

IBERVILLE PARISH SHERIFF

Plaquemine, Louisiana

Financial Report

Year Ended June 30, 2017

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INDEPENDENT AUDITORS' REPORT

The Honorable Brett Stassi
Iberville Parish Sheriff
Plaquemine, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Iberville Parish Sheriff, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Iberville Parish Sheriff, as of June 30, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, the schedule of funding progress, the schedule of employer's share of net pension liability, the schedule of employer contributions, and the applicable notes to the RSI, on pages 44 through 49 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 Iberville Parish Sheriff has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by the missing information.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Iberville Parish Sheriff's basic financial statements. The other supplementary information on pages 51 through 55 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The other supplementary information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Report on Summarized Comparative Information

We have previously audited the Iberville Parish Sheriff's 2016 financial statements, and our report dated September 29, 2016, expressed an unmodified opinion on those financial statements. In our opinion, the summarized information presented herein as of and for the year ended June 30, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 12, 2017, on our consideration of the Iberville Parish Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Iberville Parish Sheriff's internal control over financial reporting and compliance.

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

Breaux Bridge, Louisiana
October 12, 2017

BASIC FINANCIAL STATEMENTS

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

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

Statement of Net Position
June 30, 2017

	Governmental Activities
ASSETS	
Current assets:	
Cash and interest-bearing deposits	\$ 12,384,394
Due from other governmental units	200,860
Prepaid items	76,956
Total current assets	12,662,210
Noncurrent assets:	
Capital assets, net	1,696,682
Total assets	14,358,892
DEFERRED OUTFLOWS OF RESOURCES	2,898,416
LIABILITIES	
Current liabilities:	
Accounts and other accrued payables	132,819
Total current liabilities	132,819
Noncurrent liabilities:	
Compensated absences	589,943
Net pension liability	6,020,214
Postemployment benefit obligation payable	8,993,340
Total noncurrent liabilities	15,603,497
Total liabilities	15,736,316
DEFERRED INFLOWS OF RESOURCES	800,009
NET POSITION	
Investment in capital assets	1,696,682
Unrestricted (deficit)	(975,699)
Total net position	\$ 720,983

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

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

Statement of Activities
Year Ended June 30, 2017

Activities	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Assets
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities:					
Public safety	\$ 14,162,821	\$ 617,157	\$ 1,704,224	\$ -	\$ (11,841,440)
General revenues:					
Taxes -					
Property taxes, levied for general purposes					13,074,462
Nonemployer pension contributions					368,461
Interest and investment earnings					12,433
Miscellaneous					748,641
Total general revenues					<u>14,203,997</u>
Change in net position					2,362,557
Net position - July 1, 2016					<u>(1,641,574)</u>
Net position - June 30, 2017					<u>\$ 720,983</u>

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

FUND FINANCIAL STATEMENTS (FFS)

FUND DESCRIPTIONS

General Fund

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

Special Revenue Fund

L.E.A.D. Task Force -

To account for funds administered by a multi-jurisdictional drug enforcement task force. The task force includes the Iberville Parish Sheriff's office and the Plaquemine Police Department. The Iberville Parish Sheriff's office has accepted responsibility for the project management.

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

Balance Sheet - Governmental Funds
June 30, 2017

	General Fund	Special Revenue Fund	Total
ASSETS			
Cash and interest-bearing deposits	\$ 12,340,146	\$ 44,248	\$ 12,384,394
Receivables:			
Due from other governmental units	194,325	6,535	200,860
Due from other funds	20,091	-	20,091
Prepaid expenditures	76,956	-	76,956
Total assets	\$ 12,631,518	\$ 50,783	\$ 12,682,301
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 86,104	\$ 20,463	\$ 106,567
Other accrued payables	26,252	-	26,252
Due to other funds	-	20,091	20,091
Total liabilities	112,356	40,554	152,910
Fund balances:			
Nonspendable	76,956	-	76,956
Restricted	-	-	-
Committed	-	10,229	10,229
Assigned	-	-	-
Unassigned	12,442,206	-	12,442,206
Total fund balances	12,519,162	10,229	12,529,391
Total liabilities and fund balances	\$ 12,631,518	\$ 50,783	\$ 12,682,301

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

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

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

Total fund balances for governmental funds at June 30, 2017 \$ 12,529,391

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:

Office, equipment and furniture, net of \$2,152,742 accumulated depreciation	\$ 931,207	
Vehicles, net of \$1,775,908 accumulated depreciation	<u>765,475</u>	1,696,682

General long-term debt of governmental activities is not payable from current resources and, therefore, not reported in the funds. This debt is:

Deferred outflows of resources	\$ 2,898,416	
Net pension liability	(6,020,214)	
Net OPEB obligation payable	(8,993,340)	
Compensated absences payable	(589,943)	
Deferred inflows of resources	<u>(800,009)</u>	<u>(13,505,090)</u>

Total net position of governmental activities at June 30, 2017 \$ 720,983

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

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>
Revenues:			
Ad valorem taxes	\$ 13,074,462	\$ -	\$ 13,074,462
Intergovernmental revenues -			
Federal grants	269,023	24,747	293,770
State revenue sharing (net)	228,022	-	228,022
State supplemental pay	440,480	-	440,480
State - video poker	149,231	-	149,231
State grants	700	-	700
Local government	592,021	-	592,021
Fees, charges, and commissions for services -			
Fines, bonds, sales and seizures	223,344	-	223,344
Civil and criminal fees	97,541	-	97,541
Court attendance	28,594	-	28,594
Transporting prisoners	95	-	95
Feeding and keeping prisoners	267,583	-	267,583
Interest income	12,418	15	12,433
Miscellaneous	804,085	8	804,093
Total revenues	<u>16,187,599</u>	<u>24,770</u>	<u>16,212,369</u>
Expenditures:			
Current -			
Public safety:			
Personal services and related benefits	8,385,760	24,747	8,410,507
Operating services	1,835,388	21,185	1,856,573
Operations and maintenance	2,915,918	-	2,915,918
Travel and other charges	49,243	-	49,243
Capital outlay	486,176	-	486,176
Total expenditures	<u>13,672,485</u>	<u>45,932</u>	<u>13,718,417</u>
Excess/(deficiency) of revenues over expenditures	2,515,114	(21,162)	2,493,952
Other financing sources (uses):			
Transfers in (out)	<u>(5,000)</u>	<u>5,000</u>	<u>-</u>
Excess/(deficiency) of revenues and other sources over expenditures	2,510,114	(16,162)	2,493,952
Fund balances, beginning	<u>10,009,048</u>	<u>26,391</u>	<u>10,035,439</u>
Fund balances, ending	<u>\$ 12,519,162</u>	<u>\$ 10,229</u>	<u>\$ 12,529,391</u>

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

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

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

Total net changes in fund balances at June 30, 2017 per Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 2,493,952
The change in net position reported for governmental activities in the statement of activities is different because:	
<p style="margin-left: 40px;">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.</p>	
Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 486,176
Depreciation expense for the year ended June 30, 2017	<u>(455,189)</u> 30,987
Because governmental funds do not record fixed assets and accumulated depreciation, any assets disposed of with no selling price do not affect the statement of revenues, expenditures, and changes in fund balance. However, in the statement of activities, a gain or loss is shown on assets that are not fully depreciated.	(55,451)
Current year OPEB accrual	(449,821)
Effect of GASB 68 (revenue less expense)	386,664
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:	
Increase in accrued compensated absences payable	<u>(43,774)</u>
Total changes in net position at June 30, 2017 per Statement of Activities	<u>\$ 2,362,557</u>

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

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2017

	<u>Agency Funds</u>
ASSETS	
Cash and interest-bearing deposits	<u>\$ 278,333</u>
LIABILITIES	
Due to taxing bodies, prisoners and others	<u>\$ 278,333</u>

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

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the Iberville Parish Sheriff (Sheriff) have been prepared in conformity with generally accepted accounting principles (GAAP) generally accepted in the United States of America as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accounting and reporting framework and the more significant accounting policies are discussed below.

The accounting and reporting policies of the Sheriff conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures conform to the requirements of the industry audit guide, Audits of State and Local Governmental Units.

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

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

For financial reporting purposes, the Sheriff includes all funds, 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 as required by Louisiana law, the Sheriff is financially independent.

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

Notes to Basic Financial Statements (Continued)

Accordingly, the Sheriff is a separate governmental reporting entity. Certain units of local government, over which the Sheriff exercises no oversight responsibility, such as the parish 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 parish sheriff.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net position and the statement of activities display information about the Sheriff as a whole. These statements include all the financial activities of the Sheriff. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, 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).

The statement of activities presents a comparison between direct expenses and program revenues for each of the functions of 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 accounts of the Sheriff are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistently with legal and managerial requirements.

The various funds of the Sheriff are all classified as governmental. The emphasis on fund financial statements is on major governmental funds. A fund is considered major if it is the primary operating fund of the Sheriff or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

Notes to Basic Financial Statements (Continued)

- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the Sheriff which are considered to be major funds are described below:

Governmental Funds –

General Fund

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

Special Revenue Fund -

L.E.A.D. Task Force Special Revenue Fund

The L.E.A.D. Task Force Special Revenue Fund is used to account for funds administered by a multi-jurisdictional drug enforcement task force. The task force includes the Iberville Parish Sheriff's office and the Plaquemine Police Department.

The Sheriff's nonmajor funds are described below:

Fiduciary Funds -

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

C. Measurement Focus/Basis of Accounting

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

Measurement Focus

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

Notes to Basic Financial Statements (Continued)

Measurement Focus

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

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

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The government-wide financial statements utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery) and financial position. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Fund equity is classified as net position.

Basis of Accounting

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

Governmental fund financial statements are reported using the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days, excluding the FEMA grant program. For the FEMA grant program, the government uses 18 months as the availability period. All other grant revenues are recognized in the same period as the underlying expenditures. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

IBERVILLE PARISH SHERIFF
Plaquemine, 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 recorded as expenditures at the time purchased.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) when the transfer is authorized by the Sheriff.

Unearned Revenues

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

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

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

Notes to Basic Financial Statements (Continued)

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.

F. Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

G. Prepaid Expenditures

Payments made to vendors for services that will benefit periods beyond June 30, 2017 are recorded as prepaid items. The prepaid items that existed at June 30, 2017 were insurance and maintenance contracts.

H. Inventory

Inventory of the Sheriff's General Fund consists of commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as revenues when received; however, all inventory items are recorded as expenditures when consumed. All purchased inventory items are stated at cost, which is determined by the first-in, first-out method and commodities are assigned values based on information provided by the United States Department of Agriculture and Forestry. There was no inventory at June 30, 2017.

I. Capital Assets

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Sheriff maintains a threshold level of \$1,500 or more for capitalizing capital assets.

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

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Office, equipment, and furniture	5-20
Vehicles	5

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

Notes to Basic Financial Statements (Continued)

J. Compensated Absences

Employees of the Sheriff's office earn from 12 to 18 days of personal leave each year, depending on their length of service. Personal leave may be carried over into bank days. Bank days and personal leave are compensable if an employee leaves the service of the Iberville Parish Sheriff. Additional sick leave without pay is allowed at the discretion of the Sheriff. At June 30, 2017, employees of the Sheriff have accumulated and vested \$589,943 of compensated absence benefits. This amount is included in long-term liabilities due after one year in the statement of net position.

K. 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.

L. Equity Classifications

In the government-wide statements, net position is 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 and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Constraints may be 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 – Net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position.

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

Notes to Basic Financial Statements (Continued)

In the fund financial statements, governmental fund equity is classified as fund balance.

- 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 specific purposes.
- e. Unassigned – all other spendable amounts.

When an expenditure is incurred for the purposes for which 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, as needed, unless the Sheriff has provided otherwise in its committed or assignment actions.

M. Interfund Transactions

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as transfers.

N. 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 financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

Notes to Basic Financial Statements (Continued)

(2) Cash and Interest-Bearing Deposits

Under state law, the Sheriff may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Sheriff may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2017, the Sheriff has cash and interest-bearing deposits (book balances) totaling \$12,662,727, of which \$278,333 is attributable to nonmajor fiduciary funds, which are not presented in the statement of net position.

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the Sheriff's deposits may not be recovered or will not be able to recover the collateral securities that are in the possession of an outside party. 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 the pledge of securities owned by the pledging financial institution. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit within the financial institution. These securities are held in the name of the pledging financial institution in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2017 are secured as follows:

Bank Balances	<u>\$ 13,050,391</u>
At June 30, 2017 the deposits are secured as follows:	
Federal deposit insurance	\$ 1,534,655
Pledged securities	<u>11,515,736</u>
Total	<u>\$ 13,050,391</u>

Deposits in the amount of \$11,515,736 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the 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.

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

Notes to Basic Financial Statements (Continued)

(3) Due from Other Governmental Units

Amounts due from other governmental units of \$200,860 at June 30, 2017 consisted of the following:

	<u>General Fund</u>	<u>L.E.A.D. Task Force</u>	<u>Total</u>
Federal government	\$ 5,657	\$ 6,535	\$ 12,192
State of Louisiana	95,814	-	95,814
Local governments	77,598	-	77,598
Other	<u>15,256</u>	<u>-</u>	<u>15,256</u>
Total	<u>\$ 194,325</u>	<u>\$ 6,535</u>	<u>\$ 200,860</u>

(4) Accounts and Other Accrued Payables

The accounts and other accrued payables balance of \$132,819 consisted of the following at June 30, 2017:

	<u>General Fund</u>	<u>L.E.A.D. Task Force</u>	<u>Total</u>
Accounts	\$ 86,104	\$ 20,463	\$ 106,567
Other	<u>26,252</u>	<u>-</u>	<u>26,252</u>
Total	<u>\$ 112,356</u>	<u>\$ 20,463</u>	<u>\$ 132,819</u>

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

Notes to Basic Financial Statements (Continued)

(5) Capital Assets

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

	Balance 7/1/2016	Additions	Deletions	Balance 6/30/2017
Governmental activities:				
Assets not being depreciated:				
Construction in progress	\$ 6,550	\$ -	\$ (6,550)	\$ -
Assets being depreciated:				
Office, equipment, and furniture	3,294,223	81,857	(292,131)	3,083,949
Vehicles	<u>2,491,634</u>	<u>410,870</u>	<u>(361,121)</u>	<u>2,541,383</u>
Total	<u>5,792,407</u>	<u>492,727</u>	<u>(659,802)</u>	<u>5,625,332</u>
Less: accumulated depreciation				
Office, equipment, and furniture	2,271,544	156,047	(274,849)	2,152,742
Vehicles	<u>1,799,717</u>	<u>299,142</u>	<u>(322,951)</u>	<u>1,775,908</u>
Total	<u>4,071,261</u>	<u>455,189</u>	<u>(597,800)</u>	<u>3,928,650</u>
Governmental activities, capital assets, net	<u>\$ 1,721,146</u>	<u>\$ 37,538</u>	<u>\$ (62,002)</u>	<u>\$ 1,696,682</u>

Depreciation expense in the amount of \$455,189 was charged to public safety.

(6) Operating Lease

The Sheriff had the following lease agreement in effect during the year ended June 30, 2017:

Description	Balance Term	Expiration Date	Payment Frequency	Lease Amount
Mail Machine	4 years	07/2017	quarterly	\$ 1,416

Rental expense for the year ended June 30, 2017 was \$8,503.

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

Notes to Basic Financial Statements (Continued)

(7) Compensated Absences

The Sheriff's compensated absences are attributable to governmental activities. The following is a summary of the compensated absences transactions during the year, which are due after one year.

	<u>Compensated Absences</u>
Compensated absences payable at June 30, 2016	\$ 546,169
Additions	356,494
Reductions	<u>(312,720)</u>
Compensated absences payable at June 30, 2017	<u>\$ 589,943</u>

(8) 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 Iberville 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, 2017, law enforcement taxes applicable to the Sheriff's General Fund, were levied at the rate of 22 mills on property with net assessed valuations totaling \$603,462,355.

Total law enforcement taxes levied during 2017 were \$13,276,172.

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

Notes to Basic Financial Statements (Continued)

(9) Changes in Agency Fund Balances

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

	Civil Fund	Tax Collector Fund	Fines Fund	Inmate Deposit Fund
Balances, June 30, 2016	\$ 71,357	\$ 168,239	\$ 64,554	\$ 30,093
Additions	732,771	63,717,389	553,448	231,606
Reductions	<u>(716,934)</u>	<u>(63,780,033)</u>	<u>(570,008)</u>	<u>(224,149)</u>
Balances, June 30, 2017	<u>\$ 87,194</u>	<u>\$ 105,595</u>	<u>\$ 47,994</u>	<u>\$ 37,550</u>

(10) Pension Plan / GASB 68

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 same basis as they are reported by the Fund. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Summary of Significant Accounting Policies:

The Sheriffs' Pension and Relief Fund prepares its employer schedules in accordance with Governmental Accounting Statement No. 68 – *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. GASB Statement No. 68 provides methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to periods of employee service. It also provides methods to calculate participating employer's proportionate share of net pension liability, deferred inflows, deferred outflows, pension expense and amortization periods for deferred inflows and deferred outflows.

Basis of Accounting:

The Sheriff's Pension and Relief Fund's employer schedules were prepared using the accrual basis of accounting. Employer contributions, for which the employer allocations are based, are recognized in the period in which the employee is compensated for services performed.

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

Notes to Basic Financial Statements (Continued)

Fund Employees:

The net pension liability attributed to the Fund's employees is allocated to the remaining employers based on their respective employer allocation percentage.

Plan Fiduciary Net Position:

Plan fiduciary net position is a significant component of the Fund's collective net pension liability. The Fund's plan fiduciary net position was determined using the accrual basis of accounting. The Fund's assets, liabilities, revenues, and expenses were recorded with the use of estimates and assumptions in conformity with accounting principles generally accepted in the United States of America. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements and estimates over the determination of the fair market value of the Fund's investments. Accordingly, actual results may differ from estimated amounts.

Plan Description:

The Sheriffs' Pension and Relief Fund is 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 Sheriffs' Pension and Relief Fund's office. The Fund was established for the purpose of providing retirement benefits for employees of sheriffs' offices throughout the State of Louisiana, employees of the Louisiana Sheriffs' Association and the employees of the Fund. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the Fund in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

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 Benefits:

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

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

Notes to Basic Financial Statements (Continued)

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.

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

IBERVILLE PARISH SHERIFF
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Notes to Basic Financial Statements (Continued)

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 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.

Back Deferred Retirement Option Plan (Back-DROP):

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

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.

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

Notes to Basic Financial Statements (Continued)

Employer Contributions:

According to state statute, contribution requirements for all employers are actuarially determined each fiscal year. For the year ending June 30, 2016, the actual employer contribution rate was 13.75% with an additional -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 \$368,461 and excluded from pension expense for the year ended June 30, 2016.

Schedule of Employer Allocations:

The schedule of employer allocations reports the historical employer contributions in addition to the employer allocation percentages for each participating employer. The historical employer contributions are used to determine the proportionate relationship of each employer to all employers of Sheriffs' Pension and Relief Fund. The employer's proportion was determined on a basis that is consistent with the manner in which contributions to the pension plan are determined. The allocation percentages were used in calculating each employer's proportionate share of the pension amounts.

The allocation method used in determining each employer's proportion was based on each employer's contributions to the Fund during the fiscal year ended June 30, 2016 as compared to the total of all employers' contributions received by the Fund during the fiscal year ended June 30, 2016.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions:

At June 30, 2017, the Sheriff reported a liability of \$6,020,214 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Sheriff's proportion of the net pension liability was based on a projection of the Sheriff's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2016, the Sheriff's proportion was 0.948529%, which was a decrease of .020915% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the Sheriff recognized pension expense of \$884,395 less employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$924.

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

Notes to Basic Financial Statements (Continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ -	\$ 631,454
Changes of assumptions	491,833	-
Net difference between projected and actual earnings on pension plan investments	1,507,764	-
Change in proportion and differences between employer contributions and proportionate share of contributions	(2,855)	168,555
Employer contributions subsequent to the measurement date	<u>901,674</u>	<u>-</u>
Total	<u>\$ 2,898,416</u>	<u>\$ 800,009</u>

Deferred outflows of resources of \$901,674 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:

Fiscal Year Ended	
2017	\$ 126,543
2018	126,543
2019	565,723
2020	384,669
2021	(3,374)
2022	(3,371)

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

Notes to Basic Financial Statements (Continued)

Actuarial Assumptions:

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2016 are as follows:

Valuation Date	June 30, 2016
Actuarial Cost Method	Entry Age Normal Method

Actuarial Assumptions:

Investment Rate of Return	7.6%, net of investment expense
Discount Rate	7.5%
Projected Salary Increases	5.5% (2.875% Inflation, 2.625% Merit)

Mortality Rates	RP-2000 Combined Health with Blue Collar Adjustment Sex Distinct Table for active members, health annuitants and beneficiaries RP-2000 Disabled Lives Mortality Table
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Expected Remaining Service Lives	2016 - 7 years 2015 - 6 years 2014 - 6 years
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Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the Fund and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.
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The mortality rate assumptions were set after reviewing an experience study performed over the period July 1, 2009 through June 30, 2014. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the Fund's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that these tables would produce liability values approximating the appropriate generational mortality tables used.

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

IBERVILLE PARISH SHERIFF
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Notes to Basic Financial Statements (Continued)

expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Estimates of arithmetic real rates of return for each major asset class based on the Fund's target asset allocation as on June 30, 2016 were as follows:

<u>Asset Class</u>	<u>Expected Rate of Return</u>		
	<u>Target Asset Allocation</u>	<u>Real Return Arithmetic Basis</u>	<u>Long-term Expected Portfolio Real Rate of Return</u>
Equity Securities	60%	6.4%	3.9%
Bonds	25%	1.9%	0.5%
Alternative Investments	15%	4.3%	0.6%
Cash and Cash Equivalents	-	-	-
Totals	100%		5.0%
Inflation			<u>2.7%</u>
Expected Arithmetic Nominal Return			<u>7.7%</u>

The discount rate used to measure the total pension liability was 7.5%. 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.

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

The following presents the employer's proportionate share of the net pension liability using the discount rate of 7.5%, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.5%) or one percentage-point higher (8.5%) than the current rate as of June 30, 2016:

IBERVILLE PARISH SHERIFF
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Notes to Basic Financial Statements (Continued)

	Changes in Discount Rate		
		Current	
	1.0% Decrease	Discount Rate	1.0% Increase
	6.5%	7.5%	8.5%
Employer's proportionate share of the net pension liability	<u>\$10,213,907</u>	<u>\$ 6,020,214</u>	<u>\$ 2,558,818</u>

Change in Net Pension Liability:

The changes in the net pension liability for the year ended June 30, 2016 were recognized in the current reporting period except as follows:

- a. Differences between Expected and Actual Experience: Differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability were recognized as 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. The differences between expected and actual experience resulted in a deferred inflow of resources in the amount of \$631,454 for the year ended June 30, 2016.
- b. Changes of Assumptions: Changes of assumptions about future economic or demographic factors were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. Changes of assumptions or other inputs resulted in a deferred outflow of resources in the amount of \$491,833 for the year ended June 30, 2016.
- c. Differences between Projected and Actual Investment Earnings: Differences between projected and actual investment earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed five-year period. The differences between projected and actual investment earnings resulted in a deferred outflow of resources in the amount of \$1,507,764 for the year ended June 30, 2016.
- d. Change in Proportion: Changes in the employer's proportionate shares of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in the employer's 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 pensions through the pension plan. The change in proportion resulted in a deferred outflow of resources in the amount of \$(2,855) and a deferred inflow of resources in the amount of \$168,555 for the year ended June 30, 2016.

IBERVILLE PARISH SHERIFF
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Notes to Basic Financial Statements (Continued)

Contributions – Proportionate Share:

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

Estimates:

The process of preparing the schedule of employer allocations and schedule of pension amounts in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Accordingly, actual results may differ from estimated amounts.

Retirement Fund Audit Report:

The Sheriffs' Pension and Relief Fund has issued a stand-alone audit report on their financial statements for the year ended June 30, 2016. Access to the report can be found on the Louisiana Legislative Auditor's website, www.la.la.gov.

(11) Postemployment Healthcare and Life Insurance Benefits

From an accrual accounting perspective, the cost of postemployment healthcare benefits should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. In adopting the requirements of GASB Statement No. 45 during the year ended June 30, 2009, the Sheriff recognizes the cost of postemployment healthcare in the year when employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the Sheriff's future cash flows. Because the Sheriff is adopting the requirements of GASB Statement No. 45 prospectively, recognition of the liability accumulated from prior years will be phased in over 30 years, commencing with the 2009 liability.

Plan Description: The Iberville Parish Sheriff's Office's medical and life insurance benefits are provided to employees upon actual retirement.

The Sheriff pays 100% of the medical coverage for the retiree only (not dependents) based on the blended rates. For employees whose membership in the retirement system began prior to January 1, 2012, retirement eligibility is 30 years of service at any age or, age 55 and 15 years of service. For employees whose membership in the retirement system began on or after January 1, 2012, retirement eligibility is 30 years of service and age 55 or, age 60 and 20 years of service, or age 62 and 12 years of service.

Life insurance coverage is continued to retirees and the employer pays 100% of the cost of the retiree's life insurance coverage after retirement for employees who retired prior to April 1, 2008. For employees who retired on or after April 1, 2008, the employer pays for the first \$10,000 of

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

Notes to Basic Financial Statements (Continued)

coverage and the retiree may elect to pay the coverage in excess of \$10,000, but both based on the blended active / retired rates and there is thus an additional implied subsidy. The amount of life insurance after retirement is reduced to 65% of pre-retirement coverage at age 65. Since GASB 45 requires the use of “unblended” rates, we have used the 94 GAR mortality table described below 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. 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.

Funding Policy: The monthly premiums for retiree benefits 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.

Annual OPEB Cost: The Sheriff’s annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The Sheriff utilizes the level-dollar amortization method to amortize the unfunded actuarial accrued liability.

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

Annual required contribution	\$ 1,022,959
Interest on net OPEB obligation	341,741
Adjustment to annual required contribution	<u>(494,073)</u>
Annual OPEB cost (expense)	870,627
Contributions made	<u>(420,806)</u>
Increase in net OPEB obligation	449,821
Net OPEB obligation - beginning of year	<u>8,543,519</u>
Net OPEB obligation - end of year	<u>\$ 8,993,340</u>

The Sheriff’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation as of 2015, 2016, and 2017 follows:

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

Notes to Basic Financial Statements (Continued)

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2015	\$ 809,469	44.57%	\$ 8,093,854
6/30/2016	\$ 839,300	46.42%	\$ 8,543,519
6/30/2017	\$ 870,627	48.33%	\$ 8,993,340

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

Actuarial accrued liability (AAL)	\$ 12,863,542
Actuarial valuation of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 12,863,542</u>
Funded ratio (actuarial value of plan assets/AAL)	0.00%
Covered payroll (active plan members)	\$ 6,148,482
UAAL as a percentage of covered payroll	209.21%

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

The schedule of funding progress presented as required supplementary information following the notes to the financial statements will present multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Because GASB Statement 45 requires an actuarial valuation at least triennially for plans with total participants of fewer than 200, only three years are presented in the schedule at this time. In future years, required trend data will be presented.

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

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

Notes to Basic Financial Statements (Continued)

3. The expected rate of increase in medical cost is based on a graded schedule beginning with 8% annually, down to an ultimate annual rate of 5.0% for ten years out and later.
4. An age-related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce a composite average annual turnover of approximately 12.5%.

(12) Taxes Paid Under Protest

The unsettled balances due to taxing bodies and others in the agency funds at June 30, 2017, include \$28,481 of taxes paid under protest plus interest earned to date on the investment of these funds. These funds are held pending resolution of the protest and are accounted for in the Tax Collector Agency Fund.

(13) Litigation and Claims

At June 30, 2017, the Sheriff is involved in four claims and/or lawsuits asserting damages. The Sheriff has insurance coverage on all four matters. As such, no liability has been recorded as of June 30, 2017.

(14) Risk Management

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

(15) Ambulance Service Agreement

On November 1, 2003, the Iberville Parish Sheriff entered into an agreement with Acadian Ambulance Service, Inc., to provide ambulance service to the residents of Iberville Parish. The original term was for a four-year period ending October 31, 2007. Within the contract, there is an automatic renewal option for two additional three-year terms. The contract was renewed on November 1, 2007 under the terms of the original contract; however, an amendment to the contract was agreed to on August 27, 2008 effective January 1, 2009, increasing monthly ambulance fees from \$47,500 per month to \$84,224 per month, with a 5% automatic annual increase for each following year of any renewal term over the amount paid for the previous year. A new contract was entered into for calendar year 2014 with monthly fees of \$100,522.50. The contract will remain in effect until June 30, 2016 and automatically renews for two additional 4 year terms. The contract was renewed on July 1, 2016 under the terms of the 2014 contract; however, an amendment to the contract was agreed to on May 3, 2016 effective July 1, 2016, increasing monthly ambulance fees from \$100,522.50 per month to \$104,141.31 per month.

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

Notes to Basic Financial Statements (Continued)

Financing for the ambulance service comes from a parish-wide ad valorem tax and upon expiration of the ad valorem tax, the contract is considered void.

(16) 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 Iberville Parish Council. These expenditures are not included in the accompanying financial statements.

(17) Interfund Receivables and Payables

Interfund receivables and payables at June 30, 2017 consisted of \$20,091 due to the General Fund from the L.E.A.D. Task Force Special Revenue Fund for reimbursement for expenditures incurred for the drug enforcement task force.

(18) Ex-officio Tax Collector

The amount of cash on hand at year end was \$105,595. The unsettled balances of the Tax Collector Fund at June 30, 2017 consist of:

Undistributed interest	\$ 20,027
June 2017 collections	57,087
Protest taxes	<u>28,481</u>
Total	<u>\$ 105,595</u>

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

Notes to Basic Financial Statements (Continued)

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

Iberville Parish School Board	\$ 34,742,332
Iberville Parish Law Enforcement	13,216,864
Iberville Parish Government	6,404,331
Iberville Parish Library	2,403,066
Iberville Parish Parks & Recreation	1,802,300
Atchafalaya Basin Levee District	1,528,829
Iberville Parish Assessor	1,237,574
Ponchartrain Levee District	782,649
City of Plaquemine	347,928
Department of Agriculture & Forestry	18,501
Maringouin General fund	17,691
Louisiana Tax Commission	53,571
Total	\$ 62,555,636

The amount of taxes assessed and uncollected, and the reason for failure to do so is as follows:

	Louisiana Tax Commission Decreases	Unpaid Taxes	Total
Iberville Parish School Board	\$ 111,761	\$ 73,806	\$ 185,567
Iberville Parish Law Enforcement	42,517	28,078	70,595
Iberville Parish Government	20,971	14,267	35,238
Iberville Parish Library	7,730	5,105	12,835
Iberville Parish Parks & Recreation	5,798	3,829	9,627
Atchafalaya Basin Levee District	6,571	4,858	11,429
Iberville Parish Assessor	3,981	2,629	6,610
Ponchartrain Levee District	1,077	259	1,336
City of Plaquemine	1,133	2,639	3,772
Department of Agriculture & Forestry	37	3	40
Maringouin General fund	22	73	95
Louisiana Tax Commission	-	-	-
Total	\$ 201,598	\$ 135,546	\$ 337,144

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

Notes to Basic Financial Statements (Continued)

(19) Act 706-Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Entity Head

Under Act 706, the Iberville Parish Sheriff's Office is required to disclose the compensation, reimbursements, benefits, and other payments made to the Sheriff, in which the payments are related to the position. The following is a schedule of payments made to the Sheriff for the year ended June 30, 2017.

Entity head: Brett Stassi, Sheriff

Salary	\$ 159,540
Benefits - insurance	9,448
Benefits - retirement	44,155
Deferred compensation	<u>12,000</u>
Total	<u>\$ 225,143</u>

(20) New Accounting Pronouncements

In June 2015, the GASB approved Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. GASB Statement No. 75 replaces the requirements of GASB Statement No. 45 relating to accounting and financial reporting by employers for postemployment benefits other than pensions. The provisions of GASB Statement No. 75 must be implemented by the Sheriff during the year ending June 30, 2018. The effect of implementation on the Sheriff's financial statements has not yet been determined.

**REQUIRED SUPPLEMENTARY
INFORMATION**

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

General Fund
Budgetary Comparison Schedule
Year Ended June 30, 2017

With Comparative Actual Amounts for Year Ended June 30, 2016

	2017			Variance with Final Budget Positive (Negative)	2016 Actual
	Budget		Actual		
	Original	Final			
Revenues:					
Ad valorem taxes	\$ 13,200,000	\$ 13,019,998	\$ 13,074,462	\$ 54,464	\$ 13,334,112
Intergovernmental revenues -					
Federal grants	170,000	186,107	269,023	82,916	222,080
State revenue sharing (net)	220,000	220,000	228,022	8,022	219,433
State supplemental pay	430,000	430,000	440,480	10,480	449,708
State - video poker	115,000	115,000	149,231	34,231	142,088
State grants	-	-	700	700	4,000
Local government	340,000	509,021	592,021	83,000	421,718
Fees, charges, and commissions for services -					
Fines, bonds, sales and seizures	197,000	152,000	223,344	71,344	295,431
Civil and criminal fees	71,200	71,200	97,541	26,341	106,144
Court attendance	20,000	20,000	28,594	8,594	27,234
Transporting prisoners	200	200	95	(105)	488
Feeding and keeping prisoners	220,000	220,000	267,583	47,583	265,393
Interest income	4,500	4,500	12,418	7,918	8,847
Miscellaneous	198,680	704,474	804,085	99,611	322,282
Total revenues	<u>15,186,580</u>	<u>15,652,500</u>	<u>16,187,599</u>	<u>535,099</u>	<u>15,818,958</u>
Expenditures:					
Current -					
Public safety:					
Personal services and related benefits	8,808,500	8,967,500	8,385,760	581,740	8,080,064
Operating services	1,949,500	1,974,500	1,835,388	139,112	1,811,844
Operations and maintenance	3,131,300	3,269,300	2,915,918	353,382	2,699,925
Travel and other charges	72,500	72,500	49,243	23,257	50,512
Capital outlay	475,000	555,000	486,176	68,824	501,238
Total expenditures	<u>14,436,800</u>	<u>14,838,800</u>	<u>13,672,485</u>	<u>1,166,315</u>	<u>13,143,583</u>
Excess of revenues over expenditures	749,780	813,700	2,515,114	1,701,414	2,675,375
Other financing sources (uses):					
Transfers in (out)	<u>(5,000)</u>	<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>	<u>4,917</u>
Excess of revenues and other sources over expenditures	744,780	808,700	2,510,114	1,701,414	2,680,292
Fund balance, beginning	<u>8,591,334</u>	<u>10,009,048</u>	<u>10,009,048</u>	<u>-</u>	<u>7,328,756</u>
Fund balance, ending	<u>\$ 9,336,114</u>	<u>\$ 10,817,748</u>	<u>\$ 12,519,162</u>	<u>\$ 1,701,414</u>	<u>\$ 10,009,048</u>

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

Special Revenue Fund - L.E.A.D. Task Force
Budgetary Comparison Schedule
Year Ended June 30, 2017
With Comparative Actual Amounts for Year Ended June 30, 2016

	2017		Actual	Variance with Final Budget Positive (Negative)	2016 Actual
	Budget				
	Original	Final			
Revenues:					
Federal grants	\$ 20,000	\$ 24,740	\$ 24,747	\$ 7	\$ 23,356
Miscellaneous revenue	-	-	8	8	-
Interest earned	15	15	15	-	40
Total revenues	<u>20,015</u>	<u>24,755</u>	<u>24,770</u>	<u>15</u>	<u>23,396</u>
Expenditures:					
Current -					
Public safety:					
Personal services and related benefits	20,000	25,000	24,747	253	21,434
Operating services	<u>21,000</u>	<u>24,315</u>	<u>21,185</u>	<u>3,130</u>	<u>21,216</u>
Total expenditures	<u>41,000</u>	<u>49,315</u>	<u>45,932</u>	<u>3,383</u>	<u>42,650</u>
Deficiency of revenues over expenditures	(20,985)	(24,560)	(21,162)	3,398	(19,254)
Other financing sources (uses):					
Transfers from (to) General Fund	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>(4,917)</u>
Deficiency of revenues over expenditures and other uses	(15,985)	(19,560)	(16,162)	3,398	(24,171)
Fund balance, beginning	<u>24,568</u>	<u>26,391</u>	<u>26,391</u>	<u>-</u>	<u>50,562</u>
Fund balance, ending	<u>\$ 8,583</u>	<u>\$ 6,831</u>	<u>\$ 10,229</u>	<u>\$ 3,398</u>	<u>\$ 26,391</u>

IBERVILLE PARISH SHERIFF
 Plaquemine, Louisiana

Schedule of Funding Progress
 Year Ended June 30, 2017

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities (AAL)	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
7/1/2008	\$ -	\$ 11,064,548	\$ 11,064,548	0.0%	\$ 4,780,515	231.5%
7/1/2011	-	13,837,732	13,837,732	0.0%	5,346,251	258.8%
7/1/2014	-	11,893,068	11,893,068	0.0%	5,976,845	199.0%

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

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

Year ended June 30,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.986259%	\$ 3,905,591	\$ 6,306,341	61.93%	87.34%
2016	0.969444%	4,321,313	6,428,559	67.22%	86.61%
2017	0.948529%	6,020,214	6,479,018	92.92%	82.10%

* 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.

IBERVILLE PARISH SHERIFF
 Plaquemine, Louisiana

Schedule of Employer Contributions
 For the Year Ended June 30, 2017

Year ended June 30,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2015	\$ 916,070	\$ 916,070	\$ -	\$ 6,428,559	14.25%
2016	890,865	890,865	-	6,479,018	13.75%
2017	901,674	901,674	-	6,805,085	13.25%

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

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

Notes to the Required Supplementary Information
For the Year Ended June 30, 2017

(1) Budgets

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

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

(2) Pension Plan

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

OTHER SUPPLEMENTARY INFORMATION

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

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

	2017			Variance with Final Budget Positive (Negative)	2016 Actual
	Budget		Actual		
	Original	Final			
Current:					
Public safety -					
Personal services and related benefits:					
Sheriff salary	\$ 142,273	\$ 142,273	\$ 145,036	\$ (2,763)	\$ 141,928
Deputies salaries	6,315,000	6,366,000	6,020,021	345,979	5,733,326
Other salaries	242,000	250,000	167,510	82,490	211,246
Pension and payroll taxes	2,095,000	2,195,000	2,038,689	156,311	1,979,373
Sheriff's expense allowance	14,227	14,227	14,504	(277)	14,191
Total personal services and related benefits	<u>8,808,500</u>	<u>8,967,500</u>	<u>8,385,760</u>	<u>581,740</u>	<u>8,080,064</u>
Operating services:					
Hospitalization and life insurance	1,600,000	1,625,000	1,496,480	128,520	1,486,317
Auto insurance	190,000	190,000	193,986	(3,986)	180,966
Other liability insurance	159,500	159,500	144,922	14,578	144,561
Total operating services	<u>1,949,500</u>	<u>1,974,500</u>	<u>1,835,388</u>	<u>139,112</u>	<u>1,811,844</u>
Operations and maintenance:					
Ambulance operators	1,270,000	1,270,000	1,249,696	20,304	1,206,270
Auto fuel and oil	400,000	400,000	331,614	68,386	304,886
Auto maintenance	205,000	250,000	214,446	35,554	169,724
Deputy uniforms, supplies, etc.	115,000	147,000	113,976	33,024	88,603
Office supplies and maintenance	379,000	422,000	336,036	85,964	284,188
Telephone	200,000	207,000	202,066	4,934	180,688
Prisoner feeding and maintenance	300,000	300,000	282,885	17,115	275,786
Legal fees	25,000	25,000	13,234	11,766	12,661
Other professional fees	105,000	105,000	76,812	28,188	81,641
Criminal investigation expenditures	50,000	61,000	49,436	11,564	39,536
Employee physicals	29,500	29,500	9,214	20,286	9,519
Other	52,800	52,800	36,503	16,297	46,423
Total operations and maintenance	<u>3,131,300</u>	<u>3,269,300</u>	<u>2,915,918</u>	<u>353,382</u>	<u>2,699,925</u>
Travel and other charges	72,500	72,500	49,243	23,257	50,512
Capital outlay:					
Autos	370,000	420,000	404,320	15,680	375,805
Building	15,000	15,000	-	15,000	77,507
Equipment	55,000	85,000	75,220	9,780	39,868
Office and computer equipment	35,000	35,000	6,636	28,364	8,058
Total capital outlay	<u>475,000</u>	<u>555,000</u>	<u>486,176</u>	<u>68,824</u>	<u>501,238</u>
Total expenditures	<u>\$ 14,436,800</u>	<u>\$ 14,838,800</u>	<u>\$ 13,672,485</u>	<u>\$ 1,166,315</u>	<u>\$ 13,143,583</u>

FIDUCIARY FUND TYPE - AGENCY FUNDS

Civil Fund -

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

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.

Fines Fund -

To account for the collection of fines and costs and payments of these collections to the Sheriff's General Fund and other recipients in accordance with applicable laws.

Inmate Deposit Fund -

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

IBERVILLE PARISH SHERIFF
 Plaquemine, Louisiana
 Fiduciary Fund Type - Agency Funds

Combining Balance Sheet
 June 30, 2017
 With Comparative Totals for June 30, 2016

	<u>Civil Fund</u>	<u>Tax Collector Fund</u>	<u>Fines Fund</u>	<u>Inmate Deposit Fund</u>	<u>Totals</u>	
					2017	2016
ASSETS						
Cash and interest-bearing deposits	<u>\$ 87,194</u>	<u>\$ 105,595</u>	<u>\$ 47,994</u>	<u>\$ 37,550</u>	<u>\$ 278,333</u>	<u>\$ 334,243</u>
LIABILITIES						
Due to taxing bodies, prisoners and others	<u>\$ 87,194</u>	<u>\$ 105,595</u>	<u>\$ 47,994</u>	<u>\$ 37,550</u>	<u>\$ 278,333</u>	<u>\$ 334,243</u>

IBERVILLE PARISH SHERIFF
 Plaquemine, Louisiana
 Fiduciary Fund Type - Agency Funds

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

	Civil Fund	Tax Collector Fund	Fines Fund	Inmate Deposit Fund	Totals	
					2017	2016
Balances, beginning of year	\$ 71,357	\$ 168,239	\$ 64,554	\$ 30,093	\$ 334,243	\$ 324,998
Additions:						
Deposits -						
Sheriff's sales, suits, and seizures	377,151	-	-	-	377,151	504,413
Garnishments	327,748	-	-	-	327,748	319,018
Bonds	27,780	-	-	-	27,780	19,887
Fines and costs	-	-	553,415	-	553,415	861,659
Inmate deposits	-	-	-	231,606	231,606	204,391
Taxes, fees, etc., paid to tax collector	-	63,638,814	-	-	63,638,814	65,122,290
Interest on investments	92	78,575	33	-	78,700	46,602
Total additions	<u>732,771</u>	<u>63,717,389</u>	<u>553,448</u>	<u>231,606</u>	<u>65,235,214</u>	<u>67,078,260</u>
Total	<u>804,128</u>	<u>63,885,628</u>	<u>618,002</u>	<u>261,699</u>	<u>65,569,457</u>	<u>67,403,258</u>
Reductions:						
Taxes, fees, etc., distributed to taxing bodies and others	37,236	63,780,033	487,806	-	64,305,075	65,933,099
Deposits settled to -						
Sheriff's General Fund	154,083	-	38,239	49,821	242,143	320,305
Clerk of Court	59,956	-	43,963	-	103,919	118,936
Litigants, attorneys	458,565	-	-	-	458,565	518,563
Inmates	-	-	-	62,446	62,446	50,753
Other	7,094	-	-	111,882	118,976	127,359
Total reductions	<u>716,934</u>	<u>63,780,033</u>	<u>570,008</u>	<u>224,149</u>	<u>65,291,124</u>	<u>67,069,015</u>
Balances, end of year	\$ 87,194	\$ 105,595	\$ 47,994	\$ 37,550	\$ 278,333	\$ 334,243

STATE OF LOUISIANA, PARISH OF IBERVILLE

AFFIDAVIT

Brett Stassi, Sr., Sheriff of Iberville

BEFORE ME, the undersigned authority, personally came and appeared, Brett Stassi, the Sheriff of Iberville Parish, State of Louisiana, who after being duly sworn, deposed and said:

The following information is true and correct:

\$105,594.61 is the amount of cash on hand in the tax collector account on June 30, 2017;

He further deposed and said:

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

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

Brett Stassi
Sheriff of Iberville

SWORN to and subscribed before me, Notary, this 31st day of August, in my office in the City of Plaquemine, Louisiana.

Leslie Gallagher (Signature)
Leslie Gallagher (Print), # 132581
Notary Public
June 30, 2020 (Commission)

**INTERNAL CONTROL, COMPLIANCE,
AND
OTHER MATTERS**

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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

The Honorable Brett Stassi
Iberville Parish Sheriff
Plaquemine, 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 funds, and the aggregate remaining fund information of the Iberville Parish Sheriff, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements and have issued our report thereon dated October 12, 2017.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We consider the deficiency described in the accompanying schedule of current and prior year audit findings and corrective action plan, identified as 2017-001, to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Iberville Parish Sheriff's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and

material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Iberville Parish Sheriff's Response to Findings

The Iberville Parish Sheriff's response to the findings identified in our audit is described in the accompanying schedule of current and prior year audit findings and corrective action plan. The Iberville Parish Sheriff's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

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

Breaux Bridge, Louisiana
October 12, 2017

IBERVILLE PARISH SHERIFF

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

I. Prior Year Findings:

Internal Control over Financial Reporting:

2016-001 – Inadequate Segregation of Accounting Functions

Finding:

Due to the small number of employees, the Sheriff did not have adequate segregation of functions within the accounting system.

Status:

Unresolved. See item 2017-001.

Compliance

There were no findings that were required to be reported at June 30, 2016.

Management Letter Items

There were no findings that were required to be reported at June 30, 2016.

(continued)

IBERVILLE PARISH SHERIFF

Schedule of Prior and Current Year Audit Findings and
Management's Corrective Action Plan (Continued)
For the Year Ended June 30, 2017

II. Current Year Findings and Management's Corrective Action Plan:

Internal Control over Financial Reporting:

2017-001 – Inadequate Segregation of Accounting Functions; Year Initially Occurred – Unknown

Condition and Criteria:

The Sheriff did not have adequate segregation of functions within the accounting system.

Effect:

This condition represents a material weakness in the internal control of the Sheriff.

Cause:

The condition resulted because of the small number of employees in the accounting department.

Recommendation:

No plan is considered necessary due to the fact that it would not be cost effective to implement a plan.

Management's Corrective Action Plan:

Mr. Brett Stassi, Sheriff, determined that due to the size of the operation and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of functions.

IBERVILLE PARISH SHERIFF
Plaquemine, Louisiana

Statewide Agreed-upon Procedures Report

Year Ended June 30, 2017

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

* A Professional Accounting Corporation

Retired:

Conrad O. Chapman, CPA* 2006

The Honorable Brett Stassi
Iberville Parish Sheriff,

We have performed the procedures enumerated below, which were agreed to by the management of the Iberville Parish Sheriff and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Iberville Parish Sheriff's compliance with certain laws, regulations and best practices during the year ended June 30, 2017. Management of the Iberville Parish Sheriff is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Written Policies and Procedures

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The Sheriff's Office does not currently have debt, and has not had debt for some time; therefore, the Sheriff's Office does not currently have a policy on debt service.

Board (or Finance Committee, if applicable)

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

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

The Sheriff's Office does not maintain minutes; therefore, this is not applicable.

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

The Sheriff's Office does not maintain minutes; therefore, this is not applicable.

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

The Sheriff's Office does not maintain minutes; therefore, this is not applicable.

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

The Sheriff's Office does not maintain minutes; therefore, this is not applicable.

Bank Reconciliations

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

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

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

- a) Bank reconciliations have been prepared;

Obtained bank statements and reconciliations for all months in the fiscal period for all selected accounts noting that reconciliations have been prepared for all months in which a bank statement was produced by the bank.

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

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

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

Obtained bank statements and reconciliations for all months in the fiscal period noting that one of six bank accounts tested had checks that have been outstanding for more than six months throughout the year. This bank account did not have management documentation reflecting research of these outstanding checks.

Collections

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

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

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

- a) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for

depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.

In seven of the eight locations, the person responsible for collecting cash is not bonded. In five of the eight locations, the person responsible for collecting cash also deposits the cash in the bank. In one of the eight locations, the person responsible for collecting cash records the deposit.

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

Written documentation was obtained and addresses the functions noted above.

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

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

In three of the eight locations, a total of 15 deposits were not made within one day of collection. Three deposits were made within two days, three deposits were made within three days, five deposits were made within four days, one deposit was made within six days, two deposits were made within seven days, and one deposit was made within 11 days. The reason that the collections were not deposited timely is because collections either involve credit card payments or other third party payments which the sheriff has no control over.

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

Daily cash collections are completely supported by collection documentation.

7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation) by a person who is not responsible for collections.

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

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

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

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

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

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

Examined supporting documentation for each of the 25 disbursements selected and found that 9 purchases were not initiated using a purchase order system. However, in 8 of these instances, purchase orders were not required as a matter of sheriff policy. Also, the initiation and approval functions are not always separate.

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

Examined supporting documentation for each of the 25 disbursements selected and found appropriate approval of purchase orders; however, noted that initiation and approval functions are not always separate.

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

Examined supporting documentation for each of the 25 disbursements and found all payments were processed with proper approval and invoice; however, receiving reports were not present in the supporting documentation for any of the disbursements. Receiving reports are not required as a matter of policy.

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

Written policies and procedures were obtained and address the functions noted above; however, the person responsible for processing payments can also add vendors.

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

Written policies and procedures were obtained and address the functions noted above; however, the person with signatory authority also can initiate and record purchases.

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

Inquiry and observation noted no exceptions.

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

Inquiry noted no exceptions.

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

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

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

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

Listing was obtained and randomly selected 10 cards.

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

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

Monthly statements were obtained; however, supporting documentation was not approved, in writing, by someone other than the authorized card holder. Written approval is not required as a matter of sheriff policy.

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

No finance charges or late fees were noted.

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

- a) For each transaction, report whether the transaction is supported by:
 - An original itemized receipt (i.e., identifies precisely what was purchased)

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

Travel and Expense Reimbursement

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

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

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

Policies were obtained. No amounts listed exceed GSA rates.

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

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

Two of three expenses were paid in accordance with written policies while one expense exceeded the per diem rate noted in the written policies.

- b) Report whether each expense is supported by:
- An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]
No exceptions noted.
 - Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).
No exceptions noted.
 - Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)
No exceptions noted.
- c) Compare the entity’s documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.
No exceptions noted.
- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.
No exceptions noted.

Contracts

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

Listing of all contracts in effect and management’s representation that the listing is complete was obtained.
21. Using the listing above, select the five contract “vendors” that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:
- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.

Of the five vendors selected, a signed contract was not on file for one of them. Subsequent to these procedures being performed, the Sheriff obtained a signed contract.
 - b) Compare each contract’s detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:

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

Not applicable.

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

No quotes were solicited as a best practice for any of the 5 contracts tested.

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

No amendments noted.

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

No noncompliance noted; however, one payment could not be compared to the contract terms because the signed contract was not obtained.

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

Not applicable.

Payroll and Personnel

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

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

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

No exceptions noted.

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

No exceptions noted.

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

- a) Report whether all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is

earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

24. Obtain from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtain the personnel files for the two employees/officials. Report whether the termination payments were made in strict accordance with policy and/or contract and approved by management.

No exceptions noted.

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

No exceptions noted.

Ethics (excluding nonprofits)

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

No exceptions noted.

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

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

Debt Service (excluding nonprofits)

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

Not applicable.

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

Not applicable.

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

Not applicable.

Other

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

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

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

Required notice was posted on the entity's premises and website.

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

No exceptions noted.

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

This report is intended solely for the use of management of the Iberville 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 RV:513, this report is distributed by the Legislative Auditor as a public document.

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

Breaux Bridge, Louisiana
October 12, 2017