

ST. JAMES PARISH SHERIFF

Convent, Louisiana

Financial Report

Year Ended June 30, 2018

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INDEPENDENT AUDITOR'S REPORT

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The Honorable Willy J. Martin, Jr.
St. James Parish Sheriff
Convent, 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 St. James Parish Sheriff (hereinafter "Sheriff"), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the Sheriff, as of June 30, 2018, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 21 to the basic financial statements, the Sheriff has adopted the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. *Our opinion is not modified with respect to this matter.*

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedule, schedule of changes in net OPEB liability and related ratios, schedule of employer's share of net pension liability, and schedule of employer pension contributions on pages 40 through 42, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Sheriff's basic financial statements. The other supplementary information on pages 46 through 53 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The comparative and combining statements on pages 46, 47, 51, and 52 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the comparative and combining statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The prior year comparative amounts on the comparative and combining statements were derived from the St. James Parish Sheriff's 2017 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 as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 27, 2018, on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
September 27, 2018

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Statement of Net Position
June 30, 2018

	<u>Governmental Activities</u>
ASSETS	
Cash and interest-bearing deposits	\$ 1,531,870
Investments	24,656,981
Receivables	14,502
Due from other governmental agencies	221,237
Prepaid expenses	288,477
Capital assets, net	<u>3,303,470</u>
TOTAL ASSETS	<u>30,016,537</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pension	<u>1,427,543</u>
LIABILITIES	
Accounts, salaries, and other payables	262,740
Long-term liabilities:	
Postemployment benefit obligation payable	12,753,106
Net pension liability	<u>3,736,251</u>
TOTAL LIABILITIES	<u>16,752,097</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to OPEB	7,041
Deferred inflows related to pension	<u>1,072,234</u>
	<u>1,079,275</u>
NET POSITION	
Net investment in capital assets	3,303,470
Unrestricted	<u>10,309,238</u>
TOTAL NET POSITION	<u>\$ 13,612,708</u>

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

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Statement of Activities
For the Year Ended June 30, 2018

Functions/Programs	Expenses	Program Revenues		Capital	Net (Expense)
		Charges for	Operating	Grants and	Revenue
		Services	Grants and	Grants and	And Changes in
		Contributions	Contributions	Contributions	Net Position
Governmental activities:					
Public safety:					
Police	\$12,039,515	\$916,159	\$ 68,108	\$ 10,007	\$(11,045,241)
Interest on long-term debt	267	-	-	-	(267)
	<u>\$12,039,782</u>	<u>\$916,159</u>	<u>\$ 68,108</u>	<u>\$ 10,007</u>	<u>(11,045,508)</u>
Taxes:					
Property, levied for general purposes					12,010,535
State sources:					
Commissions					315,050
Revenue sharing					143,359
Supplemental pay					354,009
Interest and investment earnings					183,157
Non-employer pension contributions					342,499
Miscellaneous					<u>312,257</u>
Total general revenues					<u>13,660,866</u>
Change in net position					2,615,358
Net position - July 1, 2017, as restated					<u>10,997,350</u>
Net position - June 30, 2018					<u>\$ 13,612,708</u>

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

FUND FINANCIAL STATEMENTS (FFS)

MAJOR FUNDS DESCRIPTION

General Fund

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

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Balance Sheet - Governmental Fund
June 30, 2018

	<u>General Fund</u>
ASSETS	
Cash and interest-bearing deposits	\$ 1,531,870
Investments	24,656,981
Receivables -	
Due from other governmental agencies	221,237
Accrued interest	14,502
Prepaid expenses	<u>288,477</u>
Total assets	<u>\$ 26,713,067</u>
LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable	\$ 116,543
Accrued liabilities	<u>146,197</u>
Total liabilities	262,740
Fund balance:	
Unassigned	<u>26,450,327</u>
Total liabilities and fund balance	<u>\$ 26,713,067</u>

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

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Position
June 30, 2018

Total fund balance for governmental fund at June 30, 2018		\$ 26,450,327
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Land	\$ 195,770	
Buildings and improvements other than buildings, net of \$496,747 accumulated depreciation	1,319,994	
Vehicles, net of \$1,494,188 accumulated depreciation	813,116	
Office furniture, net of \$988,550 accumulated depreciation	638,809	
Equipment, net of \$1,701,797 accumulated depreciation	<u>335,781</u>	3,303,470
The deferred outflows of contributions for the Sheriffs' Pension and Relief Fund are not available resources, and therefore, are not reported in the fund financial statements		
		1,427,543
Long-term liabilities at June 30, 2018:		
Net OPEB obligation	(12,753,106)	
Net pension liability	<u>(3,736,251)</u>	(16,489,357)
The deferred inflows of resources are not available, and therefore, are not reported in the fund financial statements. The deferred inflows of resources are related to the following:		
OPEB obligation	(7,041)	
Pension liability	<u>(1,072,234)</u>	<u>(1,079,275)</u>
Net position at June 30, 2018		<u>\$ 13,612,708</u>

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

ST. JAMES PARISH SHERIFF
Convent, Louisiana

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

	<u>General Fund</u>
Revenues:	
Ad valorem taxes	\$ 12,010,535
Intergovernmental revenues -	
Federal grants	10,007
State grants - state revenue sharing (net)	143,359
State supplemental pay	354,009
Other state grants	68,108
Video poker commissions	315,050
Fees, charges, and commissions for services -	
Civil and criminal fees	333,895
Feeding, keeping, and transporting prisoners	201,542
Special duty detail	380,723
Interest income	183,157
Miscellaneous	312,255
Total revenues	<u>14,312,640</u>
Expenditures:	
Current -	
Public safety:	
Personal services and related benefits	7,801,231
Operating services	1,576,082
Operations and maintenance	1,659,823
Travel and other charges	45,859
Capital outlay	420,400
Debt service	23,341
Total expenditures	<u>11,526,736</u>
Net change in fund balance	2,785,904
Fund balance, beginning	<u>23,664,423</u>
Fund balance, ending	<u>\$ 26,450,327</u>

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

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balance of the Governmental Fund
to the Statement of Activities
For the Year Ended June 30, 2018

Total net changes in fund balances for the year ended June 30, 2018 per statement of revenues, expenditures and changes in fund balances		\$ 2,785,904
The change in net position reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay which is considered expenditures on statement of revenues, expenditures and changes in fund balance	\$ 420,400	
Depreciation expense for the year ended June 30, 2018	(714,225)	
Loss on disposition of assets	<u>(619)</u>	(294,444)
Differences between the amounts reported as expenses in the statement of activities and those reported as expenditures in the fund financial statements		
Principal payment - capital lease	23,074	
Postemployment benefits	(340,499)	
Pension expense	<u>98,824</u>	(218,601)
Non-employer pension contributions to the Sheriffs' Pension and Relief Fund		<u>342,499</u>
Total changes in net position for the year ended June 30, 2018 per statement of activities		<u>\$ 2,615,358</u>

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

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Statement of Assets and Liabilities - Fiduciary Funds
June 30, 2018

	<u>Agency Funds</u>
ASSETS	
Cash	\$ 3,380
Interest-bearing deposits	228,682
Ad valorem taxes receivable	<u>27,284</u>
Total assets	<u>\$ 259,346</u>
LIABILITIES	
Liabilities:	
Due to other taxing bodies	258,347
Due to inmates	<u>999</u>
Total liabilities	<u>\$ 259,346</u>

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

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements

INTRODUCTION

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

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

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

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

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

(1) Summary of Significant Accounting Policies

A. Reporting Entity

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

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

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

B. Basis of Presentation

The accompanying basic financial statements of the Sheriff have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Government-Wide Financial Statements (GWFS)

The statement of net position and the statement of activities display information about the Sheriff as a whole. These statements include all the financial activities of the Sheriff. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from nonexchange transactions are recognized in accordance with professional standards.

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

Fund Financial Statements (FFS)

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

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

The funds of the Sheriff are described below:

Governmental Fund –

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

Fiduciary Funds -

Fiduciary fund reporting focuses on net position and changes in net position. The only funds accounted for in this category are agency funds. The agency funds account for assets held by the Sheriff as an agent for various taxing bodies (tax collections) and for deposits held pending court action. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Accordingly, it presents only a statement of fiduciary net position and does not present a statement of changes in fiduciary net position. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Sheriff's own programs. Fiduciary funds are presented on an economic resources measurement focus and the modified accrual basis of accounting.

C. Measurement Focus/Basis of Accounting

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

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

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

Revenues

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

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

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

Expenditures

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

D. Cash and Interest-Bearing Deposits

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

E. Investments

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

F. Capital Assets

Capital assets are capitalized at historical cost or estimated cost (the extent to which fixed asset costs have been estimated and the methods of estimation should be disclosed) if historical cost is not available (or describe other method of valuation). Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Sheriff maintains a threshold level of \$2,500 or more for capitalizing capital assets.

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

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

Asset Class	Estimated Useful Lives
Buildings	40 years
Improvements other than buildings	10-15 years
Vehicles	5 years
Equipment and furniture	5-10 years

G. Compensated Absences

Employees of the Sheriff's office earn from 60 to 144 hours of vacation leave each year, depending on their length of service. Vacation leave must be taken in the year it is earned. Employees with 0-6 years of service to the Sheriff earn from 48 to 96 hours of sick leave per year and may be accrued up to a maximum of 1,000 hours. Sick leave is not compensable if an employee leaves the service of the Sheriff. The Sheriff has no leave benefits required to be reported in accordance with generally accepted accounting principles.

H. Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively.

I. Equity Classifications

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

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

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

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

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

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

J. Estimates

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

(2) Cash and Interest-Bearing Deposits

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

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

At June 30, 2018, the Sheriff has cash and interest-bearing deposits (book balances) as follows:

	Government-wide Statement of Net Assets	Fiduciary Funds Statement of Net Assets	Total
Noninterest-bearing deposits	\$ 66,311	\$ 3,380	\$ 69,692
Interest-bearing deposits	1,465,559	228,682	1,694,241
	\$ 1,531,870	\$ 232,063	\$ 1,763,933

Custodial credit risk is the risk that in the event of a bank failure of a depository financial institution, the Government's deposits may not be recovered or the collateral securities that are in the possession of the outside party will not be recovered. These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the Sheriff or the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2018, are secured as follows:

Bank balances	\$ 1,932,324
Federal deposit insurance	\$ 250,000
Pledged securities	1,682,324
Total	\$ 1,932,324

Deposits in the amount of \$1,682,324 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities pledging institution's trust department or agent, but not in the Sheriff's name. The Sheriff does not have a policy for custodial credit risk.

(3) Investments

As of June 30, 2018, the Sheriff had the following investments and maturities:

Investment Type	% of Portfolio	Fair Value	Less Than One Year	One - Five Years
Mutual Funds:				
Fixed Income	14%	\$ 3,362,428	\$ -	\$ 3,362,428
State Investment Pool (LAMP)	86%	21,294,553	21,294,553	-
Total	100%	\$ 24,656,981	\$ 21,294,553	\$ 3,362,428

ST. JAMES PARISH SHERIFF
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Notes to Basic Financial Statements (Continued)

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

Credit Risk/Concentration of Credit Risk – Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Sheriff's limits investments to government securities that are direct and indirect obligations of the United States Government. More than 5% of the investments above are in fixed income government securities which are invested in Federal Home Loan Bank, Federal Farm Credit Bank, and Federal National Mortgage Association. At June 30, 2018, investments with a fair value of \$3,362,428 were rated AA+ by Standards & Poor's.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of a counterparty, the Sheriff will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Sheriff requires all investments to be in the Sheriff's name and all ownership securities to be evidenced by an acceptable safekeeping receipt issued by a third-party financial institution which is acceptable to the Sheriff. Accordingly, the Sheriff had no custodial credit risk related to its investments at June 30, 2018.

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

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

(4) Ad Valorem Taxes

The Sheriff is the ex-officio tax collector of the parish and is responsible for the collection and distribution of ad valorem property taxes. Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the parish government in June and are actually billed to taxpayers by the Sheriff in October. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Tax Assessor of St. James Parish and are collected by the Sheriff. The taxes are remitted to the appropriate taxing bodies net of deductions for assessor's compensation and pension fund contributions. Ad valorem taxes are budgeted and recorded in the year levied and billed. For the year ended June 30, 2018, law enforcement taxes were levied at the rate of 20.96 mills on property with net assessed valuations (after homestead exemption) totaling \$555,373,440.

Total law enforcement taxes levied during 2018 were \$11,640,627.

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

(5) Receivables and Due From Other Governmental Agencies

Receivables and amounts due from other governmental agencies at June 30, 2018 consist of the following:

	Receivables	Due from Other Governmental Agencies
Fees, charges, and commissions for services	\$ -	\$ 221,237
Interest	14,502	-
	\$ 14,502	\$ 221,237

(6) Capital Assets

Capital asset activity for the year ended June 30, 2018 was as follows:

	Balance 7/1/2017	Additions	Deletions	Balance 6/30/2018
Capital assets not being depreciated:				
Land	\$ 195,770	\$ -	\$ -	\$ 195,770
Other capital assets:				
Buildings	1,694,290	-	-	1,694,290
Improvements other than buildings	122,451	-	-	122,451
Vehicles	2,388,570	306,814	388,080	2,307,304
Office furniture	1,576,288	51,071	-	1,627,359
Equipment	1,975,063	62,515	-	2,037,578
Totals	7,952,432	420,400	388,080	7,984,752
Less: accumulated depreciation				
Buildings	377,428	42,357	-	419,785
Improvements other than buildings	63,551	13,411	-	76,962
Vehicles	1,576,172	305,477	387,461	1,494,188
Office furniture	798,446	190,104	-	988,550
Equipment	1,538,921	162,876	-	1,701,797
Total accumulated depreciation	4,354,518	714,225	387,461	4,681,282
Capital assets, net	\$ 3,597,914	\$(293,825)	\$ 619	\$ 3,303,470

Depreciation expense in the amount of \$714,225 was charged to public safety.

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

(7) Accounts, Salaries, and Other Payables

Accounts, salaries, and other payables at June 30, 2018 consist of the following:

Accounts payable	\$ 116,543
Salaries	106,803
Payroll withholdings	<u>39,394</u>
	<u>\$ 262,740</u>

(8) Post Retirement Health Care and Life Insurance Benefits

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

Benefits Provided – Medical and life insurance benefits are provided to employees upon actual retirement. The employer pays 100% of the medical coverage for the retiree (not dependents). Employees are covered by a retirement system whose retirement eligibility (D.R.O.P. entry) provisions are as follows: age 55 and 12 years of service; or, 30 years of service at any age. Retirees must have at least 15 years of service to be eligible for retiree medical benefits. The monthly premiums of these benefits for retirees and similar benefits for active employees are paid by the Sheriff. 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.

Life insurance coverage is continued to retirees by election. The employer pays 100% of the cost of life insurance after retirement for the retiree. However, rates are based on the blended active/retired rate and there is thus an implied subsidy. Since GASB 74/75 requires the use of "unblended" rates, we have used the valuation mortality table to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. Insurance coverage amounts are reduced to 75% of the original amount at age 65 and to 50% of the original amount at age 70. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance.

Employees covered by benefit terms – At July 1, 2017, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	34
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>100</u>
Total	<u>134</u>

ST. JAMES PARISH SHERIFF
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Notes to Basic Financial Statements (Continued)

During the year ended June 30, 2018, the Sheriff adopted the requirements of GASB Statement No. 75, recognizing the cost of postemployment healthcare and life insurance benefits in the year when the employee services are received and recognizing the liability for OPEB obligations, known as the net OPEB liability, on the statement of net position. Changes in the net OPEB liability will be immediately recognized as OPEB expense on the statement of activities or reported as deferred inflows/outflows of resources depending on the nature of the change.

Total OPEB Liability

The Sheriff's total OPEB liability of \$12,753,106 was measured as of June 30, 2018 and was determined by an actuarial valuation as of July 1, 2017.

Actuarial Assumptions and other inputs – The total OPEB liability in the July 1, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases, including inflation	4.0%
Discount rate, net of OPEB plan investment expense, including inflation	3.5%
Healthcare cost trend rates, flat annually	5.5%

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index over the 52 weeks immediately preceding the applicable measurement dates. There was no change in the discount rate from the prior measurement date.

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

The actuarial assumptions used in the July 1, 2017 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2018.

Changes in the Total OPEB Liability

Balance at June 30, 2017	<u>\$ 12,419,648</u>
Changes for the year:	
Service cost	213,305
Interest	429,408
Differences between expected and actual experience	(7,544)
Benefit payments and net transfers	<u>(301,711)</u>
Net changes	<u>333,458</u>
Balance at June 30, 2018	<u>\$ 12,753,106</u>

ST. JAMES PARISH SHERIFF
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Notes to Basic Financial Statements (Continued)

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the Sheriff, as well as what the Sheriff's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.5%) or 1-percentage-point higher (4.5%) than the current discount rate:

	1.0% Decrease <u>2.5%</u>	Current Discount Rate <u>3.5%</u>	1.0% Increase <u>4.5%</u>
Total OPEB liability	<u>\$ 14,931,195</u>	<u>\$ 12,753,106</u>	<u>\$ 10,677,878</u>

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

	1.0% Decrease <u>4.5%</u>	Current Discount Rate <u>5.5%</u>	1.0% Increase <u>6.5%</u>
Total OPEB liability	<u>\$ 11,038,464</u>	<u>\$ 12,753,106</u>	<u>\$ 14,964,668</u>

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

For the year ended June 30, 2018, the Sheriff recognized OPEB expense of \$642,210. At June 30, 2018, the Sheriff reported deferred inflows of resources related to OPEB for the differences between expected and actual experience in the amount of \$7,041.

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

Year Ended June 30,	
2019	\$ 503
2020	503
2021	503
2022	503
2023	503
Thereafter	<u>4,526</u>
	<u>\$ 7,041</u>

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

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

Turnover Rate – An age-related turnover scale based on actual experience was utilized. The rates, when applied to the active employee census, produce a composite average annual turnover of approximately 13%.

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

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

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

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

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

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

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

At June 30, 2018, the Sheriff did not have any amounts owed to the OPEB plan.

(10) Pension Plan

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

ST. JAMES PARISH SHERIFF
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Notes to 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 Sheriffs' Pension and Relief Fund (Fund) and additions to/deductions from the Fund's fiduciary net position have been determined on the accrual basis of accounting. Employer contributions are recognized in the period in which the employee is compensated for services performed. Investments are reported at fair value.

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.

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

ST. JAMES PARISH SHERIFF
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Notes to Basic Financial Statements (Continued)

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

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

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.

ST. JAMES PARISH SHERIFF
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Notes to Basic Financial Statements (Continued)

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, 2017 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, 2017, the employers contributed 13.25% of the members' salaries with an additional 0.0% allocated from the Funding Deposit Account. In accordance with state statute, the Fund receives ad valorem taxes, insurance premium taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations. Non-employer contributions are recognized as revenue in the amount of \$342,499 and included in 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, 2018, the Sheriff reported a liability of \$3,736,251 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2017 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Sheriff's proportion of the Net Pension Liability was based on a projection of the Sheriff's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2017, the Sheriff's proportion was 0.862821%, which was a decrease of 0.055241% from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the Sheriff recognized pension expense of \$632,052 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$(128).

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

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.

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Notes to 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 duration of the Fund's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that these tables would produce liability values approximating the appropriate generational mortality tables used.

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, 2017
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	7 years
Investment Rate of Return	7.5% net of investment expense
Discount Rate	7.4%
Projected Salary Increases	5.5% (2.775% inflation, 2.725% merit)
Mortality	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Table for active members RP-2000 Disabled Lives Mortality Table
Cost of Living Adjustments	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 7.4%, 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. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

ST. JAMES PARISH SHERIFF
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Notes to Basic Financial Statements (Continued)

Estimates of arithmetic real rates of return for each major asset class based on the Fund's target allocation as of June 30, 2017 were as follows:

Asset Class	Target Asset Allocation	Expected Rate of Return	
		Real Return Arithmetic Basis	Long-term Expected Portfolio Real Rate of Return
Equity Securities	60%	7.4%	4.4%
Bonds	25	2.6	0.7
Alternative Investments	15	4.2	0.6
Totals	<u>100%</u>		5.7%
Inflation			<u>2.6</u>
Expected Arithmetic Nominal Return			<u>8.3%</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 7.4%, 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 (6.4%) or one percentage-point higher (8.4%) than the current rate:

	1.0% Decrease <u>6.4%</u>	Current Discount Rate <u>7.4%</u>	1.0% Increase <u>8.4%</u>
Employer's proportionate share of the net pension liability	\$7,697,662	\$3,736,251	\$ 403,263

At June 30, 2018, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 650,395
Change of assumptions	657,414	-
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	39,253	368,212
Net differences between projected and actual earnings on plan investments	-	53,627
Contributions subsequent to the measurement date	<u>730,876</u>	<u>-</u>
Total	<u>\$1,427,543</u>	<u>\$1,072,234</u>

ST. JAMES PARISH SHERIFF
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Notes to Basic Financial Statements (Continued)

Deferred outflows of resources of \$730,876 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,	
2019	(198,949)
2020	200,549
2021	13,061
2022	(337,783)
2023	(29,014)
Thereafter	<u>(23,431)</u>
	<u>\$ (375,567)</u>

At June 30, 2018, the Sheriff recorded an accrued liability to the pension plan for the contractually required contribution for the month of June 2018 in the amount of \$20,806.

(11) Deferred Compensation Plan

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

(12) Fair Value Measurements

Professional standards require the disclosure for fair value measurements of financial assets and liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the financial statements on a recurring basis. The standards establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of inputs used to measure fair value are as follows:

- a. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- b. Level 2 inputs are observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- c. Level 3 inputs are unobservable inputs for the asset or liability.

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

The following table presents assets that are measured at fair value on a recurring basis at June 30, 2018:

Description	Total	Level 1	Level 2	Level 3
Mutual Funds:				
Fixed Income	\$ 3,362,428	\$ -	\$ 3,362,428	\$ -

(13) Changes in Agency Fund Balances

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

	Sheriff's Fund	Tax Collector Fund	Bond Fund	Prison Inmate Fund
Balances, June 30, 2017	\$ 24,825	\$ 23,924	\$ 268,624	\$ 10,501
Additions	492,290	62,723,572	519,053	86,574
Reductions	(498,012)	(62,701,753)	(596,557)	(93,695)
Balances, June 30, 2018	\$ 19,103	\$ 45,743	\$ 191,120	\$ 3,380

(14) Ex-officio Tax Collector

The amount of cash on hand at year end was \$18,459. The unsettled balances of the Tax Collector Fund at June 30, 2018 consist of the following:

Collection of current and prior year taxes, not settled	\$ 17,175
Interest	1,284
Total	<u>\$ 18,459</u>

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

Willy J. Martin, Jr. Sheriff	\$11,691,832
St. James Parish School Board	23,444,984
St. James Parish Government	21,210,875
St. James Parish Assessor	1,260,656
Pontchartrain Levee Board	1,184,871
Lafourche Levee Board	827,305
Gramercy Recreation	188,705
Louisiana Tax Commission	23,944
Department of Agriculture and Forestry	4,019
Total	<u>\$59,837,191</u>

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

For the fiscal year ended June 30, 2018, the taxes assessed and uncollected as a result of Louisiana Tax Commission decreases and movable properties were as follows:

	Change Orders	Movables
Willy J. Martin, Jr. Sheriff	\$ (56,522)	\$ 5,343
St. James Parish School Board	(113,342)	10,714
St. James Parish Government	(106,006)	9,547
St. James Parish Assessor	(6,094)	576
Pontchartrain Levee Board	745	639
Lafourche Levee Board	(10,877)	275.00
Gramercy Recreation	164	190.00
Department of Agriculture	11	-
Total	\$ (291,921)	\$ 27,284

(15) Litigation and Claims

At June 30, 2018, the Sheriff is involved in several lawsuits claiming damages. In the opinion of the Sheriff's legal counsel, resolution of these lawsuits would not create a liability to the Sheriff in excess of insurance coverage.

(16) Risk Management

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

(17) Tax Abatement

Louisiana's State Constitution Chapter VII Section 21 authorizes the State Board of Commerce and Industry to create a ten (10) year ad valorem tax abatement program for new manufacturing establishments in the State. Under the terms of this program, qualified businesses may apply for an exemption of local ad valorem taxes on capital improvements and equipment related to manufacturing for the first ten years of its operation; after which the property will be added to the local tax roll and taxed at the value and millage in force at that time. The future value to this exempt property could be subject to significant fluctuations from today's value; however, the Sheriff could receive a substantial increase in ad valorem tax revenues once the exemption on this property expires. Because these taxes are not assessed, no adjustments have been made to the Sheriff's financial statements to record the exempt amounts. At June 30, 2018, the Sheriff's ad valorem revenues were reduced by \$2,042,358 for industrial exemptions issued related to these abatements.

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

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

The Sheriff's office is located in the parish courthouse. The cost of maintaining and operating the parish courthouse, as required by statute, is paid by the St. James Parish Council. These expenditures are not included in the accompanying financial statements.

(19) Operating Leases

The Sheriff entered into an operating lease for copiers commencing from 2017 through 2020. The remaining future minimum lease payments due under the lease terms are as follows:

Year Ending June 30,	
2019	\$ 34,679
2020	<u>5,780</u>
	<u>\$ 40,459</u>

Lease expense amounted to \$34,807 for the year ended June 30, 2018.

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

In accordance with Act 706 of the 2014 Regular Legislative Session – LA R.S. 24:513(A)(3), the schedule of compensation, benefits, and other payments to Willy J. Martin, Jr., Sheriff, for the year ended June 30, 2018 follows:

Purpose	Amount
Salary	\$ 160,338
Benefits - insurance	12,024
Benefits - retirement	43,240
Benefits - deferred compensation	11,224
Per diem - meals	865
Registration fees	840
Conference travel	3,380
Cellular phone	1,428

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

(21) New Accounting Pronouncement

In June 2015, the Governmental Standards Accounting Board (GASB) approved Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. GASB Statement No. 75 will improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions. The provisions of GASB Statement No. 75 were implemented by the Sheriff during the year ended June 30, 2018. The Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures.

The Statement resulted in a restatement of net position as follows:

	<u>Governmental Activities</u>
Net position, June 30, 2017, as previously reported	\$ 16,268,932
Change in accounting principle:	
Net effect of implementing GASB Statement No. 75	<u>(5,271,582)</u>
Net position, June 30, 2017, as restated	<u>\$ 10,997,350</u>

REQUIRED SUPPLEMENTARY INFORMATION

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Budgetary Comparison Schedule
For the Year Ended June 30, 2018

	Budget		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Ad valorem taxes	\$ 10,688,000	\$ 11,981,334	\$ 12,010,535	\$ 29,201
Intergovernmental revenues -				
Federal grants	200,000	10,000	10,007	7
State grants - state revenue sharing (net)	140,000	143,200	143,359	159
State supplemental pay	310,000	321,000	354,009	33,009
Other state grants	75,500	65,000	68,108	3,108
Video poker commissions	290,000	295,000	315,050	20,050
Fees charges and commissions for services -				
Civil and criminal fees	198,200	302,700	333,895	31,195
Feeding, keeping, and transporting prisoners	221,500	200,500	201,542	1,042
Special duty detail	200,000	245,220	380,723	135,503
Sale of assets	1,750	2,000	-	(2,000)
Interest income	80,800	161,300	183,157	21,857
Miscellaneous	334,500	302,792	312,255	9,463
Total revenues	<u>12,740,250</u>	<u>14,030,046</u>	<u>14,312,640</u>	<u>282,594</u>
Expenditures:				
Current -				
Public safety:				
Personal services and related benefits	7,994,500	7,807,023	7,801,231	5,792
Operating services	1,732,000	1,599,500	1,576,082	23,418
Operations and maintenance	1,459,050	1,482,350	1,659,823	(177,473)
Travel and other charges	30,000	30,000	45,859	(15,859)
Capital outlay	562,500	462,500	420,400	42,100
Debt service	82,000	60,352	23,341	37,011
Total expenditures	<u>11,860,050</u>	<u>11,441,725</u>	<u>11,526,736</u>	<u>(85,011)</u>
Excess of revenues over expenditures	880,200	2,588,321	2,785,904	197,583
Fund balance, beginning	<u>23,664,423</u>	<u>23,664,423</u>	<u>23,664,423</u>	<u>-</u>
Fund balance, ending	<u>\$ 24,544,623</u>	<u>\$ 26,252,744</u>	<u>\$ 26,450,327</u>	<u>\$ 197,583</u>

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Schedule of Changes in Total OPEB Liability and Related Ratios
For the Year Ended June 30, 2018

Total OPEB Liability

Service cost	\$ 213,305
Interest	429,408
Changes in benefit terms	-
Differences between expected and actual experience	(7,544)
Changes of assumptions	-
Benefit payments and net transfers	<u>(301,711)</u>
Net changes	333,458
Total OPEB liability - beginning	<u>12,419,648</u>
Total OPEB liability - ending	<u>\$ 12,753,106</u>
Covered employee payroll	\$ 4,970,422
Total OPEB liability as a percentage of covered-employee payroll	256.58%

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

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Schedule of Employer's Share of Net Pension Liability
For the Year Ended June 30, 2018*

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
2018	0.862821%	\$ 3,736,251	\$ 5,979,563	62.5%	88.49%
2017	0.918062%	5,826,843	6,269,923	92.9%	82.10%
2016	0.940468%	4,192,152	6,133,722	68.3%	86.61%
2015	0.957927%	3,793,396	6,199,127	61.2%	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.

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Schedule of Employer Pension Contributions
For the Year Ended June 30, 2018

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
2018	\$ 730,876	\$ 730,876	-	\$ 5,732,361	12.75%
2017	792,292	792,292	-	5,979,562	13.25%
2016	862,114	862,114	-	6,269,920	13.75%
2015	874,055	874,055	-	6,133,719	14.25%

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

ST. JAMES PARISH SHERIFF
Convent, Louisiana

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

(1) Budgets and Budgetary Accounting

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

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

(2) Excess Expenditures Over Appropriations

For the year ended June 30, 2018, the General Fund had actual expenditures over appropriations as follows:

	Final Budget	Actual	Excess
Public Safety:			
Operations and maintenance	\$1,482,350	\$1,659,823	\$(177,473)
Travel and other charges	30,000	45,859	(15,859)

(3) 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. These assumptions include the rate of investment return, mortality of plan members, rate of salary increase, rates of retirement, rates of termination, rates of disability, and various other factors that have an impact on the cost of the plan.

ST. JAMES PARISH SHERIFF
Convent, Louisiana

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

(4) Other Postemployment Benefits

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

OTHER SUPPLEMENTARY INFORMATION

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Comparative Statement of Net Position
June 30, 2018 and 2017

	Governmental Activities	
	2018	2017
ASSETS		
Cash and interest-bearing deposits	\$ 1,531,870	\$ 13,701,501
Investments	24,656,981	9,535,316
Receivables, net	14,502	14,561
Due from other governmental agencies	221,237	220,767
Prepaid expenses	288,477	384,636
Capital assets, net	3,303,470	3,597,914
TOTAL ASSETS	30,016,537	27,454,695
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pension	1,427,543	2,786,542
LIABILITIES		
Accounts, salaries, and other payables	262,740	192,358
Long-term liabilities:		
Due within one year	-	23,074
Postemployment benefit obligation payable	12,753,106	7,148,066
Net pension liability	3,736,251	5,826,843
TOTAL LIABILITIES	16,752,097	13,190,341
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to OPEB	7,041	-
Deferred inflows related to pension	1,072,234	781,964
	1,079,275	781,964
NET POSITION		
Invested in capital assets	3,303,470	3,574,840
Unrestricted	10,309,238	12,694,092
TOTAL NET POSITION	\$ 13,612,708	\$ 16,268,932

ST. JAMES PARISH SHERIFF
 Convent, Louisiana
 General Fund

Comparative Balance Sheet
 June 30, 2018 and 2017

	2018	2017
ASSETS		
Cash and interest-bearing deposits	\$ 1,531,870	\$ 13,701,501
Investments	24,656,981	9,535,316
Receivables -		
Due from other governmental agencies	221,237	220,767
Interest	14,502	14,561
Prepaid expenses	288,477	384,636
Total assets	\$ 26,713,067	\$ 23,856,781
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ 116,543	\$ 77,338
Accrued liabilities	146,197	115,020
Total liabilities	262,740	192,358
Fund balances:		
Unassigned	26,450,327	23,664,423
Total liabilities and fund balances	\$ 26,713,067	\$ 23,856,781

ST. JAMES PARISH SHERIFF
Convent, Louisiana
General Fund

Budgetary Comparison Schedule -
Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2018
With Comparative Actual Balances for Year Ended June 30, 2017

	2018			Variance with Final Budget Positive (Negative)	2017 Actual
	Budget		Actual		
	Original	Final			
Revenues:					
Ad valorem taxes	\$ 10,688,000	\$ 11,981,334	\$ 12,010,535	\$ 29,201	\$ 11,221,080
Intergovernmental revenues -					
Federal grants	200,000	10,000	10,007	7	558,361
State grants - state revenue sharing (net)	140,000	143,200	143,359	159	143,572
State supplemental pay	310,000	321,000	354,009	33,009	348,809
Other state grants	75,500	65,000	68,108	3,108	77,124
Video poker commissions	290,000	295,000	315,050	20,050	373,825
Fees charges and commissions for services -					
Civil and criminal fees	198,200	302,700	333,895	31,195	258,653
Feeding, keeping and transporting prisoners	221,500	200,500	201,542	1,042	238,485
Special duty detail	200,000	245,220	380,723	135,503	426,837
Interest income	80,800	161,300	183,157	21,857	44,816
Sale of Equipment	1,750	2,000	-	(2,000)	-
Miscellaneous	334,500	302,792	312,255	9,463	302,770
Total revenues	<u>12,740,250</u>	<u>14,030,046</u>	<u>14,312,640</u>	<u>282,594</u>	<u>13,994,332</u>
Expenditures:					
Current -					
Public safety:					
Personal services and related benefits	7,994,500	7,807,023	7,801,231	5,792	7,876,528
Operating services	1,732,000	1,599,500	1,576,082	23,418	1,500,424
Operations and maintenance	1,459,050	1,482,350	1,659,823	(177,473)	1,585,770
Travel and other charges	30,000	30,000	45,859	(15,859)	36,876
Capital outlay	562,500	462,500	420,400	42,100	679,154
Debt service	82,000	60,352	23,341	37,011	46,683
Total expenditures	<u>11,860,050</u>	<u>11,441,725</u>	<u>11,526,736</u>	<u>(85,011)</u>	<u>11,725,435</u>
Excess of revenues over expenditures	880,200	2,588,321	2,785,904	197,583	2,268,897
Fund balance, beginning	<u>23,664,423</u>	<u>23,664,423</u>	<u>23,664,423</u>	<u>-</u>	<u>21,395,526</u>
Fund balance, ending	<u>\$ 24,544,623</u>	<u>\$ 26,252,744</u>	<u>\$ 26,450,327</u>	<u>\$ 197,583</u>	<u>\$ 23,664,423</u>

ST. JAMES PARISH SHERIFF
Convent, Louisiana
General Fund

Budgetary Comparison Schedule - Expenditures
For the Year Ended June 30, 2018
With Comparative Actual Balances for Year Ended June 30, 2017

	2018			Variance with Final Budget Positive (Negative)	2017 Actual
	Budget		Actual		
	Original	Final			
Current:					
Public safety -					
Personal services and related benefits:					
Sheriff's salary	\$ 159,500	\$ 160,338	\$ 160,338	\$ -	\$ 159,495
Deputies salaries	5,650,500	5,979,500	5,978,201	1,299	5,981,535
Other salaries	15,000	21,135	18,536	2,599	18,550
Pension and payroll taxes	<u>2,169,500</u>	<u>1,646,050</u>	<u>1,644,156</u>	<u>1,894</u>	<u>1,716,948</u>
Total personal services and related benefits	<u>7,994,500</u>	<u>7,807,023</u>	<u>7,801,231</u>	<u>5,792</u>	<u>7,876,528</u>
Operating services:					
Hospitalization insurance	1,385,000	1,265,500	1,248,661	16,839	1,164,467
Dental and vision insurance	39,000	41,000	36,283	4,717	34,276
Auto insurance	150,000	150,000	148,770	1,230	143,095
Other liability insurance	<u>158,000</u>	<u>143,000</u>	<u>142,368</u>	<u>632</u>	<u>158,586</u>
Total operating services	<u>1,732,000</u>	<u>1,599,500</u>	<u>1,576,082</u>	<u>23,418</u>	<u>1,500,424</u>
Operations and maintenance:					
Auto fuel and oil	210,000	225,000	227,667	(2,667)	209,063
Auto maintenance	161,400	171,250	183,269	(12,019)	153,406
Deputy uniforms, supplies, etc.	191,500	130,000	138,129	(8,129)	259,737
Office supplies and expenses	140,000	211,500	194,064	17,436	195,715
Telephone	120,000	130,000	120,756	9,244	136,714
Maintenance contracts and rentals	140,000	138,200	305,373	(167,173)	170,645
Prisoner feeding and maintenance	167,000	157,000	196,077	(39,077)	178,515
Professional fees	180,000	137,000	118,499	18,501	141,778
Criminal investigation expense	31,000	65,100	75,676	(10,576)	56,493
Other	<u>118,150</u>	<u>117,300</u>	<u>100,313</u>	<u>16,987</u>	<u>83,704</u>
Total operations and maintenance	<u>1,459,050</u>	<u>1,482,350</u>	<u>1,659,823</u>	<u>(177,473)</u>	<u>1,585,770</u>
Travel and other charges	<u>30,000</u>	<u>30,000</u>	<u>45,859</u>	<u>(15,859)</u>	<u>36,876</u>
Capital outlay:					
Vehicles	375,000	320,000	268,745	51,255	354,178
Equipment	87,500	87,500	100,584	(13,084)	143,373
Computers	<u>100,000</u>	<u>55,000</u>	<u>51,071</u>	<u>3,929</u>	<u>181,603</u>
Total capital outlay	<u>562,500</u>	<u>462,500</u>	<u>420,400</u>	<u>42,100</u>	<u>679,154</u>
Debt service:					
Principal	80,000	60,000	23,074	36,926	44,802
Interest	<u>2,000</u>	<u>352</u>	<u>267</u>	<u>85</u>	<u>1,881</u>
Total debt service	<u>82,000</u>	<u>60,352</u>	<u>23,341</u>	<u>37,011</u>	<u>46,683</u>
Total expenditures	<u>\$ 11,860,050</u>	<u>\$ 11,441,725</u>	<u>\$ 11,526,736</u>	<u>\$ (85,011)</u>	<u>\$ 11,725,435</u>

AGENCY FUNDS

Sheriff's Fund -

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

Tax Collector Fund -

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

Bond Fund -

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

Prison Inmate Fund -

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

ST. JAMES PARISH SHERIFF
 Convent, Louisiana
 Agency Funds

Combining Balance Sheet
 June 30, 2018
 With Comparative Totals for June 30, 2017

	Sheriff's Fund	Tax Collector Fund	Bond Fund	Prison Inmate Fund	Total	
					2018	2017
ASSETS						
Cash	\$ -	\$ -	\$ -	\$ 3,380	\$ 3,380	\$ 10,501
Interest-bearing deposits	19,103	18,459	191,120	-	228,682	314,308
Ad valorem taxes receivable	-	27,284	-	-	27,284	3,065
Total assets	\$ 19,103	\$ 45,743	\$ 191,120	\$ 3,380	\$ 259,346	\$ 327,874
LIABILITIES						
Due to taxing bodies and others	\$ 19,103	\$ 45,743	\$ 191,120	\$ 2,381	\$ 258,347	\$ 319,946
Due to inmates	-	-	-	\$ 999	999	7,928
Total liabilities	\$ 19,103	\$ 45,743	\$ 191,120	\$ 3,380	\$ 259,346	\$ 327,874

ST. JAMES PARISH SHERIFF
Convent, Louisiana
Agency Funds

Combining Statement of Changes in Assets and Liabilities
Year Ended June 30, 2018
With Comparative Totals for Year Ended June 30, 2017

	Sheriff's Fund	Tax Collector Fund	Bond Fund	Prison Inmate Fund	Total	
					2018	2017
Balances, beginning of year	\$ 24,825	\$ 23,924	\$ 268,624	\$ 10,501	\$ 327,874	\$ 1,549,108
Additions:						
Deposits -						
Sheriff's sales	350,872	-	-	-	350,872	217,532
Bonds	-	-	115,253	-	115,253	134,925
Fines and costs	-	-	403,800	-	403,800	448,790
Garnishments	141,418	-	-	-	141,418	152,962
Restitutions	-	-	-	-	-	3,633
Inmates	-	-	-	86,574	86,574	90,938
Taxes, fees, etc. paid to tax collector	-	62,723,572	-	-	62,723,572	57,249,489
Total additions	492,290	62,723,572	519,053	86,574	63,821,489	58,298,269
Total	517,115	62,747,496	787,677	97,075	64,149,363	59,847,377
Reductions:						
Taxes, fees, etc. distributed to taxing bodies and others	-	62,701,753	-	-	62,701,753	58,539,187
Deposits settled to -						
Sheriff's General Fund	155,491	-	-	-	155,491	92,377
Clerk of court	33,037	-	-	-	33,037	17,160
Inmates	-	-	-	93,695	93,695	92,400
Litigants	264,461	-	-	-	264,461	234,810
Attorneys, appraisers, etc.	5,800	-	-	-	5,800	5,100
Settlements	-	-	596,557	-	596,557	523,285
Other reductions	39,223	-	-	-	39,223	15,184
Total reductions	498,012	62,701,753	596,557	93,695	63,890,017	59,519,503
Balances, end of year	\$ 19,103	\$ 45,743	\$ 191,120	\$ 3,380	\$ 259,346	\$ 327,874

STATE OF LOUISIANA, PARISH OF ST. JAMES

AFFIDAVIT

Willy Martin, Jr., Sheriff of St. James

BEFORE ME, the undersigned authority, personally came and appeared, Willy Martin, Jr., the Sheriff of St. James Parish, State of Louisiana, who after being duly sworn, deposed and said:

The following information is true and correct:

\$18,459 is the amount of cash on hand in the tax collector account on June 30, 2018;

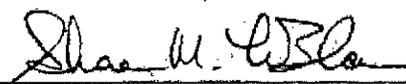
He further deposed and said:

All itemized statements of the amount of taxes collected for tax year 2017, by taxing authority, are true and correct.

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


Sheriff of St. James

SWORN to and subscribed before me, Notary, this 24th day of September 2018, in my office in Convent, Louisiana.

 (Signature)
SHANE M. LEBLANC (Print), # COC47
Notary Public
JUNE 30, 2020 (Commission)

INTERNAL CONTROL, COMPLIANCE, AND OTHER MATTERS

KOLDER, SLAVEN & COMPANY, LLC

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Victor R. Slaven, CPA*
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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*

WWW.KCSRPCAS.COM

* A Professional Accounting Corporation

The Honorable Willy J. Martin, Jr.
St. James Parish Sheriff
Convent, 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 St. James Parish Sheriff (the Sheriff) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements and have issued our report thereon dated September 27, 2018.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiency in internal control, described in the accompanying schedule of current and prior year audit findings and management's corrective action plan as item 2018-001 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Sheriff's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed 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 finding identified in our audit are described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan. We did not audit the Sheriff's response and, accordingly, we express no opinion on it.

Purpose of this Report

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
September 27, 2018

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Summary Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended June 30, 2018

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Contact Person	Anticipated Completion Date
CURRENT YEAR (6/30/2018) --						
<u>Internal Control:</u>						
2018-001	Unknown	Inadequate segregation of functions within the accounting system.	N/A	No corrective action is planned. Due to the size of the operation and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.	N/A	N/A
<u>Compliance:</u>						
There were no compliance findings.						
PRIOR YEAR (6/30/2017) --						
<u>Internal Control:</u>						
2017-001	Unknown	Inadequate segregation of functions within the accounting system.	N/A	No corrective action is planned. Due to the size of the operation and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.	N/A	N/A
<u>Compliance:</u>						
There were no compliance findings.						

ST. JAMES PARISH SHERIFF

Convent, Louisiana

Agreed-Upon Procedures Report

Year Ended June 30, 2018

KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

* A Professional Accounting Corporation

WWW.KCSRCPAS.COM

The Honorable Willy J. Martin, Jr.
St. James Parish Sheriff and the
Louisiana Legislative Auditor

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

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

The procedures and associated findings are as follows:

Written Policies and Procedures

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

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) **Disbursements**, including processing, reviewing, and approving
 - d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
 - e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
 - f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Board or Finance Committee

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

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) Observe that the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds
 - c) Obtain the prior year audit report and observe the unrestricted fund balance in the General Fund. If the General Fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the General Fund.

Bank Reconciliations

- 3. We obtained a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. We asked management to identify the entity's main operating account. We selected the entity's main operating account and randomly selected 5 additional accounts (or all accounts if less than 5). We randomly selected one month from the fiscal period, obtained and inspected the corresponding bank statement and reconciliation for selected accounts, and observed that:
 - a) Bank reconciliations included evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
 - b) Bank reconciliations included evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
 - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Collections

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

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.
7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (selected the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
 - a) Observe that receipts are sequentially pre-numbered.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.
 - d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
 - e) Trace the actual deposit per the bank statement to the general ledger.

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

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

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

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
 - a) Observe that the disbursement matched the related original invoice/billing statement.
 - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

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

11. We obtained from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtained management's representation that the listing is complete.
12. Using the listing prepared by management, we randomly selected 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly selected one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtained supporting documentation, and:
 - a) We observed that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder
 - b) We observed that finance charges and late fees were not assessed on the selected statements.
13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly selected 10 transactions (or all transactions if less than 10) from each statement, and obtained supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, we observed that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

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

14. We obtained from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. We randomly selected 5 reimbursements, obtained the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
- a) If reimbursed using a per diem, we agreed the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, we observed that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - c) We observed that each reimbursement is supported by documentation of the business/public purpose (for meal charges, we observed that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
 - d) We observed that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Contracts

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

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
 - b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
 - c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.
 - d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Payroll and Personnel

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

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

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

Ethics

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

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above obtain ethics documentation from management, and:
 - a) Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b) Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

Debt Service

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

21. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.
22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenant

Other

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

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.
24. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Exceptions:

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

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
September 27, 2018