

EAST FELICIANA PARISH SHERIFF

Clinton, Louisiana

Financial Report

Year Ended June 30, 2017

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INDEPENDENT AUDITOR'S REPORT

The Honorable Jeffery E. Travis
East Feliciana Parish Sheriff
Clinton, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the East Feliciana Parish Sheriff (the Sheriff), as of and for the year ended June 30, 2017, 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 Sheriff'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 Sheriff'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, the major fund, and the aggregate remaining fund information of the East Feliciana Parish Sheriff, as of June 30, 2017, 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 information, schedule of funding progress, schedule of employer's share of net pension liability, and the schedule of employer contributions on pages 41 through 45 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 prior year comparative information included on the required supplementary information has been derived from the East Feliciana Parish Sheriff's 2016 financial statements, which were subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, were fairly presented in all material respects in relation to the basic financial statements taken as a whole.

The East Feliciana Parish 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 general fund expenditure budgetary comparison schedule, agency funds combining statements, and tax collector fund affidavit included in other supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The agency funds combining statements 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 agency funds combining statements are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The prior year comparative information included on the agency funds combining statements included in other supplementary information has been derived from the Sheriff's 2016 financial statements. The information was subjected to the auditing procedures applied in the audit of those 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 and, in our opinion, was fairly presented, in all material respects, in relation to the basic financial statements from which they have been derived.

The general fund expenditure budgetary comparison schedule and the tax collector fund affidavit have not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 26, 2017, on our consideration of the East Feliciana Parish Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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, Champagne, Slaven & Company, LLC
Certified Public Accountants

Oberlin, Louisiana
October 26, 2017

BASIC FINANCIAL STATEMENTS

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

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

Statement of Net Position
June 30, 2017

	Governmental Activities
ASSETS	
Cash and interest-bearing deposits	\$ 512,129
Due from other governmental units	277,132
Inventory	1,320
Capital assets, net	<u>338,332</u>
Total assets	<u>1,128,913</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources related to pensions	<u>778,385</u>
LIABILITIES	
Accounts and other accrued payables	143,620
Long-term liabilities:	
Due within one year	54,974
Due after one year	389,208
Other post employment benefits payable	2,714,826
Net pension liability	<u>1,541,705</u>
Total liabilities	<u>4,844,333</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources related to pensions	<u>233,110</u>
NET POSITION	
Net investment in capital assets	279,150
Unrestricted (deficit)	<u>(3,449,295)</u>
Total net position	<u>\$ (3,170,145)</u>

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

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

Statement of Activities
Year Ended June 30, 2017

Activities	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities:					
Public safety:					
Law enforcement	<u>\$4,378,029</u>	<u>\$2,969,550</u>	<u>\$ 112,349</u>	<u>\$250,000</u>	<u>\$ (1,046,130)</u>
General revenues:					
Taxes -					
Property taxes, levied for general purposes					779,682
State revenue sharing					47,526
Nonemployer pension contribution					94,358
Interest and investment earnings					<u>2,238</u>
Total general revenues					<u>923,804</u>
Change in net position					(122,326)
Net position - July 1, 2016					<u>(3,047,819)</u>
Net position - June 30, 2017					<u>\$ (3,170,145)</u>

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

FUND FINANCIAL STATEMENTS (FFS)

FUND DESCRIPTIONS

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.

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

Balance Sheet - Governmental Fund
June 30, 2017

	<u>General Fund</u>
ASSETS	
Cash and interest-bearing deposits	\$ 512,129
Due from other governmental units	277,132
Inventory	<u>1,320</u>
Total assets	<u>\$ 790,581</u>
LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable	\$ 54,112
Other accrued liabilities	<u>89,508</u>
Total liabilities	<u>143,620</u>
Fund balance:	
Nonspendable	1,320
Unassigned	<u>645,641</u>
Total fund balance	<u>646,961</u>
Total liabilities and fund balance	<u>\$ 790,581</u>

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

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Position
June 30, 2017

Total fund balances for governmental fund at June 30, 2017		\$ 646,961
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 fund. Those assets consist of:		
Buildings, net of \$82,653 accumulated depreciation	\$ 46,708	
Furniture, fixtures, and equipment, net of \$433,676 accumulated depreciation	85,482	
Vehicles, net of \$397,139 accumulated depreciation	<u>206,142</u>	338,332
Deferred outflows of resources related to net pension liability		778,385
Long-term liabilities at June 30, 2017:		
Capital lease payable	(59,182)	
Judgment payable	<u>(385,000)</u>	(444,182)
Other post employment benefits payable		(2,714,826)
Net pension liability		(1,541,705)
Deferred inflows of resources related to net pension liability		<u>(233,110)</u>
Total net position (deficit) of governmental activities at June 30, 2017		<u>\$ (3,170,145)</u>

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

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance -
Governmental Fund
Year Ended June 30, 2017

	<u>General Fund</u>
Revenues:	
Ad valorem taxes	\$ 779,682
Intergovernmental revenues -	
Grants	47,707
State revenue sharing	47,526
State supplemental pay	64,642
Local government	141,006
Miscellaneous	120,000
Fees, charges, and commissions for services -	
Civil and criminal	145,199
Feeding and keeping prisoners	2,394,787
Other	168,558
Donations	250,000
Interest income	2,238
Total revenues	4,161,345
Expenditures:	
Current -	
Public safety:	
Personal services and related benefits	2,360,248
Operating services	681,701
Operations and maintenance	942,501
Travel and other charges	33,153
Capital outlay	144,404
Debt service	3,731
Total expenditures	4,165,738
Deficiency of revenues over expenditures	(4,393)
Other financing sources (uses)	
Proceeds from capital lease	62,419
Net changes in fund balance	58,026
Fund balance, beginning	588,935
Fund balance, ending	\$ 646,961

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

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balance of the Governmental Fund
to the Statement of Activities
Year Ended June 30, 2017

Total net change in fund balance at June 30, 2017 per the statement of revenues, expenditures and changes in fund balance		\$ 58,026
The change in net position reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlay 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 an expenditure on statement of revenues, expenditures and changes in fund balance	\$ 144,404	
Depreciation expense for the year ended June 30, 2017	<u>(68,999)</u>	75,405
Proceeds from issuance of debt		(62,419)
Principal retirement		53,393
Nonemployer contributions to the sheriffs' pension and relief fund for the year ended June 30, 2017		94,358
Net change in pension expense		9,818
Net change in other post employment benefits payable		<u>(350,907)</u>
Total change in net position at June 30, 2017 per the statement of activities		<u>\$ (122,326)</u>

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

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

Statement of Fiduciary Net Position -
Fiduciary Funds
June 30, 2017

	<u>Agency Funds</u>
ASSETS	
Cash	\$ 29,366
Interest-bearing deposits	<u>403,021</u>
Total assets	<u>\$432,387</u>
LIABILITIES	
Due to taxing bodies, prisoners and others	<u>\$432,387</u>

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

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

Notes to the Basic Financial Statements

INTRODUCTION

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

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

As the ex-officio tax collector of the parish, the Sheriff is responsible for collecting and distributing ad valorem property taxes, parish occupational licenses, state revenue sharing funds, sportsmen's licenses, 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 East Feliciana Parish 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

The accompanying basic financial statements of the East Feliciana Parish Sheriff have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

A. Reporting Entity

For financial reporting purposes, the Sheriff includes all funds and activities that are controlled by the Sheriff. 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 policy jury as required by Louisiana law, the Sheriff is financially independent.

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

Notes to the Basic Financial Statements (Continued)

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 police jury, 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 parish sheriff.

B. Basis of Presentation

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, and liabilities 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, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions."

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 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 funds of the Sheriff are described below:

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

Notes to the Basic Financial Statements (Continued)

Governmental Fund -

General Fund – The General Fund is the primary operating fund of the Sheriff and is used to account for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to Sheriff policy.

Fiduciary Funds -

Fiduciary fund reporting focuses on net position and changes in net position. The only funds accounted for in this category by the Sheriff are agency funds. The agency funds account for assets held by the Sheriff as an agent for various taxing bodies (tax collections) and for deposits held pending court action. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency funds have no measurement focus, but use the accrual basis of accounting.

C. Measurement Focus/Basis of Accounting

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

Measurement Focus

On the government-wide statement of net position and the statement of activities, governmental activities are presented using the economic resources measurement focus as defined in item b. below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets, deferred outflows of resources, liabilities, and deferred inflows or resources are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

Notes to the Basic Financial Statements (Continued)

- b. The government-wide financial statements utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery) and financial position. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or noncurrent) associated with their activities are reported. Fund equity is classified as net position.

Basis of Accounting

In the government-wide statement of net position and statement of activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using 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 Sheriff considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

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

Cash and interest-bearing deposits

For purposes of the statement of net position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the Sheriff. Interest-bearing deposits are stated at cost, which approximates market.

Inventory

Inventory of the Sheriff's General Fund consists of food purchased by the Sheriff and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as revenue when received; however, all inventory items are recorded as expense when consumed. All purchased inventory items are stated at cost, which is determined by the first-in, first-out method and commodities are assigned values based on information provided by the United States Department of Agriculture.

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

Notes to the Basic Financial Statements (Continued)

Capital Assets

Capital assets, which include buildings, furniture, fixtures and equipment, and vehicles, are reported in the governmental activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Sheriff maintains a threshold level of \$500 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

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

Vehicles	5 years
Buildings	10-40 years
Furniture, fixtures and equipment	5-7 years

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

Compensated Absences

Employees of the Sheriff's office earn eight hours per month of sick leave and eight hours per month of vacation after one year of service. Employees with over 20 years of service earn 12 hours per month. An employee may not accrue vacation leave from one year to the next. Sick leave may be accumulated up to 1,000 hours; however, if an employee resigns, retires, or is terminated, the accumulated sick leave is forfeited. At June 30, 2017, the Sheriff has no leave benefits that are required to be reported in accordance with generally accepted accounting principles.

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Sheriff has one item that qualifies for reporting in this category, the deferred outflow of resources attributable to its pension plan. The Sheriff reported deferred outflows of resources totaling \$778,385 at June 30, 2017.

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

Notes to the Basic Financial Statements (Continued)

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Sheriff has one item that qualifies for reporting in this category, the deferred inflow of resources attributable to its pension plan. The Sheriff reported deferred inflows of resources totaling \$233,110 at June 30, 2017.

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 external groups, such as creditors, grantors, and contributors, laws or regulations of other governments; or law through constitutional provisions or enabling legislation. It is the Sheriff's policy to use restricted net position prior to the use of unrestricted net position when both restricted and unrestricted net position are available for an expense which has been incurred.
- c. Unrestricted net position consists of all other assets, deferred outflows of resources, liabilities and deferred inflows of resources that do not meet the definition of "restricted" or "net investment in capital assets."

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balances for governmental funds are reported in classifications that comprise a hierarchy based primarily upon the extent to which the Sheriff is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The categories and their purposes are:

- a. Nonspendable includes fund balance amounts that cannot be spent either because they are not in spendable form or because of legal or contractual constraints requiring they remain intact. The Sheriff's nonspendable fund balance includes inventories.
- b. Restricted includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors, grantors, contributors or amounts constrained due to constitutional provisions or enabling legislation or the laws or regulations of other governments.

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

Notes to the Basic Financial Statements (Continued)

- c. Committed includes fund balance amounts that can be used only for specific purposes determined by a formal action of the Sheriff. The Sheriff is the highest level of decision-making authority for the Sheriff's office. Commitments may be established, modified, or rescinded only through resolutions approved by the Sheriff.
- d. Assigned includes fund balance amounts that are constrained by the Sheriff's intent to be used for specific purposes, that are neither restricted nor committed. The assignment of fund balance is authorized by a directive approved by the Sheriff.
- e. Unassigned includes fund balance amounts which have not been classified within the above mentioned categories.

It is the Sheriff's policy to use restricted amounts first when both restricted and unrestricted fund balance is available unless prohibited by legal or contractual provisions. Additionally, the Sheriff uses committed, assigned, and lastly unassigned amounts of fund balance in that order when expenditures are made.

E. Revenues and Expenditures

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.

Expenditures

In the government-wide financial statements, expenses are classified by function. In the fund financial statements, expenditures are classified by character and function.

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

Notes to the Basic Financial Statements (Continued)

F. Bad Debts

Uncollectible amounts due for accounts receivable are recognized as bad debts at the time information becomes available, which would indicate the uncollectibility of the particular receivable. Although the specific charge-off method is not in conformity with generally accepted accounting principles (GAAP), no allowance for uncollectible receivables was made due to immateriality at June 30, 2017.

G. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. These estimates include assessing the collectability of accounts receivable and the useful lives and impairment of tangible and intangible assets, among others. Estimates and assumptions are reviewed periodically and the effects of revisions are reflected in the financial statements in the period they are determined to be necessary. Actual results could differ from those estimates.

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

Notes to the Basic Financial Statements (Continued)

(2) Cash and Cash Equivalents

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, 2017, the Sheriff had cash and interest-bearing deposits (book balances) totaling \$944,516 as follows:

	Government-wide Statement of Net Position	Fiduciary Funds Statement of Net Position	Total
Noninterest-bearing deposits	\$ 1,542	\$ 29,366	\$ 30,908
Interest-bearing deposits	510,587	403,021	913,608
Total	\$ 512,129	\$ 432,387	\$ 944,516

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Sheriff's deposits may not be recovered or the collateral securities that are in the possession of an outside party will not be recovered. These deposits are stated at cost, which approximates fair value. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the 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 pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2017, are secured as follows:

Bank balances	\$ 1,154,383
Federal deposit insurance	295,894
Pledged securities	858,489
Total	\$ 1,154,383

Pledged securities in the amount of \$858,489 were exposed to custodial credit risk. These securities include uninsured or unregistered investments for which the securities are held by the bank, or by its trust department or agent, but not in the Sheriff's name. Even though the pledged securities are considered uncollateralized (Category 3), Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Sheriff that the fiscal agent has failed to pay deposited funds upon demand. The Sheriff does not have a policy for custodial credit risk.

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

Notes to the Basic Financial Statements (Continued)

(3) 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 the taxpayers by the Sheriff in October. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Tax Assessor of East Feliciana 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 for which levied and billed. For the year ended June 30, 2017, law enforcement taxes applicable to the Sheriff's General Fund, were levied at the rate of 5.25 mills on property with net assessed valuations totaling \$146,189,894.

Total law enforcement taxes levied during 2017 were \$767,497. Taxes receivable were \$9,539 at June 30, 2017 and are reported as a component of Due from other Governments in the General Fund in these financial statements.

The amount of cash on hand in the tax collector account at June 30, 2017 was \$191,070.

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

Parish Wide Taxes	\$ 390,050
Police Jury (Constitution)	479,845
Parish Wide School (Maintenance)	2,443,759
Health Unit	430,999
Library	359,166
Law Enforcement	754,244
Assessment District	918,029
Fire District	897,915
Forrest Acreage	12,705
911 Emergency	143,666
Fire Protection Fees	364,732
Louisiana Tax Commission	<u>34,746</u>
Total	<u>\$ 7,229,856</u>

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

Notes to the Basic Financial Statements (Continued)

The amount of all taxes assessed and uncollected, by taxing authority is as follows:

	Decreases to tax roll	Adjudication of taxes	Other	Total
Parish Wide Taxes	\$ 6,722	\$ 157	\$ 78	\$ 6,957
Police Jury (Constitution)	8,167	197	97	8,461
Parish Wide School (Maintenance)	41,594	1,006	493	43,093
Health Unit	7,336	177	87	7,600
Library	6,113	148	73	6,334
Law Enforcement	12,838	310	157	13,305
Assessment District	15,625	378	185	16,188
Fire District	15,283	369	181	15,833
Forrest Acreage	(7)	-	-	(7)
911 Emergency	2,445	59	29	2,533
Fire Protection	678	1,498	182	2,358
Total	\$ 116,794	\$ 4,299	\$ 1,562	\$ 122,655

(4) Due From Other Governmental Units

Amounts due from other governmental units totaling \$277,132 at June 30, 2017 consisted of the following:

State of Louisiana:	
Maintenance of prisoners	\$ 232,045
Maintenance of prisoners - parish	17,072
Ad valorem taxes	9,539
Other	18,476
Total	\$ 277,132

EAST FELICIANA PARISH SHERIFF
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Notes to the Basic Financial Statements (Continued)

(5) Capital Assets

Capital asset activity for the year ended June 30, 2017 was as follows:

	<u>Balance</u> <u>7/1/2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/2017</u>
Governmental activities:				
Buildings	\$ 129,361	\$ -	\$ -	\$ 129,361
Furniture, fixtures, and equipment	519,158	-	-	519,158
Vehicles	<u>600,857</u>	<u>144,404</u>	<u>141,980</u>	<u>603,281</u>
Total	<u>1,249,376</u>	<u>144,404</u>	<u>141,980</u>	<u>1,251,800</u>
Less: accumulated depreciation				
Buildings	79,450	3,203	-	82,653
Furniture, fixtures, and equipment	407,961	25,715	-	433,676
Vehicles	<u>499,038</u>	<u>40,081</u>	<u>141,980</u>	<u>397,139</u>
Total	<u>986,449</u>	<u>68,999</u>	<u>141,980</u>	<u>913,468</u>
Net capital assets	<u>\$ 262,927</u>	<u>\$ 75,405</u>	<u>\$ -</u>	<u>\$ 338,332</u>

Depreciation expense in the amount of \$68,999 was charged to public safety.

(6) Changes in Long-Term Liabilities

The following is a summary of long-term liability transactions of the Sheriff for the year ended June 30, 2017:

	<u>Balance</u> <u>7/1/2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/2017</u>	<u>Amount due</u> <u>in one year</u>
Long-term debt:					
Capital lease	\$ -	\$ 62,419	\$ 3,237	\$ 59,182	\$ 19,974
Other liabilities:					
Judgement payable	<u>435,156</u>	<u>-</u>	<u>50,156</u>	<u>385,000</u>	<u>35,000</u>
	<u>\$ 435,156</u>	<u>\$ 62,419</u>	<u>\$ 53,393</u>	<u>\$ 444,182</u>	<u>\$ 54,974</u>

Capital lease payable at June 30, 2017 consisted of the following:

	<u>Original</u> <u>Amount</u>	<u>Maturity</u> <u>Date</u>	<u>Interest</u> <u>Rates</u>	<u>Balance</u> <u>Outstanding</u>
Law enforcement vehicles	<u>\$ 62,419</u>	04/10/20	4.814%	<u>\$ 59,182</u>

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

Notes to the Basic Financial Statements (Continued)

Annual debt service requirements to maturity for the capital lease are as follows:

Year Ending June 30	Principal	Interest	Total
2018	\$ 19,974	\$ 2,412	\$ 22,386
2019	20,958	1,429	22,387
2020	18,250	405	18,655
	<u>\$ 59,182</u>	<u>\$ 4,246</u>	<u>\$ 63,428</u>

Vehicles under capital lease are included in capital assets at June 30, 2017 as follows:

Vehicles	\$ 69,202
Less: Accumulated depreciation	<u>(3,460)</u>
Net	<u>\$ 65,742</u>

Depreciation of vehicles under capital lease in the amount of \$3,460 for the year ended June 30, 2017 is included in depreciation expense.

Judgment Payable:

A settlement was imposed on the Sheriff totaling \$490,156 during fiscal year ended June 30, 2016 as the result of a lawsuit. The Sheriff paid \$55,000 in 2016, \$50,156 in 2017, and will be required to pay \$35,000 each year, over the next eleven (11) years after June 30, 2017.

(7) Post Retirement Health Care and Life Insurance Benefits

From an accrual accounting perspective, the cost of postemployment healthcare benefits should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. In adopting the requirements of GASB Statement No. 45 during the year ended June 30, 2010, the Sheriff recognizes the cost of postemployment healthcare in the year when employee services are received, to report the accumulated liability from prior years, and to provide information useful in assessing potential demands on the Sheriff's future cash flows. Because the Sheriff adopted the requirements of GASB Statement No. 45 prospectively, recognition of the liability accumulated from prior years will be phased in over 30 years, commencing with the 2010 liability.

Plan Description: In accordance with the East Feliciana Parish Sheriff's Department Group Health Plan established in May 1998, the Sheriff provides certain continuing health care and life insurance benefits for its retired employees. The plan is a multiple-employer defined benefit health care plan administered by BlueCross BlueShield of Louisiana. The Sheriff has the authority to establish and amend the benefit provisions of the plan. The plan does not issue a publicly available financial report.

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

Notes to the Basic Financial Statements (Continued)

Funding Policy: The Sheriff pays 100 per cent of the monthly premiums for these benefits for retirees and similar benefits for active employees. The Sheriff recognizes the cost of providing these benefits as an expenditure when the monthly premiums are due. The benefits are financed on a pay-as-you-go basis.

Annual OPEB Cost: The Sheriff's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The Sheriff utilizes the level-dollar amortization method to amortize the unfunded actuarial accrued liability.

The following table shows the components of the Sheriff's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Sheriff's net OPEB obligation:

Annual required contribution	\$ 463,095
Interest on net OPEB obligation	94,557
Adjustment to annual required contribution	<u>(134,051)</u>
Annual OPEB cost (expense)	423,601
Assumed Contributions made	<u>(72,694)</u>
Increase in net OPEB obligation	350,907
Net OPEB obligation - beginning of year	<u>2,363,919</u>
Net OPEB obligation - end of year	<u>\$2,714,826</u>

The Sheriff's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2015	\$ 435,388	21.18%	\$ 2,041,453
6/30/2016	\$ 427,148	24.51%	\$ 2,363,919
6/30/2017	\$ 423,601	17.16%	\$ 2,714,826

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

Notes to the Basic Financial Statements (Continued)

Funded Status and Funding Progress: The funded status of the plan as of June 30, 2017, was as follows:

Actuarial accrued liability (AAL)	\$3,341,051
Actuarial valuation of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$3,341,051</u>
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	\$1,632,532
UAAL as a percentage of covered payroll	204.7%

Actuarial valuations for an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to continuous revision as actual results are compared to past expectations and new estimates about the future are formulated. Although the valuation results are based on values which the Sheriff's actuarial consultant believes are reasonable assumptions, the valuation results reflect a long-term perspective and, as such, are merely an estimate of what future costs may actually be. Deviations in any of several factors, such as future interest rates, medical cost inflation, Medicare coverage, and changes in marital status, could result in actual costs being less or greater than estimated.

The schedule of funding progress included in required supplementary information following the notes to the financial statements presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

EAST FELICIANA PARISH SHERIFF
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Notes to the Basic Financial Statements (Continued)

The significant actuarial assumptions used in the valuation of the plan are as follows:

Valuation Date	July 1, 2016	
Actuarial Cost Method	Projected Unit Cost Method	
Actuarial Assumptions: Service Cost	Determined for each employee as the Actuarial Present Value of Benefits allocated to the valuation year. The benefit attributed to the valuation year is that incremental portion of the total projected benefit earned during the year in accordance with the plan's benefit formula. This allocation is based on each participant's service between date of hire and date of expected termination.	
Accumulated Post-Retirement Benefit Obligation	The Actuarial Present Value of Benefits allocated to all periods prior to the valuation year.	
Discount Rate	4.00% (1.00% real rate of return plus 3.00% inflation)	
Average Per Capital Claim Cost	Age	Medical
	50	8,683
	51	8,900
	52	9,123
	53	9,351
	54	9,584
	55	9,824
	56	10,070
	57	10,321
	58	10,579
	59	10,844
	60	11,115
	65	3,144
	70	3,557
	75	4,024
	80	4,553
	Annual per capital dental/vision cost is a level \$345.48.	
Health Care Cost Trend	Level 5.50% for medical and level 2.5% for dental/vision.	
Mortality	RP-2014 Total Table with Projection MP-2015	

EAST FELICIANA PARISH SHERIFF
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Notes to the Basic Financial Statements (Continued)

Turnover	Rates varying by year of service; YOS=3 - 12.00%; YOS=8 - 6.00%; YOS=13 - 2.5%
Disability	None assumed
Retirement Rates	Rates vary by age from 55 to 65 with 100% retirement rate assumed at age 66 and above.
Retiree Contributions	No retiree contribution required for the medical, dental, and vision coverages. Any dependent benefits require the full contribution paid by the retiree. The cost of life in insurance coverage in excess of \$20,000 is paid by the retiree.
Age Difference/% Married Coverage	Not applicable 100% of all retirees who currently have healthcare coverage will continue with the same coverage. 100 % of all actives who currently have individual coverage will continue with individual coverage upon retirement. It is assumed that no spouse coverage is elected.
Valuation Methodology and Terminology	GASB accounting methodology was used to determine the postretirement benefit obligation.
Amortization Period	The period used to determine amortization costs for the Unfunded Actuarial Accrued Liability is a level period for 30 years.

(8) 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 Sheriff's Pension and Relief Fund, 1225 Nicholson Drive, Baton Rouge, Louisiana 708020, or by calling (225) 219-0500.

EAST FELICIANA PARISH SHERIFF
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Notes to the Basic Financial Statements (Continued)

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 Sheriff's 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.

Plan Description – 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.

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.

EAST FELICIANA PARISH SHERIFF
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Notes to the Basic Financial Statements (Continued)

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 in which 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.

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

EAST FELICIANA PARISH SHERIFF
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Notes to the Basic Financial Statements (Continued)

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.

Contributions: Contributions for all members are established by the Board of Trustees. The employee contribution rate for the year ended June 30, 2016 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, 2016, the employers contributed 13.75% 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 nonemployer contributing entities, but are not considered special funding situations. Non-employer contributions are recognized as revenue in the amount of \$94,358 and excluded from pension expense for the year ended June 30, 2017.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At June 30, 2017, the Sheriff reported a liability of \$1,541,705 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, 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, 2016, the Sheriff's proportion was 0.242907% , which was an decrease of 0.001833% from its proportion measure as of June 30, 2015.

For the year ended June 30, 2017, the Sheriff recognized pension expense of \$235,426 less employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$13,527.

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.

EAST FELICIANA PARISH SHERIFF
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Notes to the Basic Financial Statements (Continued)

The mortality rate assumptions were set after reviewing an experience study performed over the period July 1, 2009 through June 30, 2014. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated unratification 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 procedures indicated that these tables would produce liability values approximating the appropriate generational mortality tables used.

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2017 are as follows:

Valuation Date	June 30, 2016
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	7 years
Investment Rate of Return	7.6% per annum, net of investment expense
Discount Rate	7.5%
Projected Salary Increases	5.5% (2.875% Inflation, 2.625% Merit)
Mortality	RP-2000 Combined Healthy with Blue Color 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 7.5%, which was a decrease of 0.1% 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.

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

Notes to the Basic Financial Statements (Continued)

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 period 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 rates 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.

Estimates of arithmetic real rates of return for each major asset class based on the Fund's target allocation as of June 30, 2016 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	60%	6.4%	3.9%
Bonds	25%	1.9%	0.5%
Alternative Investments	<u>15%</u>	4.3%	<u>0.6%</u>
Totals	<u>100%</u>		5.0%
Inflation			<u>2.7%</u>
Expected Arithmetic Nominal Return			<u>7.7%</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 7.5%, 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 (6.5%) or one percentage-point higher (8.5%) than the current rate:

	1.0% Decrease	Current Discount Rate	1.0% Increase
	<u>6.5%</u>	<u>7.5%</u>	<u>8.5%</u>
Employ's proportionate share of the net pension liability	\$2,615,660	\$1,541,705	\$ 655,283

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

Notes to the Basic Financial Statements (Continued)

At June 30, 2017, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between expected and actual experiences	\$ -	\$ 161,708
Changes of assumptions	125,953	-
Net difference between projected and actual earnings on pension plan investments	386,120	-
Change in proportion and differences between Employer contributions and proportionate share of contributions	34,596	71,402
Employer contributions subsequent to the measurement date	231,716	-
Total	\$ 778,385	\$ 233,110

Deferred outflows of resources of \$231,716 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, 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:

Year Ended June 30	Net Amount Recognized in Pension Expense
2018	\$ 28,059
2019	28,059
2020	140,528
2021	113,823
2022	1,546
Thereafter	1,544
	\$ 313,559

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

Notes to the Basic Financial Statements (Continued)

(9) Changes in Agency Fund Balances

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

	Sheriff's Fund	Tax Collector Fund	Garnishments Fund	Prison Inmate Fund	Total
Balances, July 1, 2016	\$ 91,853	\$ 323,291	\$ 24,487	\$ 112,646	\$ 552,277
Additions	822,324	8,013,276	158,191	1,966,437	10,960,228
Reductions	<u>(812,931)</u>	<u>(8,145,497)</u>	<u>(153,312)</u>	<u>(1,968,378)</u>	<u>(11,080,118)</u>
Balances, June 30, 2017	<u>\$101,246</u>	<u>\$ 191,070</u>	<u>\$ 29,366</u>	<u>\$ 110,705</u>	<u>\$ 432,387</u>

(10) Risk Management

The Sheriff is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; and injuries to employees. To handle such risk of loss, the Sheriff maintains commercial insurance policies covering automobile liability, medical payments, uninsured motorist, and collision, and surety bond coverage. In addition to the above policies, the Sheriff maintains a public official's liability policy and a law enforcement policy. No claims were paid, which exceeded the policies' coverage amount, on any of the policies during the past three years.

(11) Litigation and Claims

At June 30, 2017, the Sheriff is involved in several lawsuits claiming damages. One suit was settled during fiscal year ended June 30, 2016 and resulted in a judgment of \$490,156 imposed on the East Feliciana Parish Sheriff. The Sheriff paid \$55,000 in 2016, \$50,156 in 2017, and will be required to pay \$35,000 each year, over the next eleven (11) years after June 30, 2017. In the opinion of the Sheriff's legal counsel, any exposure to the Sheriff at June 30, 2017 for the other cases is highly unlikely.

(12) Expenditures of the Sheriff's Office Paid by the Parish Police Jury

The Sheriff's office is located in the parish courthouse. The East Feliciana Parish Government, as required by statute, pays the cost of maintaining and operating the parish courthouse. These expenditures are not included in the accompanying financial statements.

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

Notes to the Basic Financial Statements (Continued)

(13) Compensation, Benefits and Other Payments to Sheriff

A detail of compensation, benefits, and other payments made to Sheriff Jeffery E. Travis for the year ended June 30, 2017 follows:

Purpose	Amount
Salary	\$ 156,119
Benefits - insurance	7,006
Benefits - retirement	20,686
Benefits - vision and dental insurance	0
Cell phone	403
Dues	11,709
Travel	371
Registration fees	435
Conference travel	864
	\$ 197,593

(14) Unsettled Balances –Tax Collector Fund

The unsettled cash balance of the Tax Collector Fund at June 30, 2017 of \$191,070 consists of the following:

Parish licenses	\$ 12,820
Protest taxes	85,298
Taxes, notices, etc.	92,952
Total	\$ 191,070

(15) New Accounting Pronouncement

In June 2015, the Governmental Accounting Standards Board (GASB) approved Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits other than Pensions." GASB Statement No. 75 replaces the requirements of Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits other than Pensions." GASB Statement No. 75 improves accounting and financial reporting by state and local governments for postemployment benefits other than pensions. The provisions of GASB Statement No. 75 must be implemented by the Sheriff for the year ending June 30, 2018. The effect of implementation of this statement on the Sheriff's financial statements has not yet been determined.

**REQUIRED SUPPLEMENTARY
INFORMATION**

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

General Fund
Budgetary Comparison Schedule
Year Ended June 30, 2017

With Comparative Actual Amounts for Year Ended June 30, 2016

	2017		Actual	Variance With Final Budget Positive (Negative)	2016 Actual
	Budget				
	Original	Final			
Revenues:					
Ad valorem taxes	\$ 800,000	\$ 750,653	\$ 779,682	\$ 29,029	\$ 822,310
Intergovernmental revenues -					
Grants	25,000	35,601	47,707	12,106	24,480
State revenue sharing	45,000	46,587	47,526	-	45,660
State supplemental pay	62,000	62,705	64,642	1,937	58,509
Local government	20,000	51,552	141,006	89,454	21,389
Miscellaneous	120,000	120,000	120,000	-	120,000
Fees, charges, and commissions for services -					
Civil and criminal	130,000	135,977	145,199	9,222	117,429
Court attendance	6,500	-	-	-	6,800
Feeding and keeping prisoners	2,115,000	2,351,359	2,394,787	43,428	1,981,906
Other	94,500	104,205	168,558	64,353	102,379
Donations	250,000	250,000	250,000	-	366,530
Interest income	450	1,230	2,238	1,008	640
Miscellaneous	-	-	-	-	936
Total revenues	<u>3,668,450</u>	<u>3,909,869</u>	<u>4,161,345</u>	<u>250,537</u>	<u>3,668,968</u>
Expenditures:					
Current -					
Public safety:					
Personal services and related benefits	2,237,671	2,382,227	2,360,248	21,979	2,207,409
Operating services	631,100	675,716	681,701	(5,985)	633,971
Operations and maintenance	892,500	855,007	942,501	(87,494)	979,048
Travel and other charges	29,500	36,867	33,153	3,714	30,462
Capital outlay	-	74,997	144,404	(69,407)	116,530
Debt service	-	-	3,731	(3,731)	-
Total expenditures	<u>3,790,771</u>	<u>4,024,814</u>	<u>4,165,738</u>	<u>(140,924)</u>	<u>3,967,420</u>
Excess (deficiency) of revenues over expenditures	(122,321)	(114,945)	(4,393)	109,613	(298,452)
Other financing sources (uses)					
Proceeds from capital lease	-	-	62,419	62,419	-
Net changes in fund balance	(122,321)	(114,945)	58,026	172,032	(298,452)
Fund balance, beginning	<u>588,935</u>	<u>588,935</u>	<u>588,935</u>	<u>-</u>	<u>887,387</u>
Fund balance, ending	<u>\$ 466,614</u>	<u>\$ 473,990</u>	<u>\$ 646,961</u>	<u>\$ 172,032</u>	<u>\$ 588,935</u>

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

Schedule of Funding Progress
Year Ended June 30, 2017

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liabilities (AAL)</u>	<u>Unfunded Actuarial Accrued Liabilities (UAAL)</u>	<u>Funded Ratio</u>
July 1, 2011	\$ -	\$ 3,201,188	\$ 3,201,188	0.0%
July 1, 2014	-	3,455,402	3,455,402	0.0%
July 1, 2016	-	3,341,051	3,341,051	0.0%

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

Schedule of Employer's Share of Net Pension Liability
Year Ended June 30, 2017 *

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
Sheriff's Pension and Relief Fund:					
2017	0.242907%	\$ 1,541,705	\$ 1,627,894	94.7%	82.10%
2016	0.244740%	1,090,933	1,632,841	66.8%	86.61%
2015	0.236064%	934,815	1,502,419	62.2%	87.34%

* 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.

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

Schedule of Employer Contributions
Year Ended June 30, 2017

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
Sheriff's Pension and Relief Fund:					
2017	\$ 231,715	\$ 231,716	\$ (1)	\$ 1,748,794	13.25%
2016	\$ 223,835	\$ 226,603	\$ (2,768)	\$ 1,627,894	13.92%
2015	232,680	231,739	941	1,632,841	14.19%

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

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

Notes to the Required Supplementary Information

(1) Budgets and Budgetary Accounting

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

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

(2) Pension Plan

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

(3) Excess of Expenditures over Appropriations

For the year ended June 30, 2017, the General Fund had actual expenditures over appropriations as follows:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Excess</u>
General Fund	\$4,024,814	\$4,165,738	\$(140,924)

OTHER SUPPLEMENTARY INFORMATION

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

General Fund
Budgetary Comparison Schedule - Expenditures
Year Ended June 30, 2017
With Comparative Actual Amounts for Year Ended June 30, 2016

	2017			Variance With Final Budget Positive (Negative)	2016 Actual
	Budget		Actual		
	Original	Final			
Current:					
Public safety -					
Personal services and related benefits:					
Sheriff's salary	\$ 145,474	\$ 143,000	\$ 141,824	\$ 1,176	\$ 141,855
Deputies' salaries	1,800,000	1,933,145	1,926,070	7,075	1,778,215
Pension and payroll taxes	277,650	294,482	277,569	16,913	273,153
Sheriff's expense allowance	<u>14,547</u>	<u>11,600</u>	<u>14,785</u>	<u>(3,185)</u>	<u>14,186</u>
Total personal services and related benefits	<u>2,237,671</u>	<u>2,382,227</u>	<u>2,360,248</u>	<u>21,979</u>	<u>2,207,409</u>
Operating services:					
Hospitalization insurance	465,000	524,573	548,796	(24,223)	468,629
Auto insurance	86,000	79,915	66,596	13,319	85,660
Other liability insurance	<u>80,100</u>	<u>71,228</u>	<u>66,309</u>	<u>4,919</u>	<u>79,682</u>
Total operating services	<u>631,100</u>	<u>675,716</u>	<u>681,701</u>	<u>(5,985)</u>	<u>633,971</u>
Operations and maintenance:					
Auto, fuel and oil	155,000	143,953	150,487	(6,534)	158,199
Auto maintenance	43,000	55,237	59,542	(4,305)	46,129
Deputy uniforms, supplies, etc.	23,500	12,447	26,359	(13,912)	21,841
Office supplies and expenditures	160,000	151,864	171,004	(19,140)	203,639
Telephone	21,500	18,064	16,191	1,873	21,650
Prisoner feeding and maintenance	431,500	351,188	444,259	(93,071)	442,070
Professional fees	22,500	22,700	24,885	(2,185)	28,650
Other	<u>35,500</u>	<u>99,554</u>	<u>49,774</u>	<u>49,780</u>	<u>56,870</u>
Total operations and maintenance	<u>892,500</u>	<u>855,007</u>	<u>942,501</u>	<u>(87,494)</u>	<u>979,048</u>
Travel and other charges	<u>29,500</u>	<u>36,867</u>	<u>33,153</u>	<u>3,714</u>	<u>30,462</u>
Capital outlay:					
Autos	-	69,134	144,404	(75,270)	91,700
Equipment	<u>-</u>	<u>5,863</u>	<u>-</u>	<u>5,863</u>	<u>24,830</u>
Total capital outlay	<u>-</u>	<u>74,997</u>	<u>144,404</u>	<u>(69,407)</u>	<u>116,530</u>
Debt service:					
Principal	-	-	3,237	(3,237)	-
Interest	<u>-</u>	<u>-</u>	<u>494</u>	<u>(494)</u>	<u>-</u>
Total debt service	<u>-</u>	<u>-</u>	<u>3,731</u>	<u>(3,731)</u>	<u>-</u>
Total expenditures	<u>\$3,790,771</u>	<u>\$4,024,814</u>	<u>\$4,165,738</u>	<u>\$ (140,924)</u>	<u>\$3,967,420</u>

FIDUCIARY FUND TYPE - AGENCY FUNDS

Sheriff's Fund

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

Tax Collector Fund

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

Garnishments Fund

To account for the collection of garnishments paid on an installment basis as authorized by the court and payment of these collections to the Sheriff's General Fund and other recipients in accordance with applicable laws.

Prisoner Inmate Fund

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

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana
Fiduciary Fund Type - Agency Funds

Combining Statement of Fiduciary Net Position
June 30, 2017
With Comparative Totals for June 30, 2016

	2017					
	Sheriff's Fund	Tax Collector Fund	Garnishments Fund	Prison Inmate Fund	Totals	2016 Totals
ASSETS						
Cash	\$ -	\$ -	\$ 29,366	\$ -	\$ 29,366	\$ 24,487
Interest-bearing deposits	<u>101,246</u>	<u>191,070</u>	<u>-</u>	<u>110,705</u>	<u>403,021</u>	<u>527,790</u>
Total Assets	<u>\$ 101,246</u>	<u>\$ 191,070</u>	<u>\$ 29,366</u>	<u>\$ 110,705</u>	<u>\$ 432,387</u>	<u>\$ 552,277</u>
LIABILITIES						
Due to taxing bodies and others	\$ 101,246	\$ 191,070	\$ 29,366	\$ -	\$ 321,682	\$ 439,631
Due to inmates and others	<u>-</u>	<u>-</u>	<u>-</u>	<u>110,705</u>	<u>110,705</u>	<u>112,646</u>
Total Liabilities	<u>\$ 101,246</u>	<u>\$ 191,070</u>	<u>\$ 29,366</u>	<u>\$ 110,705</u>	<u>\$ 432,387</u>	<u>\$ 552,277</u>

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana
Fiduciary Fund Type - Agency Funds

Combining Statement of Changes in Assets and Liabilities
Year Ended June 30, 2017
With Comparative Totals for Year Ended June 30, 2016

	2017				Totals	2016 Totals
	Sheriff's Fund	Tax Collector Fund	Garnishments Fund	Prison Inmate Fund		
Balances, beginning of year	\$ 91,853	\$ 323,291	\$ 24,487	\$ 112,646	\$ 552,277	\$ 467,367
Additions:						
Deposits -						
Sheriff's sales, suits, and seizures	284,159	-	-	-	284,159	279,279
Garnishments	-	-	158,191	-	158,191	158,441
Bonds	20,000	-	-	-	20,000	20,500
Fines and costs	518,165	-	-	-	518,165	425,196
Inmates	-	-	-	529,084	529,084	565,528
Taxes, fees, etc., paid to tax collector	-	7,955,344	-	-	7,955,344	8,131,231
Prisoner work release fees	-	-	-	1,436,792	1,436,792	1,340,575
Other additions	-	57,932	-	561	58,493	29,642
Total additions	<u>822,324</u>	<u>8,013,276</u>	<u>158,191</u>	<u>1,966,437</u>	<u>10,960,228</u>	<u>10,950,392</u>
Total	<u>914,177</u>	<u>8,336,567</u>	<u>182,678</u>	<u>2,079,083</u>	<u>11,512,505</u>	<u>11,417,759</u>
Reductions:						
Taxes, fees, etc., distributed to taxing bodies and others	-	8,145,497	-	-	8,145,497	8,017,681
Deposits settled to -						
Sheriff's General Fund	71,304	-	8,862	1,133,359	1,213,525	1,084,502
Clerk of Court	86,075	-	-	-	86,075	68,195
Police Jury	126,110	-	-	-	126,110	110,474
District Attorney Expenditure Fund	63,545	-	-	-	63,545	46,989
Indigent Defender Board	98,686	-	-	-	98,686	80,651
Litigants and attorneys	347,845	-	144,450	-	492,295	490,321
Refunds	15,500	-	-	-	15,500	33,000
Bailiff Fund	3,866	-	-	-	3,866	2,982
Inmates	-	-	-	820,243	820,243	909,851
State and local sales taxes	-	-	-	14,776	14,776	20,836
Total reductions	<u>812,931</u>	<u>8,145,497</u>	<u>153,312</u>	<u>1,968,378</u>	<u>11,080,118</u>	<u>10,865,482</u>
Balances, end of year	<u>\$ 101,246</u>	<u>\$ 191,070</u>	<u>\$ 29,366</u>	<u>\$ 110,705</u>	<u>\$ 432,387</u>	<u>\$ 552,277</u>

STATE OF LOUISIANA, PARISH OF EAST FELICIANA

AFFIDAVIT

Jeffery E. Travis, Sheriff of East Feliciana Parish

BEFORE ME, the undersigned authority, personally came and appeared, Jeffery E. Travis, the Sheriff of East Feliciana Parish, State of Louisiana, who after being duly sworn, deposed and said:

The following information is true and correct:

\$191,070 is the amount of cash on hand in the tax collector account on June 30, 2017;

He further deposed and said:

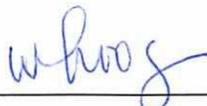
All itemized statements of the amount of taxes collected for tax year 2016, by taxing authority, are true and correct.

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



Signature
Sheriff of East Feliciana Parish

SWORN to and subscribed before me, Notary, this 26th day of October, 2017, in my office in Clinton, Louisiana.



(Signature)

Wendi Hooge

(Print), # 90192

Notary Public

@ death

(Commission)

INTERNAL CONTROL, COMPLIANCE

AND

OTHER MATTERS

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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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*

The Honorable Jeffery E. Travis
East Feliciana Parish Sheriff
Clinton, 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, the major fund, and the aggregate remaining fund information of the East Feliciana Parish Sheriff (the Sheriff) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the East Feliciana Parish Sheriff's basic financial statements and have issued our report thereon dated October 26, 2017.

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 East Feliciana Parish Sheriff's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Sheriff'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 preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of current and prior year audit findings and management's corrective action plan, that we consider to be significant deficiencies as items 2017-001 and 2017-002.

Compliance and Other Matters

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

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Oberlin, Louisiana
October 26, 2017

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

Summary Schedule of Current and Prior Year Audit Findings and Management's Corrective Action Plan
Year Ended June 30, 2017

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding/ Management Letter Comment	Corrective Action Taken	Planned Corrective Action/Partial Corrective Action Taken	Name of Contact Person	Anticipated Completion Date
<u>CURRENT YEAR (06/30/17) --</u>						
<u>Internal Control:</u>						
2017-001	Unknown	Due to the small number of employees, the Sheriff did not have adequate segregation of duties within the accounting system.		Based upon the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of accounting functions.	Jeffery Travis, Sheriff	N/A
2017-002	2008	The Sheriff does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in preparing its financial statements, including the related notes.		The Sheriff has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interests of the government to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.	Jeffery Travis, Sheriff	N/A
<u>PRIOR YEAR (06/30/16) --</u>						
<u>Internal Control:</u>						
2016-001	Unknown	Due to the small number of employees, the Sheriff did not have adequate segregation of functions within the accounting system.	No	See current year finding 2017-001.		
2016-002	2008	The Sheriff does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in preparing its financial statements, including the related notes.	No	See current year finding 2017-002.		

STATEWIDE AGREED-UPON PROCEDURES

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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Gerald A. Thibodeaux, Jr., CPA*
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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Retired

Conrad O. Chapman, CPA* 2006

Honorable Jeffery E. Travis, Sheriff
East Feliciana Parish Sheriff
Clinton, Louisiana

We have performed the procedures enumerated below, which were agreed to by the management of the East Feliciana Parish Sheriff (Sheriff) and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Sheriff's compliance with certain laws, regulations and best practices during the year ended June 30, 2017. Management of the Sheriff is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed 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.

Written Policies and Procedures

1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:

a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget

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

b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

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

c) **Disbursements**, including processing, reviewing, and approving

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

d) **Receipts**, including receiving, recording, and preparing deposits

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

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

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

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process

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

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage

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

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

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

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.

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

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

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

Board (or Finance Committee, if applicable)

- 2. Obtain and review the board/committee minutes for the fiscal period, and:

- a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.

Not applicable.

- b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).

Not applicable.

- If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.

Not applicable.

- c) Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.)

Not applicable.

Bank Reconciliations

3. Obtain a listing of client bank accounts from management and management's representation that the listing is complete.

Obtained listing of client bank accounts from management and management's representation that the listing is complete.

4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:

- a) Bank reconciliations have been prepared;

Obtained bank statements and reconciliations for all months in the fiscal period noting that reconciliations have been prepared for all months.

- b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and

Two of the accounts tested did not contain evidence that management reviewed the bank reconciliation.

- c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

Two of the accounts tested had outstanding items that are not dated and it was impossible to determine if they were outstanding for more than six months. There is no evidence of management researching those items.

Collections

5. Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.

Obtained listing of cash collection locations and management's representation that listing is complete.

6. Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis (if more than 5 locations). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* **For each cash collection location selected:**

- a) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.

The persons responsible for collecting cash are bonded in all locations. In one location, the same person collecting cash is also responsible for depositing cash in the bank, recording the deposit, and reconciling the bank statement. None of the persons collecting cash are required to share the same drawer with another employee.

- b) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.

One of the locations tested does not have a formal process to reconcile cash collections by a person who is not responsible for cash collections.

- c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:

- Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.

Collection documentation was obtained. Deposits were not made within one day of collection for some collections. The number of days after collection varied.

- Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

Collection documentation was obtained and addresses the functions noted above.

7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and 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) by a person who is not responsible for collections.

There is no written documentation specifically defined to determine the completeness of all collections by a person who is not responsible for collections.

Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)

8. Obtain a listing of entity disbursements from management or, alternately, obtain the general ledger and sort/filter for entity disbursements. Obtain management's representation that the listing or general ledger population is complete.

Listing of disbursements and management's representation that the listing is complete was obtained.

9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system

screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:

- a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.

Examined supporting documentation for each of the 25 disbursements selected and found that purchases were initiated using a purchase order system.

- b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.

Examined supporting documentation for each of the 25 disbursements selected and found appropriate approval of purchase orders.

- c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.

Examined supporting documentation for each of the 25 disbursements and found all payments were processed with proper approval, receiving report and approved invoice.

10. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system.

Written policies and procedures were obtained and did not address the functions noted above.

11. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.

Written policies and procedures were obtained and did not address the functions noted above.

12. Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those persons that do not have signatory authority, and report any exceptions. Alternately, if the checks are electronically printed on blank check stock, review entity documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks.

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

13. If a signature stamp or signature machine is used, inquire of the signer whether his or her signature is maintained under his or her control or is used only with the knowledge and consent of the signer. Inquire of the signer whether signed checks are likewise maintained under the control of the signer or authorized user until mailed. Report any exceptions.

No signature stamp or machine is utilized.

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

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

Listing of active credit cards, bank debit cards, fuel cards and name of person who maintain possession of cards and management's representation that the listing is complete was obtained.

15. Using the listing prepared by management, randomly select 10 cards (or at least one-third of the cards if the entity has less than 10 cards) that were used during the fiscal period, rotating cards each year. If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner.

Listing was obtained and randomly selected one-third of the Sheriff's cards.

Obtain the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Select the monthly statement or combined statement with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

- a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.])

Monthly statements were obtained and address the functions noted above.

- b) Report whether finance charges and/or late fees were assessed on the selected statements.

No finance charges or fees were noted.

16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e. each of the 10 cards should have one month of transactions subject to testing).

- a) For each transaction, report whether the transaction is supported by:

- An original itemized receipt (i.e., identifies precisely what was purchased)

Monthly statements were obtained and address the functions noted above.

- Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.

Monthly statements were obtained and address the functions noted above.

- Other documentation that may be required by written policy (e.g., purchase order, written authorization.)

No exceptions noted.

- b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing/disbursement policies and the Louisiana Public Bid Law (i.e. transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.

No exceptions noted.

- c) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

No exceptions noted.

Travel and Expense Reimbursement

17. Obtain from management a listing of all travel and related expense reimbursements, by person, during the fiscal period or, alternately, obtain the general ledger and sort/filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete.

Listing of travel and expense reimbursements by person and management's representation that the listing is complete was obtained.

18. Obtain the entity's written policies related to travel and expense reimbursements. Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration (www.gsa.gov) and report any amounts that exceed GSA rates.

Policies were obtained. No amounts listed exceed GSA rates.

19. Using the listing or general ledger from #17 above, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expenses selected:

- a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.

Expenses did not exceed GSA rates.

- b) Report whether each expense is supported by:

- An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]

No exceptions noted.

- Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).

No exceptions noted.

- Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)

No exceptions noted.

- c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

No exceptions noted

- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

No exceptions noted

Contracts

- 20. Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management's representation that the listing or general ledger is complete.

Listing of all contracts in effect and management's representation that the listing is complete was obtained.

- 21. Using the listing above, select the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:

- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.

No exceptions noted.

- b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:

- If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder)

No noncompliance noted.

- If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.

Not applicable.

- c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.

No amendments noted.

- d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.

No noncompliance noted.

- e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).

No exceptions noted.

Payroll and Personnel

- 22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:

Listing of employees with their related salaries and management's representation that the listing is complete was obtained.

- a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.

No exceptions noted.

- b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.

No exceptions noted.

- 23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:

- a) Report whether 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.)

No exceptions noted.

- b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.

No exceptions noted.

- c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

No exceptions noted.

- 24. Obtain from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and

obtain the personnel files for the two employees/officials. Report whether the termination payments were made in strict accordance with policy and/or contract and approved by management.

No exceptions noted.

25. Obtain supporting documentation (e.g. cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether the employee and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.

No exceptions noted.

Ethics (excluding nonprofits)

26. Using the five randomly selected employees/officials from procedure #22 under “Payroll and Personnel” above, obtain ethics compliance documentation from management and report whether the entity maintained documentation to demonstrate that required ethics training was completed.

One of the five employees tested did not have support for completion of ethics training.

27. Inquire of management whether any alleged ethics violations were reported to the entity during the fiscal period. If applicable, review documentation that demonstrates whether management investigated alleged ethics violations, the corrective actions taken, and whether management’s actions complied with the entity’s ethics policy. Report whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.

Management asserted that they have received no allegations during the fiscal period.

Debt Service (excluding nonprofits)

28. If debt was issued during the fiscal period, obtain supporting documentation from the entity, and report whether State Bond Commission approval was obtained.

Not applicable.

29. If the entity had outstanding debt during the fiscal period, obtain supporting documentation from the entity and report whether the entity made scheduled debt service payments and maintained debt reserves, as required by debt covenants.

No outstanding debt noted.

30. If the entity had tax millages relating to debt service, obtain supporting documentation and report whether millage collections exceed debt service payments by more than 10% during the fiscal period. Also, report any millages that continue to be received for debt that has been paid off.

Not applicable.

Other

31. Inquire of management whether the entity had any misappropriations of public funds or assets. If so, obtain/review supporting documentation and report whether the entity reported the misappropriation to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Management has asserted that the entity did not have any misappropriations of public funds or assets.

32. Observe and report whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at www.la.gov/hotline) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

Required notices were posted on the entity's premises. Entity does not maintain a website.

33. If the practitioner observes or otherwise identifies any exceptions regarding management's representations in the procedures above, report the nature of each exception.

No exceptions noted.

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 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, Champagne, Slaven & Company, LLC
Certified Public Accountants

Oberlin, Louisiana
October 26, 2017

EAST FELICIANA PARISH SHERIFF
Clinton, Louisiana

Management's Response to Statewide Agree-Upon Procedures
For the Year Ended June 30, 2017

Management Response to Item:

- 4b-c All bank accounts will contain evidence of management review and evidence of management researching old outstanding items.
- 6a-c, 7 Efforts will be made to segregate duties in the area of cash collections as much as possible with the limited number of employees. Management will also make deposits within one day of collection.
- 10 The person responsible for processing payments will be prohibited from adding vendors to the disbursement system. Policies and written procedures have been revised to address this issue.
- 11 While this was office practice and controls were already in place prior to the audit, the purchasing and disbursements procedures have been revised and contain language stating that the person with ultimate authority cannot go into the system and initiate or change transactions.
- 26 All employees will complete the required ethics training. One employee who did not have the required certificate had left employment on 5/20/16 and returned to employment on 9/23/16. The office review for compliance with ethics training is typically done in the months of June and July. Office policy has been changed to address this issue. Ethics training is now required upon being hired.