957	1,267,313	2,198,924	931,611
FUND BALANCE AT BEGINNING OF YEAR	13,751,425	14,932,279	14,932,279	-
FUND BALANCE AT END OF YEAR	\$ 16,602,382	\$ 16,199,592	\$ 17,131,203	\$ 931,611

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
ODP HOMELAND SECURITY

BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2018

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
REVENUES				
Intergovernmental revenues:				
Federal grants	\$ 48,223	\$ 61,195	\$ 60,854	\$ (341)
Interest	-	-	-	-
Total revenues	<u>48,223</u>	<u>61,195</u>	<u>60,854</u>	<u>(341)</u>
EXPENDITURES				
Public safety:				
Personal services and related benefits	18,000	23,136	22,794	342
Operating services	4,101	-	475	(475)
Material and supplies	-	-	-	-
Capital outlay	26,122	38,059	37,585	474
Total expenditures	<u>48,223</u>	<u>61,195</u>	<u>60,854</u>	<u>341</u>
EXCESS(Deficiency) OF REVENUES OVER EXPENDITURES	\$ -	\$ -	\$ -	\$ -
OTHER FINANCING SOURCES (Uses)				
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	-	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	<u>55</u>	<u>55</u>	<u>55</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u><u>\$ 55</u></u>	<u><u>\$ 55</u></u>	<u><u>\$ 55</u></u>	<u><u>\$ -</u></u>

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
DEPARTMENT OF JUSTICE GRANTS

BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2018

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
REVENUES				
Intergovernmental revenues:				
Federal grants	\$ 21,670	\$ 23,032	\$ 23,032	\$ -
State grants:				
Miscellaneous	-	-	-	-
Local grants	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>21,670</u>	<u>23,032</u>	<u>23,032</u>	<u>-</u>
EXPENDITURES				
Public safety:				
Personal services and related benefits	-	-	-	-
Operating services	-	492	493	(1)
Material and supplies	5,888	8,992	8,991	1
Travel and other charges	-	-	-	-
Capital outlay	21,525	21,665	20,653	1,012
Miscellaneous	-	-	-	-
Total expenditures	<u>27,413</u>	<u>31,149</u>	<u>30,137</u>	<u>1,012</u>
EXCESS(Deficiency) OF REVENUES OVER EXPENDITURES	\$ (5,743)	\$ (8,117)	\$ (7,105)	\$ 1,012
OTHER FINANCING SOURCES (Uses)				
Operating transfers in	5,743	8,117	7,105	(1,012)
Operating transfers out	-	-	-	-
Total other financing sources (uses)	<u>5,743</u>	<u>8,117</u>	<u>7,105</u>	<u>(1,012)</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	-	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	<u>1,141</u>	<u>1,141</u>	<u>1,141</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u><u>\$ 1,141</u></u>	<u><u>\$ 1,141</u></u>	<u><u>\$ 1,141</u></u>	<u><u>\$ -</u></u>

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
OTHER GRANTS

BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2018

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
REVENUES				
Intergovernmental revenues:				
Federal grants	\$ -	\$ -	\$ -	\$ -
State grants:				
Miscellaneous	23,500	21,921	21,921	-
Local grants	1,500	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>25,000</u>	<u>21,921</u>	<u>21,921</u>	<u>-</u>
EXPENDITURES				
Public safety:				
Personal services and related benefits	19,500	18,135	18,135	-
Operating services	400	449	449	-
Material and supplies	5,100	3,337	3,337	-
Travel and other charges	-	-	-	-
Capital outlay	-	-	-	-
Miscellaneous	-	-	-	-
Total expenditures	<u>25,000</u>	<u>21,921</u>	<u>21,921</u>	<u>-</u>
EXCESS(Deficiency) OF REVENUES OVER EXPENDITURES	\$ -	\$ -	\$ -	\$ -
OTHER FINANCING SOURCES (Uses)				
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	-	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	<u>-</u>	<u>10</u>	<u>10</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u><u>\$ -</u></u>	<u><u>\$ 10</u></u>	<u><u>\$ 10</u></u>	<u><u>\$ -</u></u>

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY
FOR THE YEAR ENDED JUNE 30, 2018

		2018
Service cost	\$	138,519
Interest		214,876
Changes of benefit terms		-
Differences between expected & actual experience		(72,925)
Changes of assumptions		-
Benefit payments		(323,046)
Net change in total OPEB liability		(42,576)
Total OPEB liability – beginning		5,797,286
Total OPEB liability – ending	\$	5,754,710
Net OPEB liability	\$	5,754,710
Covered employee payroll	\$	3,557,101
Net OPEB liability as a percentage of covered employee payroll		161.78%
Fiduciary Net Position	\$	-0-
Funded Ratio		0%

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

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana

SCHEDULE OF SHERIFF'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
SHERIFF'S PENSION & RELIEF FUND
JUNE 30, 2018

Fiscal Year Ended June 30:	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Sheriff's proportion of the net pension liability (asset)	.489536%	.493517%	.506669%	.523074%	.515127%	Unavailable	Unavailable	Unavailable	Unavailable	Unavailable
Sheriff's proportionate share of the net pension liability (asset)	\$2,119,825	\$3,132,301	\$2,258,486	\$2,071,376	\$3,452,352	Unavailable	Unavailable	Unavailable	Unavailable	Unavailable
Sheriff's covered-employee payroll	\$3,398,330	\$3,370,485	\$3,359,283	\$3,350,496	\$3,183,558	\$3,200,223	\$3,187,459	\$3,110,316	\$2,902,186	\$2,608,118
Sheriff's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	62.38%	92.93%	67.23%	61.82%	108.44%	Unavailable	Unavailable	Unavailable	Unavailable	Unavailable
Plan fiduciary net position as a percentage of the total pension liability	88.49%	82.10%	86.61%	87.34%	77.22%	Unavailable	Unavailable	Unavailable	Unavailable	Unavailable

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana

SCHEDULE OF SHERIFF'S CONTRIBUTIONS
SHERIFF'S PENSION & RELIEF FUND
JUNE 30, 2018

Fiscal Year Ended June 30:	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Contractually required contribution	\$453,530	\$450,279	\$463,442	\$478,700	\$465,382	\$421,822	\$400,028	\$382,495	\$342,135	\$319,241
Contributions in relation to the contractually required contribution	<u>(453,530)</u>	<u>(450,279)</u>	<u>(463,442)</u>	<u>(478,700)</u>	<u>(465,382)</u>	<u>(421,822)</u>	<u>(400,028)</u>	<u>(382,495)</u>	<u>(342,135)</u>	<u>(319,241)</u>
Contribution deficiency (excess)	<u>\$_____</u>									
Sheriff's covered-employee payroll	\$3,557,101	\$3,398,330	\$3,370,485	\$3,359,283	\$3,350,496	\$3,183,558	\$3,200,223	\$3,187,459	\$3,110,316	\$2,902,186
Contribution as a percentage of covered-employee payroll	12.75%	13.25%	13.75%	14.25%	13.89%	13.25%	12.50%	12.00%	11.00%	11.00%

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana

Notes to Required Supplementary Information
For the Year Ended June 30, 2018

OPEB Plan

Changes in Benefit Terms – There were no changes of benefit terms for the year ended June 30, 2018.

Changes of Assumptions – There were no changes of assumptions for the year ended June 30, 2018.

Assets – There are no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

Sheriff Pension & Relief Fund

Changes in Assumptions or Other Inputs. Changes in 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.

Changes 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 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.

SUPPLEMENTAL INFORMATION SCHEDULES

**POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana**

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

DEPARTMENT OF JUSTICE GRANTS:

EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM (JAG)

This program is used to provide local governments with discretionary grant funds for all components of the criminal justice system from multijurisdictional drug and gang forces to crime prevention and domestic violence programs, courts, corrections, treatment, and justice information sharing initiatives.

BULLETPROOF VEST PARTNERSHIP PROGRAM

This program is used to provide funds for the purchase of armored vests for local law enforcement officers.

CRIME VICTIM ASSISTANCE AND VIOLENCE AGAINST WOMEN FORMULA GRANT PROGRAM

These funds are used to account for the United States Department of Justice grants awarded to the Pointe Coupee Parish Sheriff as sub-grants passed through the Louisiana Commission on Law Enforcement. Expenditures of these funds are for direct services to crime victims, to develop and strengthen law enforcement and prosecution strategies to combat violent crimes against women and to reduce and prevent illegal drug activity, crime and violence and improve the functioning of the criminal justice system. These grants consist of federal funds and a local match.

OTHER GRANTS:

DARE GRANT

DARE (Drug Abuse Resistance Education), a state grant program, is a police officer led series of classroom lessons taught from kindergarten through 12th grade regarding drug prevention education and teaching good decision making skills to help students avoid high risk behavior to ensure they grow up healthy, safe and secure.

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana

Combining Balance Sheet - Nonmajor Governmental Funds

June 30, 2018

	SPECIAL REVENUE FUNDS		TOTAL NONMAJOR GOVERNMENTAL FUNDS
	DEPT OF JUSTICE	OTHER GRANTS	
ASSETS AND OTHER DEBITS			
Assets:			
Cash and cash equivalents	\$ 9	\$ 10	\$ 19
Investments	-	-	-
Receivables	3,157	-	3,157
Due from other funds	1,132	-	1,132
Prepaid assets	-	-	-
	<u>\$ 4,298</u>	<u>\$ 10</u>	<u>\$ 4,308</u>
TOTAL ASSETS AND OTHER DEBITS	<u>\$ 4,298</u>	<u>\$ 10</u>	<u>\$ 4,308</u>
LIABILITIES, EQUITY, AND OTHER CREDITS			
Liabilities:			
Accounts and salaries payable	\$ -	\$ -	\$ -
Due to other funds	3,157	-	3,157
	<u>3,157</u>	<u>-</u>	<u>3,157</u>
Total Liabilities	<u>3,157</u>	<u>-</u>	<u>3,157</u>
Equity and Other Credits:			
Fund balances			
Restricted for:			-
Federal grants	1,141	10	1,151
Unassigned	-	-	-
	<u>1,141</u>	<u>10</u>	<u>1,151</u>
Total Equity and Other Credits	<u>1,141</u>	<u>10</u>	<u>1,151</u>
TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS	<u>\$ 4,298</u>	<u>\$ 10</u>	<u>\$ 4,308</u>

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana

**Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances-
Nonmajor Governmental Funds**

For the Year Ended June 30, 2018

	<u>SPECIAL REVENUE FUNDS</u>		TOTAL NONMAJOR GOVERNMENTAL FUNDS
	DEPT OF JUSTICE	OTHER GRANTS	
REVENUES			
Intergovernmental revenues:			
Federal grants	\$ 23,032	\$ -	\$ 23,032
State grants	-	21,921	21,921
Local	-	-	-
Interest earnings	-	-	-
Miscellaneous	-	-	-
Total revenues	<u>23,032</u>	<u>21,921</u>	<u>44,953</u>
EXPENDITURES			
Public safety:			
Personal services and related benefits	-	18,135	18,135
Operating services	493	449	942
Materials & supplies	8,991	3,337	12,328
Travel & other charges	-	-	-
Capital outlay	20,653	-	20,653
Debt service	-	-	-
Miscellaneous	-	-	-
Total expenditures	<u>30,137</u>	<u>21,921</u>	<u>52,058</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(7,105)	-	(7,105)
OTHER FINANCING SOURCES (Uses)			
Operating transfers in	7,105	-	7,105
Operating transfers out	-	-	-
Total other financing sources (uses)	<u>7,105</u>	<u>-</u>	<u>7,105</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	<u>1,141</u>	<u>10</u>	<u>1,151</u>
FUND BALANCE AT END OF YEAR	<u>\$ 1,141</u>	<u>\$ 10</u>	<u>\$ 1,151</u>

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana

FIDUCIARY FUND TYPE - AGENCY FUNDS

SHERIFF'S FUND

The Sheriff's Fund accounts for funds held in civil suits, sheriff's sales, and garnishments. It also accounts for collections of bonds, fines and costs, and payment of these collections to the recipients in accordance with applicable laws.

TAX COLLECTOR FUND

Article V, Section 27 of the Louisiana Constitution of 1984, provides that the sheriff will serve as the collector of state and parish taxes and fees. The Tax Collector Fund is used to collect and distribute these taxes and fees to the appropriate taxing bodies.

FINE FUND

The fine fund is used to account for funds collected for judicial penalties as imposed by judges.

COMMISSARY FUND

This fund was established to provide commissary services to prisoners. The net proceeds of commissary sales are used for inmate welfare, other inmate related expenditures, and any other general fund expenditure.

INMATE TRUST FUND

This fund was established as a holding account for prisoner deposits. Money orders or cash are received from the prisoners and deposited into this account and held in the account until requested.

BAIL BOND FUND

This fund accounts for the collection of a 2% of every 100 dollar bond premium fee to be distributed among the sheriff, district attorney, indigent defender board, and judicial court fund.

WITNESS SUBPOENA FUND

This fund accounts for the collection of fees charged to the parish government for the payment to law enforcement deputies for attendance at trials.

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
FIDUCIARY FUNDS - AGENCY FUNDS

June 30, 2018

	SHERIFF'S FUND	TAX COLLECTOR FUND	FINES FUND	COMMISARY FUND	INMATE FUND	BAIL BOND & WITNESS SUBPOENA FUND	TOTAL
ASSETS							
Cash and cash equivalents	\$ 45,275	\$ 7,215	\$ 232	\$ 16,778	\$ 14,829	\$ 23,610	\$ 107,939
Due from other governmental units	-	0	-	-	-	-	0
TOTAL ASSETS	\$ 45,275	\$ 7,215	\$ 232	\$ 16,778	\$ 14,829	\$ 23,610	\$ 107,939
LIABILITIES							
Due to taxing bodies and others	\$ 45,275	\$ 7,215	\$ 232	\$ 16,778	\$ 14,829	\$ 23,610	\$ 107,939
TOTAL LIABILITIES	\$ 45,275	\$ 7,215	\$ 232	\$ 16,778	\$ 14,829	\$ 23,610	\$ 107,939

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
FIDUCIARY FUNDS - AGENCY FUNDS

**Schedule of Changes in Balance Due
to Taxing Bodies and Others
For the Year Ended June 30, 2018**

	SHERIFF'S FUND	TAX COLLECTOR FUND	FINES FUND	COMMISARY FUND	INMATE FUND	BAIL BOND & WITNESS SUBPOENA FUND	TOTAL
BALANCES AT BEGINNING OF YEAR	\$ 114,858	\$ 5,468	\$ 202	\$ 28,851	\$ 17,106	\$ 15,237	\$ 181,722
ADDITIONS							
Deposits:							
Sheriff's Sales	176,408				-	-	176,408
Bonds	17,035				-	-	17,035
Fines and Costs			351,033		-	-	351,033
Garnishments	118,633				-	-	118,633
Other deposits				129,221	142,861	87,037	359,119
Taxes, fees, etc., paid to tax collector		25,702,189			-	-	25,702,189
Total additions	<u>312,076</u>	<u>25,702,189</u>	<u>351,033</u>	<u>129,221</u>	<u>142,861</u>	<u>87,037</u>	<u>\$ 26,724,417</u>
Total	426,934	25,707,657	351,235	158,072	159,967	102,274	26,906,139
REDUCTIONS							
Taxes, fees, etc., distributed to taxing bodies and others		25,700,442					25,700,442
Deposits settled to:							
Sheriff's General Fund			28,558			16,904	45,462
Police Jury			75,014			-	75,014
District attorney			41,290			16,904	58,194
Clerk of Court			26,499			-	26,499
Indigent defender board			71,120			16,904	88,024
Attorneys, appraisers, etc.	115,501					-	115,501
Other settlements	266,158		108,522		145,138	27,952	547,770
Other reductions:							
Purchases - merchandise				141,294			141,294
Total reductions	<u>381,659</u>	<u>25,700,442</u>	<u>351,003</u>	<u>141,294</u>	<u>145,138</u>	<u>78,664</u>	<u>26,798,200</u>
BALANCES AT END OF YEAR	<u>\$ 45,275</u>	<u>\$ 7,215</u>	<u>\$ 232</u>	<u>\$ 16,778</u>	<u>\$ 14,829</u>	<u>\$ 23,610</u>	<u>\$ 107,939</u>

POINTE COUPEE PARISH SHERIFF
(As Ex-Officio Parish Tax Collector)
New Roads, Louisiana

TAX COLLECTOR AGENCY FUND
Affidavit

For the Year Ended June 30, 2018

AFFIDAVIT (Required by R.S. 24:513(B))
STATE OF LOUISIANA
PARISH OF POINTE COUPEE

Beauregard Torres III, Sheriff of Pointe Coupee Parish

BEFORE ME, the undersigned authority, personally came and appeared, Beauregard Torres III, the sheriff of Pointe Coupee Parish, State of Louisiana, who after being duly sworn, deposed and said:

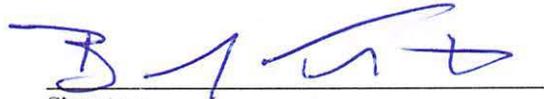
The following information is true and correct:

\$7,214.91 is the amount of cash on hand in the tax collector account on June 30, 2018;

He further deposed and said:

All itemized statements of the amount of taxes collected for the tax year from July 1, 2017 to June 30, 2018, by taxing authority, are true and correct.

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



Signature
Sheriff of Pointe Coupee Parish

SWORN to and subscribed before me, Notary, this 14 day of November 2018, in my office in New Roads, Louisiana.

Stacey C. Devillier (Signature)
Stacey C. Devillier (Print), # Bar Roll # 20785
Notary Public
expires at death (Commission)

**POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana**

**Schedule of Compensation, Benefits, and
Other Payments to Agency Head**

For the Year Ended June 30, 2018

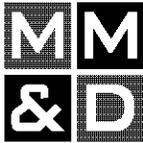
Agency Head: Beauregard Torres, III, Sheriff

<u>PURPOSE</u>	<u>AMOUNT</u>
Salary	\$ 160,353
Benefits - insurance	11,439
Benefits - retirement	19,643
Registration fees	980
Conference travel	2,247
Travel - fuel	873
Dues	13,566
Insurance - bond fees	100
	<hr/>
Total expenditures	<u>\$ 209,201</u>

**OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

**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***

A report on compliance with laws and regulations and on internal controls over financial reporting and other matters as required by *Government Auditing Standards*, issued by the Comptroller General of the United States. This report is based solely on the audit of the financial statements and includes, where appropriate, any deficiencies and/or material weaknesses in internal control or compliance matters that would be material to the presented financial statements.



Major, Morrison & David

Certified Public Accountants

QUALITY • INTEGRITY • DEPENDABILITY

John L. Morrison III, CPA, CGMA, PC

Mark A. David, CPA, PC

John S. Disotell III, CPA, PC

Van P. Major, CPA (1951-2005)

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

Honorable Beauregard Torres, III
Pointe Coupee Parish Sheriff
P.O. Box 248
New Roads, Louisiana 70760

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 Pointe Coupee Parish Sheriff, New Roads, Louisiana, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Pointe Coupee Parish Sheriff's basic financial statements and have issued our report thereon dated November 7, 2018.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in black ink that reads "Major, Morrison & David". The signature is written in a cursive, flowing style.

Major, Morrison & David
New Roads, Louisiana
November 7, 2018

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
Schedule of Findings and Responses
For the Year Ended June 30, 2018

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
Material weakness (es) identified?	____yes <u>X</u> no
Deficiency(s) in internal control identified not considered to be material weaknesses?	____yes <u>X</u> none reported
Noncompliance material to financial statements noted?	____yes <u>X</u> no

SECTION II - FINANCIAL STATEMENT FINDINGS

There were no current year findings.

SECTION III- FEDERAL AWARD FINDING

There were no current year findings.

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana

Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2018

<u>Ref. No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken</u>	<u>Planned Corrective Action/Partial Corrective Action Taken</u>
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Section I – Internal Control and Compliance Material to the Financial Statements:

2017-1	2017	Insufficient controls regarding review & approval of off-duty officer assignments which led to public payroll fraud/misappropriations.	Yes	
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Section II – Internal Control and Compliance Material to Federal Awards:

No findings.

Section III – Management Letter

Discussion of finding 2017-1.

**POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana**

**Corrective Action Plan for
Current Year Audit Findings
For the Year Ended June 30, 2018**

<u>Ref. No.</u>	<u>Description of Finding</u>	<u>Corrective Action Planned</u>	<u>Name of Contact Person</u>	<u>Anticipated Completed</u>
-----------------	-------------------------------	----------------------------------	---------------------------------------	----------------------------------

Section I – Internal Control and Compliance Material to the Financial Statements:

There were no current year findings.

Section II – Internal Control and Compliance Material to Federal Awards:

There were no current year findings.

Section III – Management Letter

No management letter was issued.

**INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES**

**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Management of the Pointe Coupee Parish Sheriff &
The Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by the management of the Pointe Coupee Parish Sheriff and the Legislative Auditor, State of Louisiana (LLA), on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2017 through June 30, 2018. Management of the Pointe Coupee Parish Sheriff is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

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 that 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
Written policies and procedures were obtained and address the functions noted above.
 - 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.
Written policies and procedures were obtained and address the functions noted above.
 - c) **Disbursements**, including processing, reviewing, and approving
Written policies and procedures were obtained and address the functions noted above.
 - 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).
Written policies and procedures were obtained and address the functions noted above.
 - e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
Written policies and procedures were obtained and address the functions noted above.

- 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

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

- 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).

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

- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers

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

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.

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

- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

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

Board (or Finance Committee, if 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.

Not applicable

- b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds.

Not applicable

- c) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted 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 unrestricted fund balance in the general fund.

Not applicable

Bank Reconciliations

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

Obtained listing of client bank accounts 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, electronically logged);

Reconciliations have been prepared within 2 months of statement closing date for each account.

- 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

The bank reconciliations prepared for all accounts examined had evidence of management review.

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

For all bank reconciliations selected, 4 accounts selected had no items noted outstanding for more than 12 months. 1 account had outstanding items along with documentation that management has researched and was in the process of clearing up those outstanding items.

Collections

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

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

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

Employees responsible for cash collections do not share cash drawers.

- 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.

The employee responsible for collecting cash is not responsible for preparing/making bank deposits.

- 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.

The employee responsible for collecting cash is not responsible for posting collection entries to the general ledger.

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

The employee responsible for reconciling cash collections to the general ledger is not responsible for collecting cash.

6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

All employees who have access to cash are covered by a bond for theft.

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.

Receipts were sequentially pre-numbered.

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

Pre-numbered receipts, system reports, and other related collection documentation agreed to the deposit slips.

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

Deposit slip totals agreed with the actual deposits per the bank.

- 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).

Deposits were made within one business day of receipt at the collection location.

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

Deposits per the bank statement agreed to the general ledger.

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

Non-payroll disbursements procedures were not tested at June 30, 2018 (Year 2) due to the fact that there no exceptions noted in prior year (Year 1).

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 is less than 5).
9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

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

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

Credit cards/Debit cards/Fuel Cards/P-Cards were not tested at June 30, 2018 (Year 2) due to the fact that there were no exceptions noted in prior year (Year 1).

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.
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 debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
 - a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]]
 - b) Observe that finance charges and late fees were not assessed on the selected statements.
13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

Travel and Expense Reimbursement

Travel and expense reimbursements were not tested at June 30, 2018 (Year 2) due to the fact that there were no exceptions noted in prior year (Year 1).

14. Obtain from management a listing of all travel and related expense reimbursements, by person, during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
 - a) If reimbursed using a per diem, agree the reimbursement rate to those rates established by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation required by written policy (procedure#1h).
- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Contracts

Contracts were not tested at June 30, 2018 (Year 2) due to the fact that there were no exceptions noted in prior year (Year 1).

- 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 selections source such as an active vendor list. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
 - a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
 - b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
 - c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.
 - 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 that the invoice and related payment agreed to the terms and conditions of the contract.

Payroll and Personnel

Payroll and Personnel were not tested at June 30, 2018 (Year 2) due to the fact that there were no exceptions noted in prior year (Year 1).

- 16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- 17. Randomly select one pay period during the fiscal period. For the 5 employee/officials selected under #16 above, obtain attendance records and leave documentation for the pay period and:
 - a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
- 18. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employee/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulative leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.

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

Ethics (excluding nonprofits)

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

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

Examined the five randomly selected employee's ethics compliance documentation maintained in personnel files with no exceptions.

- b) Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

Each employee attested in writing that they have read the entity's ethics policy.

Debt Service

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

Not applicable.

22. Obtain a listing of bond/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.

Not applicable.

Other

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

Management represented that no misappropriations occurred during the fiscal period.

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

The required notice was posted on the sheriff's premises and website.

We were not engaged to and did not conduct an examination or review, 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.

The purpose of this report is 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.

Major, Morrison & David

Major, Morrison & David
New Roads, Louisiana
November 7, 2018