

ACADIA PARISH SHERIFF
Crowley, Louisiana

Financial Report

Year Ended June 30, 2019

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INDEPENDENT AUDITOR'S REPORT

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The Honorable K. P. Gibson
Acadia Parish Sheriff
Crowley, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Acadia Parish Sheriff (hereinafter "Sheriff"), as of and for the year ended June 30, 2019, 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 Sheriff, as of June 30, 2019, 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 budgetary comparison schedules, schedule of changes in net OPEB liability and related ratios, schedule of employer contributions to OPEB, schedule of employer's share of net pension liability, and schedule of employer contributions on pages 40 through 45, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

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 other supplementary information on pages 46 through 53 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The comparative and combining statements on pages 46, 47, 51, and 52 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 comparative and combining statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole. The prior year comparative amounts on the comparative and combining statements were derived from the Acadia Parish Sheriff's 2018 financial statements, which were subjected to the auditing procedures applied by other auditors in the audit of the basic financial statements and, in their opinion, were fairly presented in all material respects in relation to the basic financial statements as a whole.

The budgetary comparison schedules and the affidavit on pages 48 through 49 and 53 have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 1, 2019 on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
November 1, 2019

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

ACADIA PARISH SHERIFF
Crowley, Louisiana

Statement of Net Position
June 30, 2019

	Governmental Activities
ASSETS	
Current assets:	
Cash and interest-bearing deposits	\$ 2,880,231
Investments	11,443,594
Receivables, net	1,026,087
Prepaid expenses	28,555
Total current assets	15,378,467
Noncurrent assets:	
Capital assets, net	1,260,689
TOTAL ASSETS	16,639,156
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	1,122,936
Deferred outflows related to OPEB	449,362
	1,572,298
LIABILITIES	
Current liabilities:	
Accounts, salaries, and other payables	951,811
Noncurrent liabilities:	
Compensated absences	102,322
Postemployment benefit obligation	9,325,072
Net pension liability	1,973,552
Total noncurrent liabilities	11,400,946
TOTAL LIABILITIES	12,352,757
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	1,048,129
NET POSITION	
Net investment in capital assets	1,260,689
Unrestricted	3,549,879
TOTAL NET POSITION	\$ 4,810,568

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

FUND FINANCIAL STATEMENTS (FFS)

MAJOR FUNDS DESCRIPTION

General Fund

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

ACADIA PARISH SHERIFF
Crowley, Louisiana

Balance Sheet - Governmental Fund
June 30, 2019

	<u>General Fund</u>
ASSETS	
Cash and interest-bearing deposits	\$ 2,880,231
Investments	11,443,594
Receivables	1,026,087
Prepaid expenditures	<u>28,555</u>
Total assets	<u>\$ 15,378,467</u>
LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts payable	\$ 61,785
Accrued liabilities	190,023
Estimated medical payments	<u>210,001</u>
Total liabilities	<u>461,809</u>
Fund balances:	
Nonspendable for prepaid items	28,555
Unassigned	<u>14,888,103</u>
Total fund balances	<u>14,916,658</u>
 Total liabilities and fund balances	 <u>\$ 15,378,467</u>

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

ACADIA PARISH SHERIFF
Crowley, Louisiana

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2019

Total fund balances for governmental funds at June 30, 2019		\$14,916,658
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Vehicles, net of \$1,256,583 accumulated depreciation	\$ 750,752	
Buildings, net of \$1,001,995 accumulated depreciation	249,662	
Equipment, net of \$542,556 accumulated depreciation	257,419	
Furniture, net of \$1,014 accumulated depreciation	<u>2,856</u>	1,260,689
The deferred outflows of resources are not available and, therefore, are not reported in the fund financial statements. The deferred outflows of resources are related to the following:		
Pension liability	1,122,936	
OPEB obligation	<u>449,362</u>	1,572,298
Long-term liabilities at June 30, 2019:		
Insurance claims payable	(490,002)	
Compensated absences	(102,322)	
Postemployment benefit obligation	(9,325,072)	
Net pension liability	<u>(1,973,552)</u>	(11,890,948)
The deferred inflows of contributions for the Sheriffs' Pension and Relief Fund are not available resources and, therefore, are not reported in the fund financial statements.		
		<u>(1,048,129)</u>
Net position at June 30, 2019		<u>\$ 4,810,568</u>

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

ACADIA PARISH SHERIFF
Crowley, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Fund
For the Year Ended June 30, 2019

	General Fund
Revenues:	
Ad valorem taxes	\$ 2,991,606
Sales tax	4,011,027
Intergovernmental revenues -	
Federal grants	49,110
State grants	386,695
State revenue sharing	324,914
State supplemental pay	404,196
Fees, charges and commissions for services -	
Civil and criminal fees	406,777
Court attendance	13,294
Feeding, keeping, and transporting prisoners	527,234
Other fees, charges and commissions	178,236
Interest income	272,153
Miscellaneous	442,760
Total revenues	10,008,002
Expenditures:	
Current -	
Public safety:	
Personal services and related benefits	5,325,895
Operating services	2,305,972
Operations and maintenance	1,252,537
Intergovernmental expenses	18,250
Travel and other charges	52,538
Capital outlay	489,130
Total expenditures	9,444,322
Excess of revenues over expenditures	563,680
Other financing sources:	
Sale of capital assets	25,000
Total other financing sources	25,000
Net change in fund balances	588,680
Fund balances, beginning	14,327,978
Fund balances, ending	\$ 14,916,658

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

ACADIA PARISH SHERIFF
Crowley, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of the Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2019

Total net changes in fund balances for the year ended June 30, 2019 per statement of revenues, expenditures and changes in fund balances		\$ 588,680
The change in net position reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay which is considered expenditures on statement of revenues, expenditures and changes in fund balances	\$ 489,130	
Current period dispositions of capital assets, net of accumulated depreciation	(2,385)	
Depreciation expense for the year ended June 30, 2019	<u>(407,037)</u>	79,708
Compensated absences at June 30, 2019 not requiring the use of current economic resources and, therefore, are not recorded as a fund expenditure.		(1,690)
Group health insurance claims not requiring the use of current economic resources and, therefore, not recorded as a fund expenditure.		(326,862)
Postemployment benefit obligation at June 30, 2019 not requiring the use of current economic resources and, therefore, not recorded as a fund expenditure.		48,671
Pension benefit at June 30, 2019 not requiring the use of current economic resources and, therefore, not recorded as a fund expenditure.		71,568
Non-employer pension contributions to the Sheriffs' Pension and Relief Fund		<u>210,113</u>
Total change in net position for the year ended June 30, 2019 per statement of activities		<u>\$ 670,188</u>

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

ACADIA PARISH SHERIFF
Crowley, Louisiana

Statement of Assets and Liabilities - Fiduciary Funds
June 30, 2019

	<u>Agency Funds</u>
ASSETS	
Cash and cash equivalents	\$ 328,855
Due from other governments	<u>71,954</u>
 Total assets	 <u>\$ 400,809</u>
 LIABILITIES	
Due to other taxing bodies	\$ 144,270
Due to pending court action	226,709
Due to inmates	<u>29,830</u>
 Total liabilities	 <u>\$ 400,809</u>

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

ACADIA PARISH SHERIFF
Crowley, Louisiana

Notes to Basic Financial Statements

INTRODUCTION

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

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

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

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

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

(1) Summary of Significant Accounting Policies

A. Reporting Entity

For financial reporting purposes, the Sheriff includes all funds, account groups, activities, et cetera, that are controlled by the Sheriff as an independently elected parish official. As an independently elected parish official, the Sheriff is solely responsible for the operations of his office, which include the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. Other than certain operating expenditures of the Sheriff's office that are paid or provided by the parish council (government) as required by Louisiana law, the Sheriff is financially independent.

Accordingly, the Sheriff is a separate governmental reporting entity. Certain units of local government, over which the Sheriff exercises no oversight responsibility, such as the parish council, parish school board, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the Sheriff.

ACADIA PARISH SHERIFF
Crowley, Louisiana

Notes to Basic Financial Statements (Continued)

B. Basis of Presentation

The accompanying basic financial statements of the 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.

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 professional standards.

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

Fund Financial Statements (FFS)

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

ACADIA PARISH SHERIFF
Crowley, Louisiana

Notes to Basic Financial Statements (Continued)

Governmental Funds –

General Fund – This fund is the primary operating fund of the Sheriff and it accounts for the operations of the Sheriff's office. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and internal policy.

Fiduciary Funds -

Fiduciary fund reporting focuses on net position and changes in net position. The only funds accounted for in this category 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. Accordingly, it presents only a statement of fiduciary net position and does not present a statement of changes in fiduciary net position. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Sheriff's own programs. Fiduciary funds are presented on an economic resources measurement focus and the modified accrual basis of accounting.

C. Measurement Focus/Basis of Accounting

The amounts reflected in the governmental fund are accounted for using a current financial resources measurement 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 balance 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.

The amounts reflected in the governmental funds 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 fund uses the following practices in recording revenues and expenditures:

ACADIA PARISH SHERIFF
Crowley, Louisiana

Notes to Basic Financial Statements (Continued)

Revenues

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

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

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

Sales taxes are considered as "measurable" when in the hands of the sales tax collector and are recognized as revenue at that time.

Expenditures

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

D. Cash and Interest-Bearing Deposits

Cash and interest-bearing deposits include amounts in demand deposits, interest-bearing demand deposits, and time deposits. They are stated at cost, which approximates market.

E. Investments

Under state law, the Sheriff may deposit funds with a fiscal agent organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The Sheriff may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana Law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a nonprofit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. In accordance with GASB Codification Section 150, investments meeting the criteria specified in the Statement are stated at fair value, which is quoted market prices.

F. Reserve for Uncollectible Receivables

Since the Sheriff is required to provide civil department services for pauper cases, the Sheriff has established a reasonable reserve for uncollectible receivables to cover the pauper cases and other balances determined to be uncollectible. Periodically, the Sheriff adjusts this reserve based on historical performance. The reserve for uncollectible receivables at June 30, 2019 was \$83,740.

ACADIA PARISH SHERIFF
Crowley, Louisiana

Notes to Basic Financial Statements (Continued)

G. Capital Assets

Capital assets are capitalized at historical cost or estimated cost (the extent to which fixed asset costs have been estimated and the methods of estimation should be disclosed) if historical cost is not available (or describe other method of valuation). 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 \$2,500 or more for capitalizing capital assets.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Buildings	40 years
Equipment	5-20 years
Vehicles	5 years

H. Compensated Absences

Employees of the Sheriff's office earn from five to twenty days of vacation leave each year, depending on their length of service. Vacation leave must be taken in the year it is earned. A maximum of forty hours of vacation leave may be carried forward to the next year. Unused vacation leave is paid upon termination of employment. Employees earn one day of sick leave for each month worked with a maximum of ten days of sick leave earned per year. Unused sick leave may be carried forward each year; however, it is not compensable upon termination of employment. At June 30, 2019, employees have accumulated and vested \$102,322 of benefits. This amount is included in noncurrent liabilities in the statement of net position.

I. Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. At June 30, 2019, the Sheriff's deferred outflows of resources and deferred inflows of resources are attributable to pension plans and other post-employment benefit obligations.

ACADIA PARISH SHERIFF
Crowley, Louisiana

Notes to Basic Financial Statements (Continued)

J. Equity Classifications

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

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that do not meet the definition of “net investment in capital assets” or “restricted.”

In the fund financial statements, governmental fund equity is classified as fund balance. As such, fund balance of the governmental fund is classified as follows:

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed – amounts that can be used only for specific purposes determined by a formal decision of the Sheriff, which is the highest level of decision-making authority.
- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Sheriff’s adopted policy, only the Sheriff may assign amounts for specified purposes.
- e. Unassigned – all other spendable amounts.

ACADIA PARISH SHERIFF
Crowley, Louisiana

Notes to Basic Financial Statements (Continued)

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

K. Estimates

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

(2) Cash and Interest-Bearing Deposits

Under state law, the Sheriff may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Sheriff may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

At June 30, 2019, the Sheriff has cash and interest-bearing deposits (book balances) as follows:

	Government-wide Statement of Net Position	Fiduciary Funds Statement of Assets and Liabilities	Total
Noninterest-bearing deposits	\$ 124,280	\$ 187,329	\$ 311,609
Interest-bearing deposits	<u>2,755,951</u>	<u>141,526</u>	<u>2,897,477</u>
Total	<u>\$ 2,880,231</u>	<u>\$ 328,855</u>	<u>\$ 3,209,086</u>

Custodial credit risk is the risk that in the event of a bank failure of a depository financial institution, the Government's deposits may not be recovered or the collateral securities that are in the possession of the outside party will not be recovered. These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the Sheriff or the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2019, are secured as follows:

ACADIA PARISH SHERIFF
Crowley, Louisiana

Notes to Basic Financial Statements (Continued)

Bank balances	<u>\$ 3,578,949</u>
Federal deposit insurance	289,151
Pledged securities	<u>3,289,798</u>
Total	<u>\$ 3,578,949</u>

Deposits in the amount of \$3,289,798 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities pledging institution's trust department or agent, but not in the Sheriff's name. The Sheriff does not have a policy for custodial credit risk.

(3) Investments

As of June 30, 2019, the Sheriff had the following investments and maturities:

Investment Type	% of Portfolio	Fair Value	Less Than One Year	One - Five Years
Mutual Funds:				
Fixed Income	2%	\$ 179,667	\$ 69,893	\$ 109,774
Money market	0%	<u>34,442</u>	<u>34,442</u>	<u>-</u>
Total Mutual Funds		214,109	104,335	109,774
State Investment Pool (LAMP)	<u>98%</u>	<u>11,229,485</u>	<u>11,229,485</u>	<u>-</u>
Total	<u>100%</u>	<u>\$ 11,443,594</u>	<u>\$ 11,333,820</u>	<u>\$ 109,774</u>

Interest Rate Risk – The Sheriff does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk/Concentration of Credit Risk – Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Sheriff does not have a policy for credit rate risk. The Government's investment in U.S. agency securities and corporate securities were rated AA and AAA by Moody at June 30, 2019. More than 5% of the investments above are invested in Federal Home Loan Bank, Federal Farm Credit Bank, and Federal National Mortgage Association.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of a counterparty, the Sheriff will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The Sheriff requires all investments to be in the Sheriff's name and all ownership securities to be evidenced by an acceptable safekeeping receipt issued by a third-party financial institution which is acceptable to the Sheriff. Accordingly, the Sheriff had no custodial credit risk related to its investments at June 30, 2019.

ACADIA PARISH SHERIFF
Crowley, Louisiana

Notes to Basic Financial Statements (Continued)

The Sheriff participates in Louisiana Asset Management Pool (LAMP). LAMP is an investment pool established as a cooperative endeavor to enable public entities of the State of Louisiana to aggregate funds for investment. LAMP is not registered with the Securities and Exchange Commission (SEC) as an investment company. LAMP is intended to improve administrative efficiency and increase yield of participating public entities. LAMP's portfolio securities are valued at market value even though amortized cost method is permitted by Rule 2a-7 of the Investment Company Act of 1940, as amended, which governs registered money market funds. Because LAMP is not a money market fund, it has no obligation to conform to this rule.

The investment in LAMP is not exposed to credit risk and is not categorized in the three categories provided by GASB Codification Section 150.164 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. LAMP has fund rating of AAA issued by Standard & Poor's. The fair value of investments is determined on a weekly basis by LAMP and the fair value of the Sheriff's investment in LAMP is the same as the value of the pool shares.

(4) Ad Valorem Taxes

The Sheriff is the ex-officio tax collector of the parish and is responsible for the collection and distribution of ad valorem property taxes. Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the parish government in June and are actually billed to taxpayers by the Sheriff in October. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Tax Assessor of Acadia Parish and are collected by the Sheriff. The taxes are remitted to the appropriate taxing bodies net of deductions for assessor's compensation and pension fund contributions. Ad valorem taxes are budgeted and recorded in the year levied and billed. For the year ended June 30, 2019, law enforcement taxes were levied at the rate of 7.87 mills on property with net assessed valuations (after homestead exemption) totaling \$29,116,176.

Total law enforcement taxes levied during 2019 were \$3,026,968.

(5) Receivables and Due from Other Governmental Agencies

Receivables and amounts due from other governmental agencies at June 30, 2019 consist of the following:

	Governmental Activities	Fiduciary Funds
Fees, charges, and commissions for services, net	\$ 194,943	\$ -
Sales taxes	656,780	-
Ad valorem taxes	8,222	-
Due from other governments	147,192	71,954
Other	18,950	-
Total	<u>\$1,026,087</u>	<u>\$ 71,954</u>

ACADIA PARISH SHERIFF
Crowley, Louisiana

Notes to Basic Financial Statements (Continued)

(6) Capital Assets

Capital asset activity for the year ended June 30, 2019 was as follows:

	Balance <u>7/1/2018</u>	Additions	Deletions	Balance <u>6/30/2019</u>
Depreciable assets:				
Buildings	\$ 1,000,000	\$ 251,657	\$ -	\$ 1,251,657
Vehicles	1,989,895	78,795	61,355	2,007,335
Furniture	3,870	-	-	3,870
Equipment	741,265	158,678	99,968	799,975
Totals	<u>3,735,030</u>	<u>489,130</u>	<u>161,323</u>	<u>4,062,837</u>
Less: accumulated depreciation				
Buildings	1,000,000	1,995	-	1,001,995
Vehicles	972,725	345,213	61,355	1,256,583
Furniture	461	553	-	1,014
Equipment	580,863	59,276	97,583	542,556
Total accumulated depreciation	<u>2,554,049</u>	<u>407,037</u>	<u>158,938</u>	<u>2,802,148</u>
Capital assets, net	<u>\$ 1,180,981</u>	<u>\$ 82,093</u>	<u>\$ 2,385</u>	<u>\$ 1,260,689</u>

Depreciation expense in the amount of \$407,037 was charged to public safety.

(7) Accounts, Salaries, and Other Payables

Accounts, salaries, and other payables at June 30, 2019 consist of the following:

Accounts payable	\$ 251,808
Estimated medical payments	<u>700,003</u>
Total	<u>\$ 951,811</u>

(8) Post Retirement Health Care and Life Insurance Benefits

Plan Description – The Acadia Parish Sheriff's Office (the Sheriff) provides certain continuing health care and life insurance benefits for its retired employees. The Acadia Parish Sheriff's OPEB Plan (the OPEB Plan) is a single employer defined benefit OPEB plan administered by the Louisiana Sheriff's Association Office of Group Benefits. The plan does not issue a publicly available financial report. LRS 42:8201-883 assigns the authority to establish and amend benefit provisions of the plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Governmental Accounting Standards Board (GASB) Statement No. 75 to pay related benefits.

ACADIA PARISH SHERIFF
Crowley, Louisiana

Notes to Basic Financial Statements (Continued)

Benefits Provided – Medical and dental benefits are provided through a comprehensive medical plan and are made available to employees upon actual retirement. The retirement eligibility (D.R.O.P. entry) provisions are as follows: age 55 and 12 years of service; or, 30 years of service at any age. Employees first eligible for the retirement system on and after January 1, 2012 are eligible for retirement (D.R.O.P. entry) as follows: age 62 and 12 years of service; or, age 60 and 20 years of service; or age 55 and 30 years of service. Medical and life insurance benefits are provided to employees upon actual retirement. The employer pays 100% of the medical coverage for the retiree only (not for dependents) for members retiring on or before December 31, 2014 who are age 55 with at least 15 years of service or with 30 years of service at any age. For retirees retiring on and after January 1, 2015, the employer pays 50% of the medical coverage for those who are age 55 with at least 20 years of service and 100% for those with 30 years of service and with 20 years of continuous service with Acadia Parish Sheriff's Office.

Life insurance is continued to retirees and is based on a blended rate for active employees and retirees. The employer pays 100% of the cost of the retirees' life insurance after retirement. There is an age-related reduction formula after retirement (reducing to 75% of pre-retirement coverage at age 65 and the 50% at age 70). The employer cost is based on the blended active/retired rate and there is thus an additional implied subsidy.

Employees covered by benefit terms – At June 30, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	51
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>97</u>
Total	<u>148</u>

Total OPEB Liability

The Sheriff's total OPEB liability of \$9,325,072 was measured as of June 30, 2019 and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs – The total OPEB liability in the June 30, 2019 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, including inflation	3.0%
Discount rate, net of OPEB plan investment expense, including inflation	3.5%
Healthcare cost trends, flat annually	5.5%

ACADIA PARISH SHERIFF
Crowley, Louisiana

Notes to Basic Financial Statements (Continued)

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

The RP-2000 Table without projection with 50%/50% unisex blend has been used.

The actuarial assumptions used in the June 30, 2019 valuation was based on the results of ongoing evaluations from July 1, 2009 to June 30, 2019.

Changes in Total OPEB Liability

Balance at June 30, 2018	<u>\$ 8,870,045</u>
Changes for the year:	
Service cost	47,350
Interest	321,953
Differences between expected and actual experience	378,137
Changes in assumptions	146,959
Benefit payments and net transfers	<u>(439,372)</u>
Net changes	<u>455,027</u>
Balance at June 30, 2019	<u>\$ 9,325,072</u>

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability to the Sheriff, as well as what the Sheriff's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.50%) or 1-percentage-point higher (4.50%) than the current discount rate:

	1.0% Decrease <u>2.50%</u>	Current Discount Rate <u>3.50%</u>	1.0% Increase <u>4.50%</u>
Total OPEB liability	<u>\$ 10,764,569</u>	<u>\$ 9,325,072</u>	<u>\$ 8,169,277</u>

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

	1.0% Decrease <u>4.50%</u>	Current Trend <u>5.50%</u>	1.0% Increase <u>6.50%</u>
Total OPEB liability	<u>\$ 8,423,489</u>	<u>\$ 9,325,072</u>	<u>\$ 10,429,653</u>

ACADIA PARISH SHERIFF
Crowley, Louisiana

Notes to Basic Financial Statements (Continued)

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

For the year ended June 30, 2019, the Sheriff recognized OPEB expense of \$390,701. At June 30, 2019, 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
Difference between expected and actual experience	\$ 309,083	\$ -
Change of assumptions	140,279	-
Total	\$ 449,362	\$ -

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

Year Ended June 30,	
2020	\$ 21,398
2021	21,398
2022	21,398
2023	21,398
2024	21,398
Thereafter	342,372
Total	\$ 449,362

Actuarial Value of Plan Assets – There are not any plan assets. It is anticipated that in future valuations, should funding take place, a smoothed market value consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Codification Section P50.

Turnover Rate – An age-related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce a composite average annual turnover of approximately 15.5%.

Investment Return Assumption (Discount Rate) – GASB Codification Section P50 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC will not be funded, a 4% annual investment return has been used in this valuation.

Health Care Cost Trend Rate – The expected rate of increase in medical cost is based on a graded schedule beginning with 8% annually, down to an annual rate of 5.0% for ten or more years.

ACADIA PARISH SHERIFF
Crowley, Louisiana

Notes to Basic Financial Statements (Continued)

Mortality Rate - The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rates and 50% of the unloaded female mortality rates, is used. This is a recently published mortality table which has been used in determining the value of accrued benefits in defined benefit pension plans. Projected future mortality improvement has not been used since it is our opinion that this table contains sufficiently conservative margin for the population involved in this valuation.

Method of Determining Value of Benefits – The "value of benefits" was assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid.

Inflation Rate - Included in both the Investment Return Assumption and the Healthcare Cost Trend rates above is an implicit inflation assumption of 2.50% annually.

Projected Salary Increases - This assumption is not applicable since neither the benefit structure nor the valuation methodology involves salary.

Post-retirement Benefit Increases - The plan benefit provisions in effect for retirees as of the valuation date have been used and it has been assumed for valuation purposes that there will not be any changes in the future.

At June 30, 2019, the Sheriff did not have any amounts owed to the OPEB plan.

(9) Pension Plan

Employees of the Sheriff are provided with pensions through a cost-sharing multiple-employer defined benefit pension plan established in accordance with the provisions of Louisiana Revised Statute 11:2171 to provide retirement, disability and survivor benefits to employees of sheriff's offices throughout the State of Louisiana, employees of the Louisiana Sheriffs' Association and the Sheriff's Pension and Relief Fund's office. The Fund issues a publicly available financial report that may be obtained by writing to the Louisiana Sheriffs' Pension and Relief Fund, 1225 Nicholson Drive, Baton Rouge, Louisiana 70802, or by calling (225) 219-0500.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Sheriffs' Pension and Relief Fund (Fund) and additions to/deductions from the Fund's fiduciary net position have been determined on the accrual basis of accounting. Employer contributions are recognized in the period in which the employee is compensated for services performed. Investments are reported at fair value.

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

ACADIA PARISH SHERIFF
Crowley, Louisiana

Notes to Basic Financial Statements (Continued)

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

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

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

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

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

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

ACADIA PARISH SHERIFF
Crowley, Louisiana

Notes to Basic Financial Statements (Continued)

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 members' accrued retirement benefit at the time of termination of employment due to disability, or 2) the retirement benefit which would be payable assuming continued service to the earliest normal retirement age. Members who become partially disabled receive 75% of the amount payable for total disability.

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

Permanent benefit Increases/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.

ACADIA PARISH SHERIFF
Crowley, Louisiana

Notes to Basic Financial Statements (Continued)

Contributions – Contributions for all members are established by the Board of Trustees. The employee contribution rate for the year ended June 30, 2018 was 10.25%. Contributions are deducted from the member's salary and remitted monthly. Gross employer contributions are determined by actuarial valuation and are subject to change each year in accordance with R.S. 11:103. For the year ended June 30, 2018, the employers contributed 12.25% of the members' salaries with an additional 0.0% allocated from the Funding Deposit Account. In accordance with state statute, the Fund receives ad valorem taxes, insurance premium taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations. Non-employer contributions are recognized as revenue in the amount of \$210,113 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, 2019, the Sheriff reported a liability of \$1,973,552 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2018 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Sheriff's proportion of the Net Pension Liability was based on a projection of the Sheriff's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2018, the Sheriff's proportion was 0.514663%, which was a decrease of 0.07481% from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the Sheriff recognized pension expense of \$418,608 less employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$17,985.

Contributions – Proportionate Share: Differences between contributions remitted to the Fund and the employer's proportionate share are 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 a pension through the pension plan. The resulting deferred inflow/outflow and amortization is not reflected in the schedule of employer amounts due to differences that could arise between contributions reported by the Fund and contributions reported by the participating employer.

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

The mortality rate assumptions were set after reviewing an experience study performed over the period July 1, 2010 through June 30, 2015. 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.

ACADIA PARISH SHERIFF
Crowley, Louisiana

Notes to Basic Financial Statements (Continued)

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2018 are as follows:

Valuation Date	June 30, 2018
Actuarial Cost Method	Entry Age Normal
Expected Remaining Service Lives	6 years
Investment Rate of Return	7.25% per annum
Discount Rate	7.25%
Projected Salary Increases	5.5% (2.6% Inflation, 2.9% Merit)
Mortality	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Table for active members, healthy annuitants and beneficiaries RP-2000 Disabled Lives Mortality Table

Cost of Living Adjustments

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

Discount Rate – The discount rate used to measure the total pension liability was 7.25%, which was a decrease of 0.15% from the prior year valuation. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the Fund’s actuary.

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

The long-term expected rate of return on pension plan investments was determined using a building block method 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 rate of return by the target asset allocation percentage and adding expected inflation.

ACADIA PARISH SHERIFF
Crowley, Louisiana

Notes to Basic Financial Statements (Continued)

Estimates of arithmetic real rates of return for each major asset class based on the Fund's target allocation as of June 30, 2018 were as follows:

Asset Class	Expected Rate of Return		
	Target Asset Allocation	Real Return Arithmetic Basis	Long-term Expected Portfolio Real Rate of Return
Equity Securities	62%	6.9%	4.3%
Bonds	23	3.2	0.7
Alternative Investments	<u>15</u>	4.5	<u>0.7</u>
Totals	<u>100%</u>		5.7%
Inflation			<u>2.5</u>
Expected Arithmetic Nominal Return			<u>8.2%</u>

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the Employer's proportionate share of the Net Pension Liability using the discount rate of 7.25%, as well as what the Employer's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (6.25%) or one percentage-point higher (8.25%) than the current rate:

	1.0% Decrease	Current	1.0% Increase
	<u>6.25%</u>	<u>Discount Rate</u> <u>7.25%</u>	<u>8.25%</u>
Employer's proportionate share of the net pension liability	<u>\$ 4,466,411</u>	<u>\$ 1,973,552</u>	<u>\$ 125,151</u>

At June 30, 2019, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 554,007
Change of assumptions	583,410	-
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	31,365	376,966
Net differences between projected and actual earnings on plan investments	-	117,156
Contributions subsequent to the measurement date	<u>508,161</u>	<u>-</u>
Total	<u>\$ 1,122,936</u>	<u>\$ 1,048,129</u>

ACADIA PARISH SHERIFF
Crowley, Louisiana

Notes to Basic Financial Statements (Continued)

Deferred outflows of resources of \$508,161 related to pensions resulting from the Sheriff's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	
2020	\$ 65,757
2021	(62,441)
2022	(283,651)
2023	(99,474)
Thereafter	<u>(53,545)</u>
Total	<u>\$ (433,354)</u>

(10) Deferred Compensation Plan

Certain employees of the Sheriff participate in the Louisiana Public Employees Deferred Compensation Plan adopted under the provisions of Internal Revenue Code Section 457. Complete disclosures related to the Plan are included in the separately issued audit report of the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397.

(11) Changes in Agency Fund Balances

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

	Tax Collector Fund	Bond Fund	Inmate Fund	Civil Fund	Evidence Fund
Balances, June 30, 2018	\$ 106,241	\$ 402,939	\$ 29,622	\$ 31,631	\$ -
Additions	30,723,930	1,078,465	155,076	748,553	16,628
Reductions	<u>(30,708,921)</u>	<u>(1,254,695)</u>	<u>(154,868)</u>	<u>(757,164)</u>	<u>(16,628)</u>
Balances, June 30, 2019	<u>\$ 121,250</u>	<u>\$ 226,709</u>	<u>\$ 29,830</u>	<u>\$ 23,020</u>	<u>\$ -</u>

(12) Taxes Paid Under Protest

The unsettled balances due to taxing bodies and others in the agency funds at June 30, 2019, include \$4,008 of taxes paid under protest.

ACADIA PARISH SHERIFF
Crowley, Louisiana

Notes to Basic Financial Statements (Continued)

(13) Ex-officio Tax Collector

The amount of cash on hand at year end was \$121,250. The unsettled balances of the Tax Collector Fund at June 30, 2019 consist of the following:

Collection of current and prior year taxes, not settled	\$ 70,316
Due to general fund	39,300
Refunds and redemptions	6,428
Occupational licences	5,138
Interest	<u>68</u>
Total	<u>\$ 121,250</u>

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

Acadia Parish Law Enforcement	\$ 3,017,330
Acadia Parish School Board	12,545,807
Acadia Parish Police Jury	3,095,229
Acadia Parish Assessor	1,445,404
Acadia Parish Gravity Drainage Districts	2,512,132
Acadia Parish Fire Districts	2,584,682
Acadia Parish Council on Aging	582,763
Acadia/St. Landry Hospital District	215,166
Mermentau River and Harbor District	75,408
Acadia Parish Road Districts	1,238,370
Department of Agriculture & Forestry	6,002
Louisiana Tax Commission	54,511
Acadia Parish Library	<u>1,656,272</u>
Total	<u>\$ 29,029,076</u>

ACADIA PARISH SHERIFF
Crowley, Louisiana

Notes to Basic Financial Statements (Continued)

For the fiscal year ended June 30, 2019, the taxes assessed and uncollected as a result of Louisiana Tax Commission decreases and movable properties were as follows:

	Change	
	<u>Orders</u>	<u>Movables</u>
Acadia Parish Law Enforcement	\$ 4,390	\$ 4,692
Acadia Parish School Board	19,888	18,078
Acadia Parish Police Jury	4,189	4,874
Acadia Parish Assessor	2,103	2,247
Acadia Parish Gravity Drainage Districts	3,307	4,074
Acadia Parish Fire Districts	2,318	5,020
Acadia Parish Council on Aging	848	906
Acadia/St. Landry Hospital District	975	188
Mermentau River and Harbor District	127	158
Acadia Parish Road Districts	1,802	1,925
Louisiana Tax Commission	6	-
Acadia Parish Library	<u>2,410</u>	<u>2,575</u>
Total	<u>\$ 42,363</u>	<u>\$ 44,737</u>

(14) Litigation and Claims

At June 30, 2019, the Sheriff is involved in several lawsuits claiming damages. In the opinion of the Sheriff's legal counsel, resolution of these lawsuits would not create a liability to the Sheriff in excess of insurance coverage.

(15) Risk Management

A. Commercial Insurance Coverage

The Sheriff is exposed to risks of loss in the areas of auto liability, professional law enforcement liability, group health and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year, nor have settlements exceeded coverage for the past three years.

B. Group Self-Insurance Health Plan

The Sheriff maintains a limited risk management program for group hospitalization insurance. The Sheriff has contracted HealthScope Benefits to act as the third-party administrator for the program. An excess of coverage insurance policy covers individual claims in excess of \$70,000 per year and \$2,013,529 per lifetime.

ACADIA PARISH SHERIFF
Crowley, Louisiana

Notes to Basic Financial Statements (Continued)

The General Fund participates in the program. The claims liability of \$210,001 reported in the General Fund at June 30, 2019 is based on the loss that is probable to have been at the date of the financial statements and the amount of loss that can be reasonably estimated. The total claims liability of \$700,003 for the program includes \$490,002 for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts, and other economic and social factors. The Sheriff currently does not discount its claims liabilities. Changes in the claim's liabilities are as follows:

	Fiscal Year Liability	Changes in Estimates	Payments and Claims	Fiscal Year End
2016-2017	\$ 416,176	\$ 1,691,061	\$ 1,895,149	\$ 212,088
2017-2018	212,088	1,915,088	1,840,965	286,211
2018-2019	286,211	2,491,341	2,077,549	700,003

(16) Tax Abatement

Louisiana's State Constitution Chapter VII Section 21 authorizes the State Board of Commerce and Industry to create a ten (10) year ad valorem tax abatement program for new manufacturing establishments in the State. Under the terms of this program, qualified businesses may apply for an exemption of local ad valorem taxes on capital improvements and equipment related to manufacturing for the first ten years of its operation; after which the property will be added to the local tax roll and taxed at the value and millage in force at that time. The future value to this exempt property could be subject to significant fluctuations from today's value; however, the Sheriff could receive a substantial increase in ad valorem tax revenues once the exemption on this property expires. Because these taxes are not assessed, no adjustments have been made to the Sheriff's financial statements to record the exempt amounts. At June 30, 2019, the Sheriff's ad valorem revenues were reduced by \$56,566 as a result of these abatements.

(17) Compensation, Benefits, and Other Payments to Agency Head

In accordance with Act 706 of the 2014 Regular Legislative Session -- LA R.S. 24:513(A)(3), the schedule of compensation, benefits, and other payments to K. P. Gibson, Sheriff, for the year ended June 30, 2019 follows:

Purpose	Amount
Salary	\$ 160,338
Benefits - insurance	11,317
Benefits - retirement	51,709
Registration fees	760
Conference travel	3,608
Dues	115
Cellular phone	1,020
Total	<u>\$ 228,867</u>

REQUIRED SUPPLEMENTARY INFORMATION

ACADIA PARISH SHERIFF
Crowley, Louisiana
General Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2019

	Budget		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Ad valorem taxes	\$ 2,983,581	\$ 2,995,657	\$ 2,991,606	\$ (4,051)
Sales tax	3,817,515	4,018,074	4,011,027	(7,047)
Intergovernmental revenues -				
Federal grants	13,318	13,241	49,110	35,869
State grants	257,199	371,714	386,695	14,981
State revenue sharing	324,943	324,913	324,914	1
State supplemental pay	420,328	403,405	404,196	791
Fees, charges and commissions for services -				
Civil and criminal fees	310,013	390,302	406,777	16,475
Court attendance	13,509	12,811	13,294	483
Feeding, keeping, and transporting prisoners	464,122	486,714	527,234	40,520
Other fees, charges and commissions	251,461	184,470	178,236	(6,234)
Interest income	122,650	268,240	272,153	3,913
Miscellaneous	511,451	441,351	442,760	1,409
Total revenues	<u>9,490,090</u>	<u>9,910,892</u>	<u>10,008,002</u>	<u>97,110</u>
Expenditures:				
Current -				
Public safety:				
Personal services and related benefits	4,973,710	5,382,954	5,325,895	57,059
Operating services	2,537,697	2,645,114	2,305,972	339,142
Operations and maintenance	2,857,500	1,502,101	1,252,537	249,564
Intergovernmental expenses	-	20,000	18,250	1,750
Travel and other charges	51,056	52,720	52,538	182
Capital outlay	-	500,000	489,130	10,870
Debt service:				
Principal	-	92,786	-	92,786
Total expenditures	<u>10,419,963</u>	<u>10,195,675</u>	<u>9,444,322</u>	<u>751,353</u>
Excess of revenues over expenditures	<u>(929,873)</u>	<u>(284,783)</u>	<u>563,680</u>	<u>848,463</u>
Other financing sources:				
Sale of capital assets	855	25,000	25,000	-
Total other financing sources	<u>855</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Net change in fund balance	(929,018)	(259,783)	588,680	848,463
Fund balance, beginning	<u>14,327,978</u>	<u>14,327,978</u>	<u>14,327,978</u>	<u>-</u>
Fund balance, ending	<u>\$ 13,398,960</u>	<u>\$ 14,068,195</u>	<u>\$ 14,916,658</u>	<u>\$ 848,463</u>

ACADIA PARISH SHERIFF
Crowley, Louisiana

Schedule of Changes in Net OPEB Liability and Related Ratios
For the Year Ended June 30, 2019

Total OPEB Liability	<u>2019</u>	<u>2018</u>
Service cost	\$ 47,350	\$ 47,929
Interest	321,953	326,412
Changes of benefit terms	-	-
Differences between expected and actual experience	378,137	(56,806)
Changes of assumptions	146,959	-
Benefit payments	<u>(439,372)</u>	<u>(416,466)</u>
Net changes	455,027	(98,931)
Total OPEB liability - beginning	<u>8,870,045</u>	<u>8,968,976</u>
Total OPEB liability - ending	9,325,072	8,870,045
Plan Fiduciary Net Position	<u>-</u>	<u>-</u>
Net OPEB Liability	<u>\$9,325,072</u>	<u>\$8,870,045</u>
 Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	 0.00%	 0.00%
Covered employee payroll	\$3,857,373	\$3,745,022
Net OPEB liability as a percentage of covered-employee payroll	241.75%	236.85%

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

ACADIA PARISH SHERIFF
Crowley, Louisiana

Schedule of Employer OPEB Contributions
For the Year Ended June 30, 2019

Year ended June 30,	Contractually Determined Contribution	Contributions in Relation to Contractually Determined Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2019	\$ 472,528	\$ 472,528	\$ -	\$ 3,857,373	12.25%
2018	457,893	457,893	-	3,745,022	12.23%

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

ACADIA PARISH SHERIFF
Crowley, Louisiana

Schedule of Employer's Share of Net Pension Liability
For the Year Ended June 30, 2019*

Year ended June 30,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2019	0.514663%	\$ 1,973,552	\$ 3,690,032	53.5%	90.41%
2018	0.522144%	2,261,026	3,616,627	62.5%	88.49%
2017	0.606361%	3,848,510	4,143,215	92.9%	82.10%
2016	0.624515%	2,783,786	4,127,371	67.4%	86.61%
2015	0.622848%	2,466,481	4,379,087	56.3%	87.35%

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

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

ACADIA PARISH SHERIFF
Crowley, Louisiana

Schedule of Employer Contributions
For the Year Ended June 30, 2019

Year ended June 30,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2019	\$ 452,029	\$ 452,029	\$ -	\$ 3,690,032	12.25%
2018	470,014	470,014	-	3,686,385	12.75%
2017	479,203	479,203	-	3,616,627	13.25%
2016	569,692	569,692	-	4,143,215	13.75%
2015	589,732	589,732	-	4,127,371	14.29%

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

ACADIA PARISH SHERIFF
Crowley, Louisiana

Notes to Required Supplementary Information
For the Year Ended June 30, 2019

(1) Budgets and Budgetary Accounting

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

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

(2) Pension Plans

Changes of Assumptions – Changes of assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. These assumptions include the rate of investment return, mortality of plan members, rate of salary increase, rates of retirement, rates of termination, rates of disability, and various other factors that have an impact on the cost of the plan.

(3) Other Postemployment Benefits

- a. Benefit Changes – There were no changes of benefit terms.
- b. Changes of Assumptions – There were no changes of assumptions.

OTHER SUPPLEMENTARY INFORMATION

ACADIA PARISH SHERIFF
Crowley, Louisiana

Comparative Statement of Net Position
June 30, 2019 and 2018

	Governmental Activities	
	2019	2018
ASSETS		
Current assets:		
Cash and interest-bearing deposits	\$ 2,880,231	\$ 1,546,746
Investments	11,443,594	11,741,053
Receivables, net	1,026,087	1,353,123
Prepaid expenses	28,555	8,787
Total current assets	15,378,467	14,649,709
Noncurrent assets:		
Capital assets, net	1,260,689	1,180,981
TOTAL ASSETS	16,639,156	15,830,690
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	1,122,936	928,936
Deferred outflows related to OPEB	449,362	-
	1,572,298	928,936
LIABILITIES		
Current liabilities:		
Accounts, salaries, and other payables	951,811	484,871
Noncurrent liabilities:		
Compensated absences	102,322	100,632
Postemployment benefit obligation payable	9,325,072	8,870,045
Net pension liability	1,973,552	2,261,026
Total noncurrent liabilities	11,400,946	11,231,703
TOTAL LIABILITIES	12,352,757	11,716,574
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions	1,048,129	848,336
Deferred inflows related to OPEB	-	54,336
	1,048,129	902,672
NET POSITION		
Net investment in capital assets	1,260,689	1,180,981
Unrestricted	3,549,879	2,959,399
TOTAL NET POSITION	\$ 4,810,568	\$ 4,140,380

ACADIA PARISH SHERIFF
Crowley, Louisiana

General Fund
Comparative Balance Sheet
June 30, 2019 and 2018

	General Fund	
	2019	2018
ASSETS		
Cash and interest-bearing deposits	\$ 2,880,231	\$ 1,546,746
Investments	11,443,594	11,741,053
Receivables	1,026,087	1,353,123
Prepaid expenditures	<u>28,555</u>	<u>8,787</u>
Total assets	<u>\$ 15,378,467</u>	<u>\$ 14,649,709</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ 61,785	\$ 27,533
Accrued liabilities	190,023	171,127
Estimated medical payments	<u>210,001</u>	<u>123,071</u>
Total liabilities	<u>461,809</u>	<u>321,731</u>
Fund balances:		
Nonspendable for prepaid items	28,555	8,787
Unassigned	<u>14,888,103</u>	<u>14,319,191</u>
Total fund balances	<u>14,916,658</u>	<u>14,327,978</u>
Total liabilities and fund balances	<u>\$ 15,378,467</u>	<u>\$ 14,649,709</u>

ACADIA PARISH SHERIFF
Crowley, Louisiana
General Fund

Budgetary Comparison Schedule -
Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2019
With Comparative Actual Balances for Year Ended June 30, 2018

	2019			Variance with Final Budget Positive (Negative)	2018 Actual
	Budget		Actual		
	Original	Final			
Revenues:					
Ad valorem taxes	\$ 2,983,581	\$ 2,995,657	\$ 2,991,606	\$ (4,051)	\$ 2,949,240
Sales tax	3,817,515	4,018,074	4,011,027	(7,047)	4,059,798
Intergovernmental revenues -					
Federal grants	13,318	13,241	49,110	35,869	22,799
State grants	257,199	371,714	386,695	14,981	250,924
State revenue sharing	324,943	324,913	324,914	1	324,943
State supplemental pay	420,328	403,405	404,196	791	419,811
Fees, charges and commissions for services -					
Civil and criminal fees	310,013	390,302	406,777	16,475	440,590
Court attendance	13,509	12,811	13,294	483	13,702
Feeding, keeping and transporting prisoners	464,122	486,714	527,234	40,520	472,864
Other fees, charges & commissions	251,461	184,470	178,236	(6,234)	260,444
Interest income	122,650	268,240	272,153	3,913	147,376
Miscellaneous	511,451	441,351	442,760	1,409	535,772
Total revenues	<u>9,490,090</u>	<u>9,910,892</u>	<u>10,008,002</u>	<u>97,110</u>	<u>9,898,263</u>
Expenditures:					
Current -					
Public safety:					
Personal services and related benefits	4,973,710	5,382,954	5,325,895	57,059	4,843,927
Operating services	2,537,697	2,645,114	2,305,972	339,142	2,084,196
Operations and maintenance	2,857,500	1,502,101	1,252,537	249,564	1,309,296
Intergovernmental expenses	-	20,000	18,250	1,750	-
Travel and other charges	51,056	52,720	52,538	182	42,059
Capital outlay	-	500,000	489,130	10,870	183,034
Debt service:					
Principal	-	92,786	-	92,786	707,301
Interest	-	-	-	-	31,483
Total expenditures	<u>10,419,963</u>	<u>10,195,675</u>	<u>9,444,322</u>	<u>751,353</u>	<u>9,201,296</u>
Excess (deficiency) of revenues over expenditures	<u>(929,873)</u>	<u>(284,783)</u>	<u>563,680</u>	<u>848,463</u>	<u>696,967</u>
Other financing sources:					
Sale of capital assets	855	25,000	25,000	-	1,876
Total other financing sources	<u>855</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>1,876</u>
Excess of revenues and other financing sources over expenditures	<u>(929,018)</u>	<u>(259,783)</u>	<u>588,680</u>	<u>848,463</u>	<u>698,843</u>
Fund balance, beginning	<u>14,327,978</u>	<u>14,327,978</u>	<u>14,327,978</u>	<u>-</u>	<u>13,629,135</u>
Fund balance, ending	<u>\$ 13,398,960</u>	<u>\$ 14,068,195</u>	<u>\$ 14,916,658</u>	<u>\$ 848,463</u>	<u>\$ 14,327,978</u>

ACADIA PARISH SHERIFF
Crowley, Louisiana
General Fund

Budgetary Comparison Schedule - Expenditures
For the Year Ended June 30, 2019
With Comparative Actual Balances for the Year Ended June 30, 2018

	2019		Actual	Variance with Final Budget Positive (Negative)	2018 Actual
	Budget				
	Original	Final			
Current:					
Public safety -					
Personal services and related benefits:					
Sheriff's salary	\$ 160,338	\$ 160,338	\$ 160,338	\$ -	\$ 160,338
Deputies salaries	4,203,330	4,585,322	4,531,018	54,304	4,091,057
Pension and payroll taxes	610,042	637,294	634,539	2,755	592,532
Total personal services and related benefits	<u>4,973,710</u>	<u>5,382,954</u>	<u>5,325,895</u>	<u>57,059</u>	<u>4,843,927</u>
Operating services:					
Hospitalization insurance	2,301,068	2,416,173	2,077,244	338,929	1,849,310
Auto insurance	120,989	110,370	110,435	(65)	120,156
Other liability insurance	115,640	118,571	118,293	278	114,730
Total operating services	<u>2,537,697</u>	<u>2,645,114</u>	<u>2,305,972</u>	<u>339,142</u>	<u>2,084,196</u>
Operations and maintenance:					
Auto fuel and oil	218,031	186,104	194,329	(8,225)	198,268
Auto maintenance	234,639	187,337	106,540	80,797	76,298
Deputy uniforms, supplies, etc.	182,458	282,218	146,092	136,126	169,130
Office supplies and expenses	1,387,164	352,926	319,469	33,457	386,642
Telephone	107,218	100,986	101,235	(249)	118,000
Maintenance contracts and rentals	7,309	4,795	4,903	(108)	6,641
Prisoner feeding and maintenance	644,382	299,387	294,074	5,313	283,324
Professional fees	64,628	63,980	65,965	(1,985)	62,628
Criminal investigation expense	11,671	24,368	19,930	4,438	8,365
Total operations and maintenance	<u>2,857,500</u>	<u>1,502,101</u>	<u>1,252,537</u>	<u>249,564</u>	<u>1,309,296</u>
Intergovernmental expenses	-	20,000	18,250	1,750	-
Other charges	51,056	52,720	52,538	182	42,059
Capital outlay	-	500,000	489,130	10,870	183,034
Debt service:					
Principal	-	92,786	-	92,786	707,301
Interest	-	-	-	-	31,483
Total debt service	-	<u>92,786</u>	-	<u>92,786</u>	<u>738,784</u>
Total expenditures	<u>\$ 10,419,963</u>	<u>\$ 10,195,675</u>	<u>\$ 9,444,322</u>	<u>\$ 751,353</u>	<u>\$ 9,201,296</u>

AGENCY FUNDS

Tax Collector Fund -

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

Bond Fund -

To account for the collection of cash bonds and payment of these collections to the eligible recipients in accordance with applicable laws.

Inmate Fund -

To account for the receipts and disbursements made to the individual prison inmate accounts.

Civil Fund -

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

Evidence Fund -

To account for funds seized during arrest for which final resolution of distribution has not been determined.

Acadia Parish Sheriff
Crowley, Louisiana
Agency Funds

Combining Balance Sheet
June 30, 2019
With Comparative Totals for June 30, 2018

	Tax Collector Fund	Bond Fund	Inmate Fund	Civil Fund	Evidence Fund	Total	
						2019	2018
ASSETS							
Cash and cash equivalents	\$ 121,250	\$ 154,755	\$ 29,830	\$ 23,020	\$ -	\$ 328,855	\$ 498,544
Due from other governments	-	71,954	-	-	-	71,954	71,889
Total assets	<u>\$ 121,250</u>	<u>\$ 226,709</u>	<u>\$ 29,830</u>	<u>\$ 23,020</u>	<u>\$ -</u>	<u>\$ 400,809</u>	<u>\$ 570,433</u>
LIABILITIES							
Due to other taxing bodies	\$ 121,250	\$ -	\$ -	\$ 23,020	\$ -	\$ 144,270	\$ 137,872
Due to others pending court action	-	226,709	-	-	-	226,709	402,939
Due to inmates	-	-	29,830	-	-	29,830	29,622
Total liabilities	<u>\$ 121,250</u>	<u>\$ 226,709</u>	<u>\$ 29,830</u>	<u>\$ 23,020</u>	<u>\$ -</u>	<u>\$ 400,809</u>	<u>\$ 570,433</u>

ACADIA PARISH SHERIFF
Crowley, Louisiana
Agency Funds

Combining Statement of Changes in Assets and Liabilities
Year Ended June 30, 2019
With Comparative Totals for the Year Ended June 30, 2018

	Tax	Bond	Inmate	Civil	Evidence	Total	
	Collector Fund	Fund	Fund	Fund	Fund	2019	2018
Balances, beginning of year	<u>\$ 106,241</u>	<u>\$ 402,939</u>	<u>\$ 29,622</u>	<u>\$ 31,631</u>	<u>\$ -</u>	<u>\$ 570,433</u>	<u>\$ 657,838</u>
Additions:							
Deposits -							
Sheriff's sales	-	-	-	522,686	-	522,686	715,956
Bonds, fines and costs	-	1,078,465	-	-	-	1,078,465	1,418,786
Garnishments	-	-	-	225,867	-	225,867	227,066
Inmates	-	-	155,076	-	-	155,076	143,954
Other deposits	-	-	-	-	16,628	16,628	-
Taxes, fees, etc. paid to tax collector	30,680,609	-	-	-	-	30,680,609	30,310,361
Interest on investments	<u>43,321</u>	-	-	-	-	<u>43,321</u>	<u>6,341</u>
Total additions	<u>30,723,930</u>	<u>1,078,465</u>	<u>155,076</u>	<u>748,553</u>	<u>16,628</u>	<u>32,722,652</u>	<u>32,822,464</u>
Total	<u>30,830,171</u>	<u>1,481,404</u>	<u>184,698</u>	<u>780,184</u>	<u>16,628</u>	<u>33,293,085</u>	<u>33,480,302</u>
Reductions:							
Taxes, fees, etc. distributed to taxing bodies and others	30,489,380	1,254,695	-	-	-	31,744,075	31,606,990
Deposits settled to -							
Sheriff's General Fund	-	-	-	264,813	-	264,813	330,180
Clerk of court	-	-	-	76,267	-	76,267	118,403
Inmates	-	-	154,868	-	-	154,868	140,875
Litigants	-	-	-	334,516	-	334,516	354,482
Attorneys, appraisers, etc.	-	-	-	18,300	-	18,300	28,250
Settlements	40,328	-	-	29,068	-	69,396	84,089
Other reductions	<u>179,213</u>	-	-	<u>34,200</u>	<u>16,628</u>	<u>230,041</u>	<u>246,600</u>
Total reductions	<u>30,708,921</u>	<u>1,254,695</u>	<u>154,868</u>	<u>757,164</u>	<u>16,628</u>	<u>32,892,276</u>	<u>32,909,869</u>
Balances, end of year	<u>\$ 121,250</u>	<u>\$ 226,709</u>	<u>\$ 29,830</u>	<u>\$ 23,020</u>	<u>\$ -</u>	<u>\$ 400,809</u>	<u>\$ 570,433</u>

STATE OF LOUISIANA, PARISH OF ACADIA

AFFIDAVIT

K. P. Gibson, Sheriff of Acadia

BEFORE ME, the undersigned authority, personally came and appeared, K. P. Gibson, the Sheriff of Acadia Parish, State of Louisiana, who after being duly sworn, deposed and said:

The following information is true and correct:

\$119,506 is the amount of cash on hand in the tax collector account on June 30, 2019;

He further deposed and said:

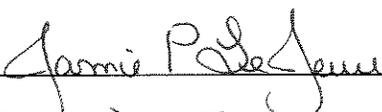
All itemized statements of the amount of taxes collected for tax year 2018, by taxing authority, are true and correct.

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.

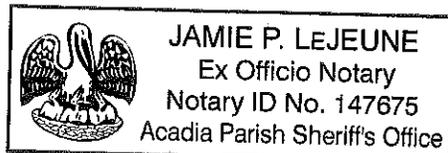


Sheriff of Acadia

SWORN to and subscribed before me, Notary, this 11th day of October 2019, in my office in Crowley, Louisiana.

 (Signature)
Jamie P. LeJeune (Print), # 147675
Notary Public

(Commission)



INTERNAL CONTROL, COMPLIANCE, AND OTHER MATTERS

KOLDER, SLAVEN & COMPANY, LLC

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

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* A Professional Accounting Corporation

The Honorable K. P. Gibson
Acadia Parish Sheriff
Crowley, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Acadia Parish Sheriff (the Sheriff) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements and have issued our report thereon dated November 1, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 of the effectiveness of the Sheriff's internal control. Accordingly, we do not express an opinion on the effectiveness of the Sheriff's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of current and prior year audit findings and management's corrective action plan, we identified certain deficiencies that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiencies described in the accompanying schedule of current and prior year audit findings and management's corrective action plan as item 2019-001 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 one instance of noncompliance, item 2019-002, that is required to be reported under *Government Auditing Standards*.

Sheriff's Response to Findings

The Sheriff's response to the findings identified in our audit are described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan. We did not audit the Sheriff's response and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document in accordance with Louisiana Revised Statute 44:6.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
November 1, 2019

ACADIA PARISH SHERIFF
Crowley, Louisiana

**Summary Schedule of Current and Prior Year Audit Findings
And Management's Corrective Action Plan
Year Ended June 30, 2019**

Part I. Current Year Findings and Management's Corrective Action Plan

A. Internal Control Findings –

2019-001: Inadequate segregation of duties in the accounting system.

Fiscal year finding initially occurred: Unknown.

CONDITION: The Sheriff does not have adequate segregation of duties in the accounting system.

CRITERIA: The Sheriff should have a control policy according to which no person should be given responsibility for more than one related function.

CAUSE: Due to the small number of employees available at the Sheriff's office.

EFFECT: The Sheriff has employees that are performing more than one related function.

RECOMMENDATION: The Sheriff should establish and monitor mitigating controls over functions that are not completely segregated.

MANAGEMENT'S CORRECTIVE ACTION PLAN: Due to the size of the operation and cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

B. Compliance Finding –

2019-002: Failure to comply with Public Bid Law.

Fiscal year finding initially occurred: 2019.

CONDITION: The Sheriff failed to comply with the Public Bid Law (Louisiana Revised Statute 38:2212) regarding the purchase of fuel.

CRITERIA: The Sheriff should comply with the Public Bid Law (Louisiana Revised Statute 38:2212).

CAUSE: The Sheriff was not aware that the Public Bid Law applied to the purchase of fuel for the fleet.

EFFECT: The Sheriff failed to comply with the Public Bid Law (Louisiana Revised Statute 38:2212) regarding the purchase of fuel.

RECOMMENDATION: The Sheriff should comply with the Public Bid Law when purchasing materials and supplies, including fuel.

ACADIA PARISH SHERIFF
Crowley, Louisiana

**Summary Schedule of Current and Prior Year Audit Findings
And Management's Corrective Action Plan
Year Ended June 30, 2019**

MANAGEMENT'S CORRECTIVE ACTION PLAN: The Sheriff will implement the appropriate controls to ensure that bids are sought in compliance with the Public Bid Law.

Part II. Prior Year Findings

A. Internal Control Findings –

2018-001: Inadequate segregation of duties in the accounting system.

CONDITION: The Sheriff had inadequate segregation of duties in the accounting system due to the small number of employees.

RECOMMENDATION: The Sheriff reviews policies and procedures, and the cost-benefit of establishing adequate segregation of duties in the accounting system.

CURRENT STATUS: See 2019-001.

ACADIA PARISH SHERIFF

Crowley, Louisiana

Agreed-Upon Procedures Report

Year Ended June 30, 2019

KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

* A Professional Accounting Corporation

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The Honorable K.P. Gibson
Acadia Parish Sheriff
Crowley, Louisiana and the
Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by the Acadia Parish Sheriff (Entity) and the Louisiana Legislative Auditor (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, 2018 through June 30, 2019. The entity's management 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. We obtained and inspected the entity's written policies and procedures and observed 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.
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) **Disbursements**, including processing, reviewing, and approving.
 - d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
 - e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 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.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Board or Finance Committee

(The Acadia Parish Sheriff does not have a Board or Finance Committee and, therefore, this attribute is not applicable.)

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) 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.
 - c) 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.

Bank Reconciliations

- 3. We obtained a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. We asked management to identify the entity's main operating account. We selected the entity's main operating account and randomly selected 4 additional accounts (or all accounts if less than 5). We randomly selected one month from the fiscal period, obtained and inspected the corresponding bank statement and reconciliation for selected accounts, and observed that:
 - a) Bank reconciliations included evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

- b) Bank reconciliations included evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
- c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Collections

- 4. We obtained a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. We randomly selected 5 deposit sites (or all deposit sites if less than 5).
- 5. For each deposit site selected, we obtained a listing of collection locations and management's representation that the listing is complete. We randomly selected one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtained and inspected written policies and procedures relating to employee job duties (if no written policies or procedures, inquired of employees about their job duties) at each collection location, and observed that job duties are properly segregated at each collection location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
- 6. We inquired of management that all employees who have access to cash are covered by a bond or insurance policy for theft.
- 7. We randomly selected two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (selected the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly selected 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.* Obtained supporting documentation for each of the 10 deposits and:
 - a) We observed that receipts are sequentially pre-numbered.
 - b) We traced sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) We traced the deposit slip total to the actual deposit per the bank statement.
 - d) We observed 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).
 - e) We traced the actual deposit per the bank statement to the general ledger.

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

(The following procedures were not performed since there were no exceptions in the prior year.)

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observed 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

11. We obtained from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. We obtained management's representation that the listing is complete.
12. Using the listing prepared by management, we randomly selected 5 cards (or all cards if less than 5) that were used during the fiscal period. We randomly selected one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtained supporting documentation, and:
 - a) We observed 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.
 - b) We observed 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, we randomly selected 10 transactions (or all transactions if less than 10) from each statement, and obtained supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, we observed 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 Travel-Related Expense Reimbursements (excluding card transactions)

(The following procedures were not performed since there were no exceptions in the prior year.)

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements:
 - a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, observe 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 includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
 - d) Observe that each reimbursement is reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Contracts

(The following procedures were not performed since there were no exceptions in the prior year.)

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
 - a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
 - b) Observe 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

(The following procedures were not performed since there were no exceptions in the prior year.)

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. Randomly selected one pay period during the fiscal period. For the 5 employees/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.
17. 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 employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulate leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.
18. 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

(The following procedures were not performed since there were no exceptions in the prior year.)

19. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above obtain ethics documentation from management, and:
- a) Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - 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.

Debt Service

(The following procedures were not performed since there were no exceptions in the prior year.)

20. Obtain a listing of bonds/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.
21. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.

Other

(The following procedures were not performed since there were no exceptions in the prior year.)

22. 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.
23. 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.

Exceptions:

No exceptions were found as a result of applying the procedures listed above except:

Written Policies and Procedures:

1. The entity does not have written policies and procedures addressing how vendors are added to the vendor list.

Management's response: The entity will update their written policies and procedures to include how vendors are added to the vendor list.

2. The entity does not have written policies and procedures regarding documentation of management's actions to determine the completeness of all collections for each type of revenue or agency fund addition.

Management's response: The entity will update their written policies and procedures to include documentation of management's actions to determine the completeness of all collections for each type of revenue or agency fund addition.

3. The entity does not have written policies and procedures regarding ethics.

Management's response: The entity will update their written policies and procedures to include an ethics policy.

4. The entity does not have written policies and procedures regarding Disaster Recovery/Business Continuity.

Management's response: The entity will update their written policies and procedures to include Disaster Recovery/Business Continuity.

Bank Reconciliations:

5. All five bank reconciliations tested showed no evidence of a member of management who does not handle cash, post ledgers, or issue checks had reviewed each bank reconciliation.

Management's response: The entity will implement a policy requiring a member of management who does not handle cash, post ledgers, or issue checks review each bank reconciliation.

6. Two of the five bank reconciliations had no evidence that management is researching reconciling items that have been outstanding for more than 12 months from the statement closing date.

Management's response: The entity will implement a policy to research all reconciling items that have been outstanding for more than 12 months from the statement closing date and provide documentation that the procedure has been performed.

Cash Collections:

7. Four of the five locations tested did not have proper segregation of duties regarding cash collections, deposits, and reconciliations.

Management's response: Because of the size of the entity, management has put procedures in place to mitigate the chances of misappropriation of assets.

8. Of the ten deposits tested, one deposit was not made within one business day of receipt.

Management's response: The entity will implement a policy requiring all deposits to be made within one business day of receipt.

Credit Cards:

9. One of the four credit cards selected was not reviewed and approved, in writing, by someone other than the authorized card holder.

Management's response: All future credit card statements will be reviewed and approved, in writing, by someone other than the authorized card holder.

We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Acadia Parish Sheriff and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
November 1, 2019