

**JEFFERSON PARISH CORONER'S OFFICE
ANNUAL FINANCIAL STATEMENTS**

For the Year Ended December 31, 2018

JEFFERSON PARISH CORONER'S OFFICE

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Kushner LaGraize, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

S. DAVID KUSHNER*, CPA, CRFAC
WILSON A. LaGRAIZE, JR., CPA/CFF, CRFAC
ERNEST G. GELPI, CPA, CGFM
CRAIG M. FABACHER, CPA
DOUGLAS W. FINEGAN, CPA, CVA
*A Professional Accounting Corporation

MARY ANNE GARCIA, CPA
WILLIAM B. HAMILTON, CPA
KATHARINE M. LASSITER, CPA
RICHARD J. RUMNEY, CPA

Members
American Institute of CPA's
Society of Louisiana CPA's

INDEPENDENT AUDITORS' REPORT

Gerald A. Cvitanovich, M.D.
Jefferson Parish Coroner's Office
Harvey, Louisiana

We have audited the accompanying financial statements of the Jefferson Parish Coroner's Office (the Coroner), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Coroner's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Coroner, as of December 31, 2018, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information on pages 4 through 9 and 31 through 35 be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the 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 inquires of management about the methods of preparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtain during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Coroner's financial statements. The schedule of compensation, benefits, and other payments to agency heads is presented for purposes of additional analysis and is not a required part of the financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have issued our report dated June 25, 2019, on our consideration of the Coroner'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 or on 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 Coroner's internal control over financial reporting and compliance.

Kushner LaGraize, L.L.C.

Metairie, Louisiana
June 25, 2019

JEFFERSON PARISH CORONER'S OFFICE

MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the Jefferson Parish Coroner's Office (the Coroner) annual financial report, the Coroner's management is pleased to provide this narrative discussion and analysis of the financial activities of the Coroner for the year ended December 31, 2018. The Coroner's financial activities and condition are discussed and analyzed within the context of the accompanying basic financial statements and footnote disclosures following this section.

Management's Discussion and Analysis (MD&A) is a part of the Required Supplementary Information required by the Governmental Accounting Standards Board's (GASB) Statement No. 34 – *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*.

FINANCIAL HIGHLIGHTS

- The Coroner's assets and deferred outflows exceeded its liabilities and deferred inflows by \$16,957,420 (net position) as of December 31, 2018, and by \$16,500,472 as of December 31, 2017.
- Total 2018 revenues of \$6,312,912 exceeded total expenditures of \$5,855,964, resulting in an excess of revenues over expenditures of \$456,948. For 2017, the Coroner had revenues exceeding expenditures in the amount of \$407,063.
- Total net position as of December 31, 2018 and 2017 are comprised of the following:
 - Net investment in capital assets, of \$4,257,890 and \$4,500,138, consisting of property and equipment, net of accumulated depreciation and related debt.
 - Unrestricted net position of \$12,699,530 and \$12,000,334.
 - The Coroner's general fund reported a total fund balance of \$12,359,778 and, \$11,714,117 for 2018 and 2017, respectively.

The above financial highlights are explained in more detail in the "Financial Analysis" section to follow.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management's Discussion and Analysis section introduces the Coroner's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The Coroner also includes in this report additional information to supplement the basic financial statements. Comparative data for the prior year is only available on a limited basis.

JEFFERSON PARISH CORONER'S OFFICE

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

OVERVIEW OF THE FINANCIAL STATEMENTS - Continued

Government-Wide Financial Statements

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

The first of these government-wide financial statements is the Statement of Net Position. This is the government-wide statement of position presenting information that includes all of the Coroner's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Coroner as a whole is improving or deteriorating.

The other government-wide financial statement is the Statement of Activities, which reports how the Coroner's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when the cash is received or paid.

The government-wide financial statements present governmental activities of the Coroner. The government-wide financial statements are presented on pages 10 and 11 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Coroner uses funds to ensure and demonstrate compliance with finance-related laws and regulations.

Governmental funds are reported in the fund financial statements and encompass the same function as governmental activities in the government-wide financial statements. However, the focus is very different with fund financial statements providing a distinctive view of the Coroner's governmental funds, including object classifications. These statements report short-term fiscal accountability focusing on the use of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between the two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The Coroner has only one governmental fund which is the general fund and the basic governmental fund financial statements are presented on pages 12 and 14-15 of this report.

Notes to the Basic Financial Statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes begin on page 17 of this report.

JEFFERSON PARISH CORONER'S OFFICE
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

OVERVIEW OF THE FINANCIAL STATEMENTS - Continued

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Coroner's budget presentations. Budgetary comparison statements are included as "Required Supplementary Information" for the General Fund. This schedule demonstrates compliance with the Coroner's adopted and final revised budget. This Required Supplementary Information schedule can be found on pages 32-33 of this report.

FINANCIAL ANALYSIS OF THE CORONER AS A WHOLE

The Coroner's net position was \$16,957,420 and \$16,500,472 as of December 31, 2018 and 2017, respectively. The following table provides a summary of the Coroner's net position:

Condensed Statements of Net Position
as of December 31, 2018 and 2017

	<u>2018</u>	<u>Percentage</u>	<u>2017</u>	<u>Percentage</u>
ASSETS:				
Current assets	\$ 12,901,152	73%	\$ 12,224,397	73%
Other asset	433,021	3%	11,063	0%
Capital assets, net of accumulated depreciation	<u>4,257,890</u>	24%	<u>4,500,138</u>	27%
TOTAL ASSETS	<u>17,592,063</u>	100%	<u>16,735,598</u>	100%
DEFERRED OUTFLOWS	<u>720,178</u>		<u>1,029,397</u>	
LIABILITIES:				
Current liabilities	420,106	100%	357,048	32%
Noncurrent liabilities	<u>-</u>	0%	<u>772,325</u>	68%
TOTAL LIABILITIES	<u>420,106</u>	100%	<u>1,129,373</u>	100%
DEFERRED INFLOWS	<u>934,715</u>		<u>135,150</u>	
NET POSITION:				
Net investment in capital assets	4,257,890		4,500,138	
Unrestricted	<u>12,699,530</u>		<u>12,000,334</u>	
TOTAL NET POSITION	<u>\$ 16,957,420</u>		<u>\$ 16,500,472</u>	

JEFFERSON PARISH CORONER'S OFFICE
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

FINANCIAL ANALYSIS OF THE CORONER AS A WHOLE - Continued

The following table provides a summary of the Coroner's changes in net position for the years ended December 31, 2018 and 2017.

Condensed Statements of Activities
For the Years Ended December 31, 2018 and 2017

	<u>2018</u>	<u>Percentage</u>	<u>2017</u>	<u>Percentage</u>
REVENUES:				
Program:				
Charges for services	\$ 531,252	9%	\$ 385,433	7%
Operating grants and contributions	<u>269,263</u>	4%	<u>136,865</u>	2%
Total program revenues	800,515	13%	522,298	9%
General:				
Ad valorem taxes	5,260,233	83%	5,288,026	87%
State revenue sharing	102,905	2%	102,835	2%
Other	<u>149,259</u>	2%	<u>146,973</u>	2%
Total general revenues	5,512,397	87%	5,537,834	91%
EXPENSES:				
Program:				
Health and welfare	5,854,831	93%	5,651,228	93%
Loss on disposal	<u>1,133</u>	0%	<u>1,841</u>	0%
Total Expenses	<u>5,855,964</u>		<u>5,653,069</u>	
CHANGES IN NET POSITION	456,948	7%	407,063	7%
BEGINNING NET POSITION	<u>16,500,472</u>		<u>16,093,409</u>	
ENDING NET POSITION	<u>\$ 16,957,420</u>		<u>\$ 16,500,472</u>	

Total expenditures increased \$202,895 from prior year due to the increased grant expenditures.

JEFFERSON PARISH CORONER'S OFFICE
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

FINANCIAL ANALYSIS OF THE CORONER AS A WHOLE - Continued

Governmental Revenues

The Coroner is heavily reliant on ad valorem tax revenue to support its operations, which provided \$5,260,233 or 83% of the Coroner's total revenues in 2018. Charges for services accounted for \$531,252 or 9% of revenues in 2018.

Ad valorem tax revenue was \$5,288,026 or 87% of the Coroner's total revenues in 2017. Charges for services accounted for \$385,433 or 7% of revenues in 2017.

Governmental Functional Expenses

The legally mandated duties of the Coroner include, but are not limited to, death investigation to determine cause and manner of death, involuntary civil commitments of those suspected of being a danger to self, and danger to others or gravely disabled, and the examination of all alleged sexual assault victims in cases.

FINANCIAL ANALYSIS OF THE CORONER'S FUND

Governmental Fund

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. The general fund is the Coroner's only fund and reported an ending fund balance of \$12,359,778 and \$11,714,117 at December 31, 2018 and 2017, respectively. The fund balance increased by \$645,661 from the previous year. For December 31, 2018, the Coroner committed \$6,039,800 of the fund balance for emergency and disaster provisions.

JEFFERSON PARISH CORONER'S OFFICE
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

CAPITAL ASSETS

The Coroner's investment in capital assets, net of accumulated depreciation, as of December 31, 2018 was \$4,257,890. There was a decrease of \$242,248 in net capital assets. See Note 7 in the financial statement footnote disclosures for additional information about changes in capital assets during the fiscal year and the balance at the end of the year.

The following table provides a summary of capital assets as of the years ended December 31:

	<u>2018</u>	<u>2017</u>
Land	\$ 722,460	\$ 722,460
Depreciable assets:		
Buildings and improvements	6,385,079	6,395,506
Furniture and equipment	<u>1,390,362</u>	<u>1,341,505</u>
Total depreciable assets	7,775,441	7,737,011
Less accumulated depreciation	<u>(4,240,011)</u>	<u>(3,959,333)</u>
Net capital assets	<u>\$ 4,257,890</u>	<u>\$ 4,500,138</u>
Percentage depreciated	50%	51%

At December 31, 2018, the depreciable capital assets for governmental activities were 50% depreciated. The book value is at 50% of the original cost.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The 2019 budget of the Jefferson Parish Coroner's Office was estimated based on the revenues and expenditures of 2018. On May 4, 2019, the voters of Jefferson Parish voted to renew the 1-mill tax that funds the Coroner's operating budget for a period of 10 years.

CONTACTING THE CORONER'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Coroner's finances, comply with finance-related laws and regulations, and demonstrate the Coroner's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the Coroner's office, Gerald Cvitanovich, M.D., Jefferson Parish Forensic Center, 2018 8th Street, Harvey, Louisiana, 70058 at (504) 365-9100.

JEFFERSON PARISH CORONER'S OFFICE

STATEMENT OF NET POSITION

December 31, 2018

CURRENT ASSETS	
Cash and cash equivalents	\$ 7,391,596
Accounts receivable, net	5,097,606
Accounts receivable – other	46,999
Due from other governments	168,439
Prepaid expenses	<u>196,512</u>
TOTAL CURRENT ASSETS	12,901,152
CAPITAL ASSETS, net	4,257,890
OTHER ASSETS	
Prepaid lease asset, long-term	116,984
Net pension asset	<u>316,037</u>
TOTAL OTHER ASSETS	<u>433,021</u>
TOTAL ASSETS	17,592,063
DEFERRED OUTFLOWS OF RESOURCES	
Post measurement date contributions	309,388
Changes of assumptions	398,885
Changes in proportion and differences between the Coroner's contributions and proportionate share of contributions	<u>11,905</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	720,178
LIABILITIES	
Accounts payable and accrued expenses	330,322
Accrued salaries and benefits	<u>89,784</u>
TOTAL LIABILITIES	420,106
DEFERRED INFLOWS OF RESOURCES	
Difference between expected and actual experience	204,578
Net difference between projected and actual investment earnings on pension plan investments	<u>730,137</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	934,715
NET POSITION	
Net investment in capital assets	4,257,890
Unrestricted	<u>12,699,530</u>
TOTAL NET POSITION	<u>\$ 16,957,420</u>

JEFFERSON PARISH CORONER'S OFFICE

STATEMENT OF ACTIVITIES

For the year ended December 31, 2018

		<u>PROGRAM REVENUES</u>		Net (Expenses) Revenues and Changes in Net Position- Governmental Unit
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
<u>FUNCTIONS/PROGRAMS:</u>				
Governmental activities:				
Health and welfare	\$ 5,855,964	\$ 531,252	\$ 269,263	\$ (5,055,449)
Total Governmental Activities	<u>\$ 5,855,964</u>	<u>\$ 531,252</u>	<u>\$ 269,263</u>	(5,055,449)
GENERAL REVENUES:				
Ad valorem taxes				5,260,233
Intergovernmental revenues:				
State revenue sharing				102,905
Court fines				31,373
Interest income				115,243
Other				<u>2,643</u>
TOTAL GENERAL REVENUES				<u>5,512,397</u>
CHANGE IN NET POSITION				456,948
NET POSITION - Beginning of year				<u>16,500,472</u>
NET POSITION - End of year				<u>\$ 16,957,420</u>

JEFFERSON PARISH CORONER'S OFFICE

BALANCE SHEET - GENERAL FUND

December 31, 2018

ASSETS

Cash and cash equivalents	\$ 7,391,596
Accounts receivable, net	4,976,338
Accounts receivable – other	46,999
Due from other governments	168,439
Prepaid expenses	<u>196,512</u>

TOTAL ASSETS **\$ 12,779,884**

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable and accrued expenses	\$ 330,322
Accrued salaries and benefits	<u>89,784</u>

TOTAL LIABILITIES 420,106

FUND BALANCE

Nonspendable	196,512
Committed	6,039,800
Unassigned	<u>6,123,466</u>

TOTAL FUND BALANCE **12,359,778**

TOTAL LIABILITIES AND FUND BALANCE **\$ 12,779,884**

JEFFERSON PARISH CORONER'S OFFICE
RECONCILIATION OF THE BALANCE SHEET - GENERAL FUND
TO THE STATEMENT OF NET POSITION
December 31, 2018

FUND BALANCE - GENERAL FUND \$ 12,359,778

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

Capital assets used in governmental activities are not
financial resources and therefore are not reported
in the funds. 4,257,890

Prepaid lease asset, long-term and other assets
that do not provide a benefit in the current
period and therefore are not reported in the funds. 238,252

In accordance with Government Accounting Standards
Board Statements No. 68 and No. 71, the net pension asset
related to the pension plans, deferred outflows of resources
and deferred inflows of resources are not recorded in
governmental funds:

Net pension asset 316,037

Deferred outflows of resources:

Post measurement date contributions 309,388

Changes of assumptions 398,885

Changes in proportion and differences between the
Coroner's contributions and proportionate share of
contributions 11,905

Deferred inflows of resources:

Net difference between projected and actual
investment earnings on pension plan investments (730,137)

Differences between expected and actual experience (204,578)

NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 16,957,420

JEFFERSON PARISH CORONER'S OFFICE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - GENERAL FUND
For the Year Ended December 31, 2018

REVENUES

Ad valorem taxes	\$ 5,292,197
Intergovernmental - state revenue sharing	102,905
Charges for services	531,252
Grants and agreements	269,263
Interest income	115,243
Court fines	31,373
Other revenues	<u>2,643</u>
 Total revenues	 6,344,876

EXPENDITURES

Salaries and benefits	2,943,793
Insurance	646,008
Contract services	584,962
Deductions from ad valorem	32,440
Legal and professional fees	162,095
Automobile expenses	159,673
Morgue supplies	64,002
Autopsies and laboratory testing	209,051
Dental, x-ray and anthropology	5,834
Grants	172,413
Computer expenses	50,919
Miscellaneous	70,682
Office expenses	60,723
Repairs and maintenance	229,530
Seminars and training	41,158
Communications	40,774
Utilities	70,380
Capital outlay	<u>48,857</u>
 Total expenditures	 <u>5,593,294</u>

EXCESS OF REVENUES
OVER EXPENDITURES

751,582

JEFFERSON PARISH CORONER'S OFFICE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - GENERAL FUND - CONTINUED
For the Year Ended December 31, 2018

OTHER FINANCING USE

Current year prepayment of long-term leases	<u>(105,921)</u>
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NET CHANGE IN FUND BALANCE	645,661
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FUND BALANCE - Beginning of year	<u>11,714,117</u>
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FUND BALANCE - End of year	<u>\$ 12,359,778</u>
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JEFFERSON PARISH CORONER'S OFFICE
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - GENERAL FUND TO
THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2018

NET CHANGE IN FUND BALANCE - GENERAL FUND	\$ 645,661
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Amounts reported for governmental activities in the statement of activities are different because:

Other revenues not available for governmental activities.	(31,964)
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Governmental funds report capital outlays as expenditures. In the statement of activities, the costs of those assets are allocated over the estimated useful lives as depreciation expense. This is the amount of depreciation and loss on asset disposal over capital outlay.	(242,248)
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Expense recognized in the fund financial statements for prepayment of lease expenses.	105,921
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In accordance with Governmental Accounting Standards Board Statements No. 68 and No. 71, the net pension liability related to pension plans is not required to be reported in the governmental fund financial statements. Adjustments to pension expense related to changes in deferred outflows of resources and deferred inflows of resources are reflected in the statement of activities:

Net change in pension expense	<u>(20,422)</u>
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 456,948</u>
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JEFFERSON PARISH CORONER'S OFFICE

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Formation and Operations

As provided by Chapter 3 of Title 33 of the Louisiana Revised Statutes of 1950, the voters of Jefferson Parish elect the Jefferson Parish Coroner (the Coroner) for a four year term. The Coroner investigates all deaths, performs autopsies, furnishes death certificates, and examines other cases for other crimes under police investigation.

Reporting Entity

The basic financial statements of the Coroner include the general fund and activities that are within the oversight responsibility of the Coroner as an independently elected parish official. The Coroner is solely responsible for the operations of his office and, accordingly, is a separate governmental reporting entity. Certain units of local government, over which the Coroner 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 basic financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the Coroner.

Basis of Presentation and Accounting

The Governmental Accounting Standards Board (GASB) promulgates accounting principles generally accepted in the United States of America and reporting standards for state and local governments. These principles are found in the *Codification on Governmental Accounting and Financial Reporting Standards*, published by the GASB. The accompanying basic financial statements of the Coroner have been prepared in conformity with such principles.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the Coroner. The Coroner's activities are financed through taxes, intergovernmental revenues, service fees and other non-exchange transactions. The government-wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. The Statement of Activities presents a comparison between direct expenses and program revenues for the activities of the Coroner. Direct expenses are those that are clearly identifiable with a specific function or segment.

JEFFERSON PARISH CORONER'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
December 31, 2018

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Government-Wide Financial Statements - Continued

Program revenues consist of charges for services, which are revenues from exchanges or exchange-like transactions with external parties that purchase, use or directly benefit from the program's goods, services, or privileges. Program revenues also consist of operating grants and contributions, which are resources restricted for operating purposes of a program. These include grants and contributions with restrictions that permit the resources to be used for a program's operating or capital needs at the recipient government's discretion. Other items not properly included among program revenues are reported instead as general revenues.

Assets used in operations with an initial useful life that extends beyond one year are capitalized. Equipment, furniture and fixtures, leasehold improvements, and buildings are depreciated over their estimated useful lives. Depreciation is not calculated on land or construction in progress. Capital assets are recorded net of depreciation in the Statement of Net Position.

Measurement Focus

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

For this purpose, the Coroner considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Those revenues susceptible to accrual are ad valorem taxes, state revenue sharing, interest income, and fees charged for autopsies, death certificates, and criminal investigations. Grants associated with the current fiscal period are all considered susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered measurable and available when the Coroner receives cash.

JEFFERSON PARISH CORONER'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
December 31, 2018

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Financial Statement Presentation

The Coroner uses funds to report on its financial position and the result of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund has a self-balancing set of accounts. Funds of the Coroner are classified as governmental funds. Governmental funds account for the Coroner's general activities, including the collection and disbursement of specific or legally restricted monies. The only fund in 2018 for the Coroner is the General Fund which is the operating fund. The General Fund accounted for all of the financial resources.

Use of Estimates

The preparation of the Coroner's financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Adjustments to the reported amounts of assets and liabilities may be necessary in the future to the extent that future estimates or actual results are different from the estimates used in the 2018 financial statements.

Budget and Budgetary Accounting

Formal budgetary accounting is employed as a management control device during the year for the General Fund. The budget is adopted for the General Fund on a basis consistent with generally accepted accounting principles (GAAP). All appropriations, which are not expended, lapse at year-end.

Cash and Cash Equivalents

Cash includes amounts in demand deposits and certificates of deposits. For presentation in the financial statements, investments with an original maturity of three months or less at the time they are purchased by the Coroner are considered to be cash equivalents.

JEFFERSON PARISH CORONER'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
December 31, 2018

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Capital Assets

Capital assets are recorded as expenditures in the General Fund at the time of purchase, and the related assets are capitalized. All purchased capital assets are valued at cost where historical records are available and at estimated historical cost where no historical records exist. Donated capital assets, if any, are valued at their estimated fair market value on the date received. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Assets over \$500 are capitalized.

Depreciation is computed using the straight-line method over the following estimated lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Buildings and improvements	5 - 40 years
Furniture and equipment	3 - 10 years

Prepaid Expenses

Prepaid expenses record payments to vendors that benefit future reporting periods. As of December 31, 2018, prepaid expenses represent the unused portion of insurance policies in effect at year-end and the prepaid portion of leased assets.

Allowance for Uncollectible Receivables

The Coroner's primary revenue source, ad valorem taxes, becomes delinquent if not paid by March 1 following the year of assessment. Unpaid taxes attach as an enforceable lien on property. The Coroner has determined, based on prior historical information, that current uncollectible amounts are approximately 3% of the tax levy. At December 31, 2018, the amount of allowance for uncollectible receivables was \$168,429.

Ad Valorem Taxes

Ad valorem taxes are normally levied in November and billed in December. These taxes are due in January of the following year. Any unpaid taxes are collected in connection with an auction held in May. The Sheriff's department bills and collects the Coroner's ad valorem taxes. Ad valorem taxes are levied based on property values determined by the Jefferson Parish Assessor (a separate entity).

JEFFERSON PARISH CORONER'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
December 31, 2018

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Fund Balance

In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, fund balances are classified as follows:

Nonspendable — This component consists of amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted — This component consists of amounts that have constraints placed on them either externally by third-parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the Coroner to assess, levy, change or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.

Committed — This component consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Coroner. Those committed amounts cannot be used for any other purpose unless the Coroner removes or changes the specified use by taking the same type of action (ordinance or resolution) it employed previously to commit those amounts.

Assigned — This component consists of amounts that are constrained by the Coroner's intent to be used for specific purposes, but are neither restricted nor committed.

Unassigned — This component consists of amounts that have not been restricted, committed or assigned to specific purposes within the General Fund.

Nonspendable amounts as of December 31, 2018 consisted of the following:

Prepaid lease asset	\$ 72,656
Prepaid Insurance	<u>123,856</u>
 TOTAL	 <u><u>\$ 196,512</u></u>

JEFFERSON PARISH CORONER'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
December 31, 2018

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Fund Balance – Continued

Committed fund balance as of December 31, 2018, consists of amounts committed by formal action of the Coroner for emergency and disaster provisions.

The Coroner considers restricted fund balances to be spent for governmental expenditures first when both restricted and unrestricted resources are available. The Coroner also considers committed fund balances to be spent first when other unrestricted fund balance classifications are available for use.

Net Position

Net position represents the difference between assets and liabilities. Net position that is invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any debt proceeds used for the acquisition, construction, or improvements of those assets. Net position is reported as restricted when there are legal limitations imposed on their use by district legislation or external restrictions by creditors, grantors, laws or regulations of other governments.

Pension Plan and Compensated Absences

The Coroner contributes to a pension plan for its full-time employees (Note 10). Employees of the Coroner's office earn twenty-six days of vacation and sick leave each year. Vacation and sick leave must be taken in the year earned. Upon termination of employment, all unused vacation and sick leave is forfeited; therefore, no liability has been recorded at December 31, 2018.

Accounts Payable and Accrued Expenses

Accounts payable represent amounts incurred and billed for materials, supplies, and services purchased by the Coroner. Accrued expenses such as interest, payroll and related taxes, and other consist of expenses and obligations which have been incurred but not yet invoiced as of December 31, 2018.

JEFFERSON PARISH CORONER'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
December 31, 2018

NOTE 2 — STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

In accordance with the Louisiana Local Government Budget Act, the procedures used by the Coroner in establishing the budgetary data reflected in the financial statements include public notices of the proposed budget, public inspections, and public hearings. The Coroner then legally adopts the budget.

The accompanying Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund presents a comparison of the legally adopted budget with actual data.

NOTE 3 — CONCENTRATION OF CREDIT RISK

At December 31, 2018, the carrying amount of the Coroner's cash and cash equivalent deposits was \$7,391,596 and the related bank balance was \$7,713,669. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance and/or the pledge of securities owned by the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. As of December 31, 2018, these deposits are secured from risk by \$250,000 in federal deposit insurance and \$11,300,000 of pledged securities held by the custodial banks in the name of the fiscal agent bank.

NOTE 4 — CONCENTRATION OF REVENUES

Of the Coroner's revenues, \$5,260,233 (83%) of revenues were obtained through a single source, ad valorem taxes, for the year ended December 31, 2018.

NOTE 5 — ACCOUNTS RECEIVABLE

Accounts receivable at December 31, 2018 were comprised of the following:

Ad valorem taxes	\$ 5,197,150
State revenue sharing	68,885
Other	<u>46,999</u>
 Total receivables	 5,313,034
Less allowance for uncollectible receivables	<u>(168,429)</u>
 Total receivables, net	 <u>\$ 5,144,605</u>

JEFFERSON PARISH CORONER'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
December 31, 2018

NOTE 6 — DUE FROM OTHER GOVERNMENTAL ENTITIES

Amounts due from other governmental entities consist of the following as of December 31, 2018:

State of Louisiana	\$ 117,666
St. Bernard Parish	15,375
St. Mary Parish	5,758
Plaquemines Parish	5,701
Tangipahoa Parish	4,074
Washington Parish	2,100
Other Parishes	<u>17,765</u>
Total	<u>\$ 168,439</u>

NOTE 7 — CHANGES IN CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended December 31, 2018:

	<u>Beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending</u>
Land	\$ 722,460	\$ -	\$ -	\$ 722,460
Depreciable assets:				
Buildings and improvements	6,395,506	-	(10,427)	6,385,079
Furniture and equipment	<u>1,341,505</u>	<u>48,857</u>	<u>-</u>	<u>1,390,362</u>
Total depreciable assets	7,737,011	48,857	(10,427)	7,775,441
Less accumulated depreciation	<u>(3,959,333)</u>	<u>(289,972)</u>	<u>9,294</u>	<u>(4,240,011)</u>
Net capital assets	<u>\$ 4,500,138</u>	<u>\$ (241,115)</u>	<u>\$ (1,133)</u>	<u>\$4,257,890</u>

NOTE 8 — LEASE OBLIGATIONS AND NOTES PAYABLE

The Coroner has various operating leases for automobiles and copy machines. During 2018, the Coroner entered into some leases for automobiles and prepaid the leases in full.

NOTE 9 — AD VALOREM TAXES

The Coroner's office is authorized to levy up to a 1.56 mill ad valorem tax. This millage will be up for renewal in 2029.

JEFFERSON PARISH CORONER'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
December 31, 2018

NOTE 10 — PENSION PLAN

Plan Description

The Parochial Employees' Retirement System Board of Trustees (The "Board") administers the Parochial Employees' Retirement System (the "System"). Employees of the Coroner's Office are eligible for participation in the System – a cost-sharing, multiple-employer defined benefit pension plan established as of January 1, 1953, by Act 205 of the 1952 Regular Session of the Louisiana Legislature. The System was revised by Act No. 765 of 1979, effective January 1, 1980, to create the Plan A and Plan B fund to replace the "regular plan" and the "supplemental plan". The Plan is operating pursuant to LA R.S. 11:1901 through 11:2015. The System covers employees who were hired subsequent to December 15, 1979. Substantially all employees of the Coroner's Office are members of Plan A. The System issues a publicly available financial report that can be obtained at www.persla.org. The report may also be obtained by writing to the Parochial Employees' Retirement System of Louisiana, 7905 Wrenwood Boulevard, Baton Rouge, Louisiana 70809, or by calling (225) 928-1361.

Benefits Provided

The System provides retirement, disability, and death benefits. Retirement benefits are determined as 3.0% of the employee's final compensation multiplied by the employee's years of creditable service. Employees who retire at or after age 65 with at least 7 years of creditable service, age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3.0% of their final-average salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Under state law, cost of living increases to benefits are allowable only if sufficient funds are available from investment income in excess of normal requirements. Cost of living increases cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement.

Contributions

Per Act 765 of the 1979 Regular Session of the Louisiana Legislature, contribution rates for employees are established by state law and employer contribution rates are actuarially determined each year by the System's Board of Trustees. Employees are required to contribute 9.50% of their annual pay. The Coroner's contractually required contribution rate was 11.50% for the year ended December 31, 2018.

Contributions to the System from the Coroner were \$309,388 for the year ended December 31, 2018.

JEFFERSON PARISH CORONER'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
December 31, 2018

NOTE 10 — PENSION PLAN - CONTINUED

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

At December 31, 2018, the Coroner reported an asset of \$316,037 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2017, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of that date. The Coroner's proportion of the net pension asset was based on a projection of the Coroner's December 31, 2018 contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2017, the Coroner's proportion was 0.425778%, which was an increase of 0.050782% from its proportion measured as of December 31, 2016. For the year ended December 31, 2018, the Coroner recognized pension expense of \$57,898. At December 31, 2018, the Coroner 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	\$ -	\$ 204,578
Net difference between projected and actual investment earnings on pension plan investments	-	730,137
Changes of assumptions	398,885	-
Changes in proportion and differences between the Coroner's contributions and proportionate share of contributions	11,905	-
Post measurement date contributions	<u>309,388</u>	<u>-</u>
	<u>\$ 720,178</u>	<u>\$ 934,715</u>

\$309,388 reported as deferred outflows of resources related to pensions resulting from the Coroner's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For the year ending:

December 31, 2019	\$ 51,969
December 31, 2020	(44,388)
December 31, 2021	(242,120)
December 31, 2022	(289,385)

JEFFERSON PARISH CORONER'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
December 31, 2018

NOTE 10 — PENSION PLAN - CONTINUED

Actuarial Assumptions

The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary Increases	5.25% (2.50% Inflation, 2.75% Merit)
Investment Rate of Return	6.75%, net of Investment Expense
Mortality	RP-2000 Employee Sex Distinct Table for employees. RP-2000 Healthy Annuitant Sex Distinct Table for annuitants and beneficiaries. RP-2000 Disabled Lives Mortality Tables for disabled annuitants.

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates approved by the Board of Trustees and the Louisiana Public Retirement Systems' Actuarial Committee ("PRSAC") taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System'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 triangulation method which integrated the capital asset pricing model (top-down), a treasury yield curve approach (bottom-up), and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward-looking basis in equilibrium, in which best estimates 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 rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.00% and an adjustment for the effect of rebalancing / diversification. The resulting expected long-term rate of return is 7.62% for the year ended December 31, 2017.

JEFFERSON PARISH CORONER'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
December 31, 2018

NOTE 10 — PENSION PLAN – CONTINUED

Actuarial Assumptions - Continued

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2017 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	35.00%	1.24%
Equity	52.00%	3.57%
Alternatives	11.00%	0.69%
Real Assets	2.00%	0.12%
Total	<u>100.00%</u>	5.62%
Inflation		<u>2.00%</u>
Expected Arithmetic Nominal Return		7.62%

The mortality rate assumption used in the December 31, 2017, valuation was set based upon an experience study performed on plan data for the period January 1, 2010 through December 31, 2014. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities. The RP-2000 Healthy Annuitant Sex Distinct Tables (set forward two years for males and set forward one year for females) projected to 2031 using a Scale AA was selected for annuitants and beneficiaries. For disabled annuitants, the RP-2000 Disabled Lives Mortality Table set back five years for males and three years for females was selected. For active employees, the RP-2000 Employee Sex Distinct Tables set back four years for males and three years for females was used.

Sensitivity of the Coroner's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Coroner's proportionate share of the net pension liability calculated using the discount rate of 6.75%, as well as what the Coroner's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (5.75%) or one percentage-point higher (7.75%) than the current rate:

	1.00% Decrease (5.75%)	Current Discount Rate (6.75%)	1.00% Increase (7.75%)
The Coroner's Proportionate Share of the Net Pension Liability (Asset)	\$ 1,558,176	\$ (316,037)	\$(1,984,900)

JEFFERSON PARISH CORONER'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
December 31, 2018

NOTE 10 — PENSION PLAN – CONTINUED

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in the separately issued System financial report.

Payables to the Pension Plan – As of December 31, 2018, the Coroner did not have any payables due to the System.

NOTE 11 — CONTINGENCIES

The Coroner is exposed to various risks of loss related to limited torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Coroner carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the current year.

NOTE 12 — INTERGOVERNMENTAL AGREEMENTS

Jefferson Parish and the Coroner verbally agreed for Jefferson Parish to provide payroll services for the Coroner. The Coroner is charged a flat fee for each employee on a monthly basis.

NOTE 13 — FEDERAL AND STATE GRANTS

In the normal course of operations, the Coroner received grant funds from various federal and state agencies. The grant programs are subject to audit by agents of the granting authorities; the purpose is to ensure compliance with conditions precedent to granting the funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

NOTE 14 — HEALTH CARE COVERAGE

Effective January 1, 2013, the Coroner provides health insurance to its employees exclusively through health-maintenance organizations (HMO's) and point-of-service organizations (PPO's). Prior to this the Coroner was self-insured. Medical insurance expense, including premiums and claims paid, for the year ended December 31, 2018 was \$475,684. Unpaid claims including those incurred but not recorded related to the Coroner's self-insurance plan as of December 31, 2018 were \$1,715.

NOTE 15 – STABILIZATION ARRANGEMENT

Effective December 31, 2012, the Coroner established a stabilization account for the purpose of committing funds for emergency and disaster recover purposes. All expenditures from the account must be approved by the Coroner and for the specific purpose of emergency or disaster recovery. As of December 31, 2018, the account had a balance of \$6,039,800.

JEFFERSON PARISH CORONER'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
December 31, 2018

NOTE 16 — SUBSEQUENT EVENTS

Subsequent events were evaluated through the date of the auditors' report, which is the date the financial statements were available to be issued. No material subsequent events have occurred since December 31, 2018 that required recognition or disclosure in these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

JEFFERSON PARISH CORONER'S OFFICE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance: Favorable (Unfavorable)
REVENUES				
Ad valorem taxes	\$ 5,185,000	\$ 5,185,000	\$ 5,292,197	\$ 107,197
Intergovernmental				
- state revenue sharing	70,000	70,000	102,905	32,905
Charges for services	353,125	353,125	531,252	178,127
Grants and agreements	298,500	298,500	269,263	(29,237)
Interest income	85,000	85,000	115,243	30,243
Court fines	40,000	40,000	31,373	(8,627)
Other revenues	500	500	2,643	2,143
Total revenues	6,032,125	6,032,125	6,344,876	312,751
EXPENDITURES				
Salaries and benefits	2,916,500	2,916,500	2,943,793	(27,293)
Insurance	691,700	691,700	646,008	45,692
Contract services	862,000	862,000	584,962	277,038
Deductions from ad valorem	10,000	10,000	32,440	(22,440)
Legal and professional fees	205,000	205,000	162,095	42,905
Automobile expenses	290,500	290,500	159,673	130,827
Morgue supplies	60,000	60,000	64,002	(4,002)
Autopsies and laboratory testing	170,000	170,000	209,051	(39,051)
Dental, x-ray and anthropology	29,000	29,000	5,834	23,166
Grants	2,500	2,500	172,413	(169,913)
Computer expenses	51,500	51,500	50,919	581
Miscellaneous	123,500	123,500	70,682	52,818
Office expenses	58,000	58,000	60,723	(2,723)
Repairs and maintenance	263,000	263,000	229,530	33,470
Seminars and training	29,000	29,000	41,158	(12,158)
Communications	52,500	52,500	40,774	11,726
Utilities	74,000	74,000	70,380	3,620
Interest	500	500	-	500
Capital outlay	122,500	122,500	48,857	73,643
Total expenditures	6,011,700	6,011,700	5,593,294	418,406
EXCESS OF REVENUES OVER EXPENDITURES	20,425	20,425	751,582	731,157
OTHER FINANCING USE				
Current year prepayment of long-term leases	-	-	(105,921)	(105,921)

JEFFERSON PARISH CORONER'S OFFICE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE-GENERAL FUND-BUDGET AND ACTUAL - CONTINUED
For the Year Ended December 31, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
NET CHANGE IN FUND BALANCE	20,425	20,425	645,661	625,236
FUND BALANCE - Beginning of year	<u>11,714,117</u>	<u>11,714,117</u>	<u>11,714,117</u>	<u>-</u>
FUND BALANCE - End of year	<u>\$ 11,734,542</u>	<u>\$ 11,734,542</u>	<u>\$ 12,359,778</u>	<u>\$ 625,236</u>

JEFFERSON PARISH CORONER'S OFFICE
SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
For the Years Ended December 31, 2018 Through 2014

<u>Fiscal Year</u>	<u>Employer's Proportion of the Net Pension Liability (Asset)</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Employer's Covered- Employee Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a % of its Covered Employee Payroll</u>	<u>Plan Fiduciary Net Position as a % of the Total Pension Liability</u>
12/31/2014	0.397580%	\$ 28,254	\$ 2,165,768	1.30%	99.77%
12/31/2015	0.389994%	106,627	2,222,140	4.80%	99.15%
12/31/2016	0.413850%	1,089,307	2,321,250	45.85%	99.15%
12/31/2017	0.374996%	772,325	2,513,685	30.72%	94.15%
12/31/2018	0.425778%	(316,037)	2,690,332	(11.75)%	101.98%

This schedule is intended to report information for 10 years. Additional years will be displayed as they become available. The amounts presented have a measurement date of the previous calendar year.

JEFFERSON PARISH CORONER'S OFFICE

SCHEDULE OF EMPLOYER'S PENSION CONTRIBUTIONS

For the Years Ended December 31, 2018 Through 2014

<u>Fiscal Year</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contribution</u>	<u>Contribution Excess (Deficiency)</u>	<u>Employer's Covered- Employee Payroll</u>	<u>Contributions as a Percentage of Covered- Employee Payroll</u>
12/31/2014	\$ 362,766	\$ 362,766	\$ -	\$ 2,165,768	17.0%
12/31/2015	355,553	355,553	-	2,222,140	16.0%
12/31/2016	344,492	344,492	-	2,321,250	14.5%
12/31/2017	289,495	289,495	-	2,513,685	11.52%
12/31/2018	309,388	309,388	-	2,690,332	11.50%

This schedule is intended to report information for 10 years. Additional years will be displayed as they become available. The amounts presented have a measurement date of the previous calendar year.

OTHER SUPPLEMENTAL INFORMATION

JEFFERSON PARISH CORONER'S OFFICE
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEADS
December 31, 2018

Agency Head Name: Gerald A. Cvitanovich, M.D.

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 74,838
Benefits – insurance	22,576
Benefits – retirement	9,729
Vehicle provided by government	8,340
Cell phone	<u>480</u>
Total	<u>\$ 115,963</u>

OTHER INDEPENDENT AUDITORS' REPORT

Kushner LaGraize, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

S. DAVID KUSHNER*, CPA, CRFAC
WILSON A. LaGRAIZE, JR., CPA/CFF, CRFAC
ERNEST G. GELPI, CPA, CGFM
CRAIG M. FABACHER, CPA
DOUGLAS W. FINEGAN, CPA, CVA
*A Professional Accounting Corporation

MARY ANNE GARCIA, CPA
WILLIAM B. HAMILTON, CPA
KATHARINE M. LASSITER, CPA
RICHARD J. RUMNEY, CPA

Members
American Institute of CPA's
Society of Louisiana CPA's

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

Gerald A. Cvitanovich, M.D.
Jefferson Parish Coroner's Office
Harvey, 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 Jefferson Parish Coroner's Office (the Coroner) as of and for the year ended December 31, 2018, and the related notes to the financial statements, and have issued our report thereon dated June 25, 2019.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings as item 2018-001 that we consider to be a significant deficiency.

Compliance and Other Matters

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

The Coroner's Response to Findings

The Coroner's response to the finding identified in our audit is described in the accompanying schedule of findings. The Coroner's response was not subjected to the auditing procedures applied in the audit of the financial statements 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

KUSHNER LAGRAIZE, L.L.C.

Kushner LaGraize, L.L.C.

Metairie, Louisiana
June 25, 2019

JEFFERSON PARISH CORONER'S OFFICE

SCHEDULE OF FINDINGS

For The Year Ended December 31, 2018

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:

UNMODIFIED

Internal control over financial reporting:

Material weaknesses identified?

_____yes

___X___no

Significant deficiencies identified

not considered to be material weaknesses?

___X___yes

_____none reported

Noncompliance material to
financial statements noted?

_____yes

___X___no

SECTION II – FINANCIAL STATEMENT FINDINGS

Significant Deficiencies:

2018-001

Criteria:

Management is responsible for developing internal controls related to the preparation of financial statements as well as preparing financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP).

Condition:

Management has chosen to engage the auditor to prepare the annual financial statements in accordance with GAAP. Under GAAP, this condition represents a significant deficiency in internal controls. AU-C Section 265 requires that we report the above condition as a control deficiency. This section does not provide exceptions to reporting deficiencies that are adequately mitigated with non-audit services rendered by the auditor of deficiencies for which the remedy would be cost prohibitive or otherwise impractical.

JEFFERSON PARISH CORONER'S OFFICE

SCHEDULE OF FINDINGS - CONTINUED

For The Year Ended December 31, 2018

Cause:

As is common in small organizations, management has chosen to engage the auditor to propose certain year-end adjusting entries and to prepare the Coroner's annual financial statements. This condition is intentional by management based upon the cost effectiveness of acquiring the ability to prepare financial statements in accordance with generally accepted accounting principles. Consistent with this decision, internal controls over the preparation of year-end adjusting entries and annual financial statements, complete with notes, in accordance with generally accepted accounting principles, have not been established.

Effect:

Engaging the auditor to prepare the annual financial statements in accordance with GAAP is a significant deficiency in internal control.

Recommendation:

As mentioned above, whether or not it would be cost effective to cure a control deficiency is not a factor in applying AU-C 265's reporting requirements. Because prudent management requires that the potential benefit from an internal control should exceed its costs, it may not be practical to correct all the deficiencies an auditor reports under AU-C 265. As such, we do not believe that any corrective action is necessary.

Management's Response:

Management concurred with the recommendation. See management's corrective action plan.

JEFFERSON PARISH CORONER'S OFFICE

SCHEDULE OF PRIOR YEAR FINDINGS

December 31, 2018

SECTION I – FINANCIAL STATEMENT FINDINGS

2017 – 001 – Financial Statement Preparation – Unresolved see 2018-001.

SECTION II – MANAGEMENT LETTER COMMENTS

None.



GERRY CVITANOVICH, M.D.
Coroner

**CORRECTIVE ACTION PLAN
INTERNAL CONTROL AND COMPLIANCE
SCHEDULE OF FINDINGS**
For the Year Ended December 31, 2018

Louisiana State Legislative Auditor

The Jefferson Parish Coroner's Office respectfully submits the corrective action plan for the advisory comments for the year ended December 31, 2018.

Independent Public Accounting Firm
Kushner LaGraize, LLC
3330 W. Esplanade Ave.
Suite 100
Metairie, LA 70002

Audit period: January 1, 2018-December 31, 2018

2018-01

Condition

Management has chosen to engage the auditor to prepare the annual financial statements in accordance with GAAP. Under GAAP, this condition represents a significant deficiency in internal controls. AU-C Section 265 requires that we report the above condition as a control deficiency. This section does not provide exceptions to reporting deficiencies that are adequately mitigated with non-audit services rendered by the auditor of deficiencies for which the remedy would be cost prohibitive or otherwise impractical.



Recommendation

As mentioned above, whether or not it would be cost effective to cure a control deficiency is not a factor in applying AU-C 265's reporting requirements. Because prudent management requires that the potential benefit from an internal control should exceed its costs, it may not be practical to correct all the deficiencies an auditor reports under AU-C 265. As such, we do not believe that any corrective action is necessary.

Management's Response

Proper management of public funds is essential. After careful analysis it is apparent that it is more cost effective, and thus a more prudent business decision, to engage the auditor to prepare the annual financial statements in accordance with GAAP.

Kushner LaGraize, LLC

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

S. DAVID KUSHNER*, CPA, CRFAC
WILSON A. LaGRAIZE, JR., CPA/CFF, CRFAC
ERNEST G. GELPI, CPA, CGFM
CRAIG M. FABACHER, CPA
DOUGLAS W. FINEGAN, CPA, CVA
*A Professional Accounting Corporation

MARY ANNE GARCIA, CPA
WILLIAM B. HAMILTON, CPA
KATHARINE M. LASSITER, CPA
RICHARD J. RUMNEY, CPA

Members
American Institute of CPA's
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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To Dr. Gerry Cvitanovich, M.D., and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Jefferson Parish Coroner's Office (the Coroner) 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 January 1, 2018 through December 31, 2018. 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:

Collections

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

Management provided the listing showing all deposit sites and their representation that the listing is complete. We noted only 1 location that prepares deposits.

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

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

Noted proper segregation of duties for the responsibilities listed above, without exception.

- 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.

Noted proper segregation of duties for the responsibilities listed above, without exception.

- 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.

Noted proper segregation of duties for the responsibilities listed above, without exception.

- 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.

Noted proper segregation of duties for the responsibilities listed above, without exception.

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

Per discussion with management, the entity does not have a policy covering theft of cash by employees responsible for cash collections. However, cash payments are not accepted methods of payment, only checks or money orders are accepted. Therefore, management does not consider a theft of cash policy to be necessary.

- 4. Randomly select two deposit dates for 5 bank accounts, select all bank accounts if less than 5 (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the deposits and:

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

The Coroner utilizes sequentially pre-numbered receipts and computer-generated receipts, without exception.

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

Examined collection documentation for 2 deposits tracing each to the deposit slip, without exception.

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

Examined deposit slips for 2 deposits tracing each to the bank statement, without exception.

- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).

Examined 2 deposits noting the number of days from receipt to deposit ranged from 5 to 13 business days.

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

Examined 2 deposits per the bank statements tracing each to recording in the general ledger, without exception.

Travel and Expense Reimbursement

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

- 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).

We reviewed the travel reimbursements selected noting that some per diem reimbursements exceeded the rates established by the State of Louisiana and U.S. General Services Administration. We noted all reimbursements were made in accordance with the Coroner's policy.

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

We reviewed the travel reimbursements selected noting that all expenses reimbursed using actual costs were supported by an original itemized receipt, without exception.

- 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.

We reviewed the travel reimbursements selected noting that the reimbursements were supported by documentation of the business/public purpose, without exception.

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

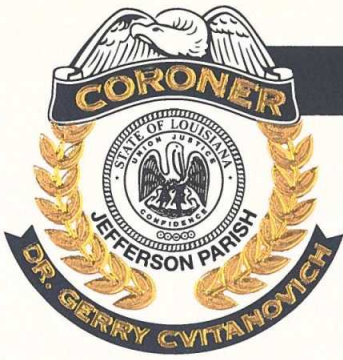
We reviewed the travel reimbursements selected noting that each was appropriately reviewed and approved, in writing, without exception.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

Kushner LaGraize, L.L.C.

June 25, 2019
Metairie, Louisiana



GERRY CVITANOVICH, M.D.
Coroner

**CORONER REPSONSE TO AUDIT REPORT ON
APPLYING AGREED -UPON STANDARDS**
For the Year Ended December 31, 2018

Louisiana State Legislative Auditor

The Jefferson Parish Coroner's Office respectfully submits the following response to the comment regarding 4(d) for the year ended December 31, 2018.

Independent Public Accounting Firm
Kushner LaGraize, LLC
3330 W. Esplanade Ave.
Suite 100
Metairie, La 70002

Audit Period: January 1, 2018 – December 31, 2018

ITEM 4 (d) Re: COLLECTIONS

As reviewed in last year's audit, The Jefferson Parish Coroner's Office (JPCO) receives numerous payments of checks and money orders daily, while having a definitive "NO CASH" policy. These payments, due to the volume and frequency, are deposited and reconciled weekly.

We trust our current policy to be practical and provide the appropriate checks and balances desired by the SAUP. JPCO was unaware of any mandate to change our policy for 2018.





GERRY CVITANOVICH, M.D.
Coroner

**CORONER RESPONSE TO AUDIT REPORT ON
APPLYING AGREED-UPON STANDARDS**
For the Year Ended December 31, 2018

Louisiana State Legislative Auditor

The Jefferson Parish Coroner's Office respectfully submits the following response to the comment regarding item 5(a) for the year ended December 31, 2018.

Independent Public Accounting Firm
Kushner LaGraize, LLC
3330 W. Esplanade Ave.
Suite 100
Metairie, LA 70002

Audit period: January 1, 2018-December 31, 2018

ITEM 5(a) Re: TRAVEL AND EXPENSE REIMBURSEMENT

The Jefferson Parish Coroner's Office (JPCO) established a travel policy pursuant to the Statewide Agreed-Upon procedures for 2017. That same policy was in effect for the current 2018 audit year. As acknowledged by the auditor, all reimbursements were made according to the Coroner's Office policy. JPCO was unaware of any changes made for 2018.

