

ANNUAL FINANCIAL REPORT
ST. TAMMANY PARISH CORONER
LACOMBE, LOUISIANA
AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2018



ERICKSEN KRENTEL^{LLP}
CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

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REQUIRED SUPPLEMENTARY INFORMATION (PART I)



INDEPENDENT AUDITORS' REPORT

To the St. Tammany Parish Coroner
Lacombe, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the St. Tammany Parish Coroner (the Coroner), a component unit of St. Tammany Parish, Louisiana, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Coroner'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, the *Louisiana Governmental Audit Guide* and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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



To St. Tammany Parish Coroner
April 13, 2019

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

Opinion

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, Statement of Revenues, Expenditures, and Changes in Fund Balance—Budget to Actual, Schedule of Proportionate Share of the Net Pension Liability, and Schedule of Contributions – Retirement Plan and the related Notes to Required Supplemental Information on pages 4 through 10 and 33 through 36 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the St. Tammany Parish Coroner's basic financial statements. The accompanying Schedule of Compensation, Benefits and Other Payments to Agency Head is presented to comply with the Act 706 of the 2014 Louisiana Legislative Session, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.



To St. Tammany Parish Coroner
April 13, 2019

Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 13, 2019 on our consideration of the St. Tammany Parish Coroner's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering St. Tammany Parish Coroner's internal control over financial reporting and compliance.

April 13, 2019
Mandeville, Louisiana

A handwritten signature in black ink that reads "Erickson Krentel LLP".

Certified Public Accountants

ST. TAMMANY PARISH CORONER
LACOMBE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

Within this section of the St. Tammany Parish Coroner's (the Coroner) annual financial report, the Coroner's management is pleased to provide this narrative discussion and analysis of the financial activities of the Coroner for the years ended December 31, 2018 and 2017. The Coroner's financial activities and condition are discussed and analyzed within the context of the accompanying basic financial statements and footnote disclosures following this section.

Financial Highlights

- The Coroner's governmental activities reported a total net position of \$1,065,468 and \$1,036,057 as of December 31, 2018 and 2017, respectively. The net position is comprised of the following as of December 31, 2018 and 2017, respectively:
 - Net investment in capital assets of \$629,581 and \$597,275 consisting of property and equipment, net of accumulated depreciation.
 - Restricted net position of \$235,350 and \$0 relating to pension assets.
 - Unrestricted net position of \$200,537 and \$438,782.
- The Coroner's governmental fund reported a total fund balance of \$341,742 and \$341,742, as of December 31, 2018 and 2017, respectively. The fund balance is comprised of the following as of December 31, 2018 and 2017, respectively:
 - Nonspendable fund balance of \$59,697 and \$64,139 consisting of prepaid items. These are items that cannot be spent because they are not in spendable form.
 - Unassigned fund balance of \$282,045 and \$277,603. These amounts represent amounts that have not been restricted, committed, or assigned to specific purposes within the General Fund.

Overview of the Financial Statements

The Management's Discussion and Analysis section introduces the Coroner's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The Coroner also includes in this report additional information to supplement the basic financial statements.

Government-Wide Financial Statements

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

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

ST. TAMMANY PARISH CORONER
LACOMBE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

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

The government-wide financial statements present governmental activities of the Coroner that are principally supported by the St. Tammany Parish Council.

The government-wide financial statements are presented on pages 11 and 12 of this report.

Fund Financial Statements

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

The Coroner uses governmental funds as follows:

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

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

The Coroner has only one governmental fund, which is the General Fund, and the basic governmental fund financial statements are presented on pages 13 and 15 of this report.

Notes to the Basic Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning budgetary basis reporting for the General Fund, proportionate share of the net pension liability and retirement plan contributions. Required supplementary information can be found on pages 33 through 36 of this report.

ST. TAMMANY PARISH CORONER
LACOMBE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

Financial Analysis of the Coroner as a Whole

The Coroner's net position at December 31, 2018 and 2017 was \$1,065,713 and \$1,036,057, respectively. The following table provides a summary of the Coroner's net position:

SUMMARY OF NET POSITION
AS OF DECEMBER 31, 2018 AND 2017

	December 31, 2018	December 31, 2017
Current assets	\$ 949,149	\$ 826,578
Net pension asset	235,350	-
Capital assets, net of accumulated depreciation	<u>629,581</u>	<u>597,275</u>
Total assets	<u>\$ 1,814,080</u>	<u>\$ 1,423,853</u>
Deferred outflows of resources	<u>\$ 551,914</u>	<u>\$ 905,035</u>
Current liabilities	\$ 589,407	\$ 466,836
Net pension liability	<u>-</u>	<u>682,685</u>
Total liabilities	<u>\$ 589,407</u>	<u>\$ 1,149,521</u>
Deferred inflows of resources	<u>\$ 711,119</u>	<u>\$ 143,310</u>
Net investment in capital assets	\$ 629,581	\$ 597,275
Restricted for pension obligations	235,350	-
Unrestricted	<u>200,537</u>	<u>438,782</u>
Total net position	<u>\$ 1,065,468</u>	<u>\$ 1,036,057</u>

The Coroner's net position increased by \$29,411 (3%). This is primarily due to the coroner reporting a net pension asset of \$235,350 at December 31, 2018 as opposed to a net pension liability of \$682,685 at December 31, 2017. The decrease in deferred outflows of resources and increase of deferred inflows of resources are due to changes in the net pension liability particularly due to investment performance.

Governmental activities – Governmental activities increased the Coroner's net position by \$29,411 (3%) and decreased \$204,886 (17%) for the years ended December 31, 2018 and 2017, respectively. Key elements of these changes are as follows:

ST. TAMMANY PARISH CORONER
LACOMBE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>December 31,</u> 2018	<u>December 31,</u> 2017
Revenues:		
Program:		
Charges for services	\$ 523,685	\$ 543,241
Operating grants and contributions	23,575	24,486
Capital grants and contributions	148,259	246,746
General:		
Other	393	62,147
Interest	31,043	13,712
Gain on sale of assets	-	11,181
Intergovernmental grant revenues	<u>4,985,462</u>	<u>4,483,625</u>
Total revenue	5,712,417	5,385,138
Expenditures/expenses	<u>(5,391,606)</u>	<u>(5,415,912)</u>
Excess (deficiency) before transfers	320,811	(30,774)
Transfers (out)	<u>(291,400)</u>	<u>(174,112)</u>
Change in net position	<u>\$ 29,411</u>	<u>\$ (204,886)</u>
Ending net position	<u>\$ 1,065,468</u>	<u>\$ 1,036,057</u>

As discussed, governmental funds are reported in the fund statements with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. The General Fund is the Coroner's only fund and reported an ending unassigned fund balance of \$282,045 and \$277,603 at December 31, 2018 and 2017, respectively.

Governmental Revenues

The Coroner funded its operations primarily using intergovernmental revenues, charges for services, and capital grants.

ST. TAMMANY PARISH CORONER
LACOMBE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

Governmental Functional Expenses

The function of the Coroner's office is health and welfare activities.

Health and welfare expenses in total were \$5,391,606 in 2018 as compared to \$5,415,912 in 2017.

General Fund Budgetary Highlights

The Coroner's budget is prepared according to Louisiana Law. As needed during the year, the Coroner revises its budget to take into consideration significant changes in revenue or expenditures. Louisiana Revised Statute 39:1311 requires the budget to be revised if either expected revenues are less or anticipated expenditures are in excess of budgetary goals by five percent (5%) or more. The original budget for the Coroner was adopted on December 11, 2017 and the final budget was adopted on December 10, 2018.

The Coroner's fund balance did not change due to an agreement with St. Tammany Parish to not retain any fund surplus or deficit as discussed in Note 7 to the financial statements.

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance</u>
Revenues	\$ 5,904,037	\$ 5,663,953	\$ (240,084)
Expenditures	<u>(5,904,037)</u>	<u>(5,663,953)</u>	<u>240,084</u>
Net change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues	\$ 5,663,953	\$ 5,688,842	\$ 24,889
Expenditures	<u>(5,663,953)</u>	<u>(5,688,842)</u>	<u>(24,889)</u>
Net change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The original budget and the final budget included \$127,164 and \$127,468 of transfers from St. Tammany Parish, respectively. The actual amounts include a \$291,400 transfer to St. Tammany Parish. This transfer is adjusted to reflect any excess or deficient fund balances for the year. Excesses and deficiencies are transferred to St. Tammany Parish and are taken into account for future funding in accordance with the CEA as discussed in note 7 to the financial statements.

ST. TAMMANY PARISH CORONER
LACOMBE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

Capital Assets

As of December 31, 2018, the Coroner had invested \$629,581 in vehicles and equipment comparative to \$597,275 in vehicles and equipment as of December 31, 2017. This increase of \$32,551 (5%) in the capital assets mainly relates to a depreciation expense recognized on existing assets and certain additions in 2018. See Note 3 for additional information about changes in capital assets during the fiscal year and the balance at the end of the year.

The following table provides a summary of capital assets:

	<u>December 31,</u> <u>2018</u>	<u>December 31,</u> <u>2017</u>
Capital assets being depreciated, net		
Leasehold improvements	\$ 11,412	\$ 13,714
Auto equipment	167,505	213,356
Autopsy equipment	230,862	104,288
Lab equipment	125,851	219,616
Office equipment	<u>93,951</u>	<u>46,301</u>
 Total capital assets	 <u>\$ 629,581</u>	 <u>\$ 597,275</u>

Long Term Liabilities

The Coroner is required to recognize pension expense and report deferred outflows of resources and deferred inflows of resources related to pensions for its proportionate shares of collective pension expense and collective outflows of resources and deferred inflows of resources related to pensions. At December 31, 2018, the Coroner reported \$235,350 for its proportionate share of the Parochial Employees' Retirement System net pension asset, \$551,914 for deferred outflow of resources and \$711,119 for deferred inflows of resources. See Note 6 to the financial statements for further discussion of the pension asset, pension expense, deferred outflows of resources and deferred inflows of resources related to pensions.

ECONOMIC FACTORS AND A LOOK AT NEXT YEAR

The St. Tammany Parish Coroner's Office will continue to receive funding per the Coroner Millage and Charges for Services with the oversight of the St. Tammany Parish Government as described in Note 7 to the financial statements. The Coroner remains committed to provide exceptional services to the constituents of St. Tammany Parish to include Death Investigations, Autopsies, Orders of Protective Custody, Mental Health Services by a team of Psychiatrists, Sexual Assault Exams, and DNA testing for law enforcement agencies in the Parish. The Coroner will continue to partner with mental health initiatives across the Parish for its people.

ST. TAMMANY PARISH CORONER
LACOMBE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

Contacting the Coroner's Financial Management

This financial report is designed to provide a general overview of the Coroner's finances, comply with finance and budget related laws and regulations, and demonstrate the Coroner's commitment to public accountability. If you have questions about this report or would like to request additional financial information, contact the Coroner's office, Dr. Charles Preston, 65278 Hwy 434, Lacombe, Louisiana 70445 or 985-781-1150.

BASIC FINANCIAL STATEMENTS

ST. TAMMANY PARISH CORONER
STATEMENT OF NET POSITION
DECEMBER 31, 2018

<u>ASSETS:</u>	
Cash and cash equivalents	\$ 813,799
Receivables, net:	
Due from other governmental entities	60,973
Accounts receivable - other	14,680
Prepaid expenses	59,697
Net pension asset	235,350
Capital assets being depreciated, net of accumulated depreciation	<u>629,581</u>
Total assets	<u>1,814,080</u>
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>	
Pensions (note 6)	<u>551,914</u>
Total deferred outflows of resources	<u>551,914</u>
<u>LIABILITIES:</u>	
Accounts payable	98,637
Accrued payroll expense	181,922
Accrued liabilities	17,283
Due to other governmental entities	<u>291,565</u>
Total liabilities	<u>589,407</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>	
Pensions (note 6)	<u>711,119</u>
Total deferred inflows of resources	<u>711,119</u>
<u>NET POSITION:</u>	
Net investment in capital assets	629,581
Restricted for pension obligations	235,350
Unrestricted	<u>200,537</u>
Total net position	<u>\$ 1,065,468</u>

The accompanying notes are an integral part of this statement

ST. TAMMANY PARISH CORONER
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018

<u>Function/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expenses) Revenues and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
<u>Governmental activities:</u>					
Health and welfare	\$ 5,391,606	\$ 523,685	\$ 23,575	\$ 148,259	\$ (4,696,087)
Total governmental activities	<u>\$ 5,391,606</u>	<u>\$ 523,685</u>	<u>\$ 23,575</u>	<u>\$ 148,259</u>	<u>(4,696,087)</u>
General revenues:					
					4,985,462
					31,043
					<u>393</u>
					Total general revenues <u>5,016,898</u>
Other financing sources (uses):					
					<u>(291,400)</u>
					Total other financing sources (uses) <u>(291,400)</u>
					Change in net position 29,411
					<u>1,036,057</u>
					Net position, beginning of year
					<u>\$ 1,065,468</u>
					Net position, ending of year

The accompanying notes are an integral part of this statement

ST. TAMMANY PARISH CORONER
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2018

ASSETS:

Cash and cash equivalents	\$ 813,799
Receivables, net:	
Due from other governmental entities	60,973
Accounts receivable - other	14,680
Prepaid expenditures	<u>59,697</u>
 Total assets	 <u>\$ 949,149</u>

LIABILITIES:

Accrued payroll expense	\$ 181,922
Accounts payable	98,637
Accrued liabilities	17,283
Due to other governmental entities	<u>291,565</u>
 Total liabilities	 <u>589,407</u>

DEFERRED INFLOWS OF RESOURCES:

Unavailable revenue - charges for services	<u>18,000</u>
 Total deferred inflows of resources	 <u>18,000</u>

FUND BALANCE:

Nonspendable: prepaid expenditures	59,697
Unassigned	<u>282,045</u>
 Total fund balance	 <u>341,742</u>
 Total liabilities, deferred inflows of resources and fund balance	 <u>\$ 949,149</u>

The accompanying notes are an integral part of this statement

ST. TAMMANY PARISH CORONER
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
 TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2018

Fund balance - governmental funds	\$ 341,742
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	
Capital assets being depreciated	3,490,703
Less: accumulated depreciation	<u>(2,861,122)</u>
	629,581
Net pension assets are not financial resources and, therefore, are not reported in the governmental funds	235,350
Deferred outflows of resources related to pensions are not reported in governmental funds	551,914
Deferred inflows of resources related to pensions are not reported in governmental funds	(711,119)
Unavailable revenues are reported in the governmental fund but not in governmental activities	<u>18,000</u>
Net position of governmental activities	<u>\$ 1,065,468</u>

The accompanying notes are an integral part of this statement

ST. TAMMANY PARISH CORONER
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>General Fund</u>
<u>REVENUES:</u>	
Revenues from contract with St. Tammany Parish	\$ 4,954,741
Traffic fines and court fees	30,721
Charges for services	523,685
Federal and state grants	148,259
Interest income	31,043
Other income	<u>393</u>
Total general revenues	<u>5,688,842</u>
<u>EXPENDITURES:</u>	
Health and welfare:	
Professional and technical services	824,110
Personnel services	3,215,217
Repairs and maintenance	119,755
Supplies	638,304
Utilities	273,908
Insurance	90,385
Other health and welfare	<u>209</u>
Total health and welfare	<u>5,161,888</u>
Capital outlays	<u>235,554</u>
Total expenditures	<u>5,397,442</u>
Excess of revenues over expenditures	291,400
<u>OTHER FINANCING SOURCES (USES):</u>	
Transfers in (out)	<u>(291,400)</u>
Total other financing sources (uses)	<u>(291,400)</u>
Net change in fund balance	-
<u>FUND BALANCE:</u>	
Beginning of year	<u>341,742</u>
End of year	<u>\$ 341,742</u>

The accompanying notes are an integral part of this statement

ST. TAMMANY PARISH CORONER
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018

Net change in fund balance - governmental fund	\$	-
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>		
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated lives and reported as depreciation expense.</p>		
Capital outlays capitalized		235,554
Depreciation expense		(203,248)
<p>Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available:</p>		
Pensions		(26,470)
Non-employer contributions for pension		23,575
		23,575
Change in net position of governmental activities	\$	29,411

The accompanying notes are an integral part of this statement

ST. TAMMANY PARISH CORONER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the St. Tammany Parish Coroner (the Coroner) have been prepared in conformity with generally accepted accounting principles as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Coroner's accounting policies are described below.

Reporting Entity

As provided by Chapter 3 of Title 33 of the Louisiana Revised Statutes of 1950, the voters of St. Tammany Parish (the Parish) elect the Coroner for a four-year term. The Coroner investigates all deaths, performs autopsies, issues orders of protective custody, operates a DNA lab, performs sexual assault nurse exams and operates a mental health department.

Louisiana Revised Statute 13:5724 effective on June 18, 2007 gave the elected Coroner of the Parish sole responsibility for the fiscal operations of the Coroner, including all salaries or fees associated with the operation of the Coroner, all expenses for the construction, maintenance, operation, and equipment of the property and facilities of the Coroner and all other expenses, fees and operational costs of the Coroner.

During 2013, State legislators enacted LA R.S. 13:5725 and repealed LA R.S. 13:5724. The Statute states the governing authority of the Parish shall receive all tax revenues collected from the ad valorem tax levied by the Parish for the Coroner purposes. The Coroner shall transfer any and all funds received from the ad valorem tax to the governing authority of the Parish except amounts needed for operations for the remainder of the 2013 fiscal year, with the amount being determined by the Parish finance department. Any contracts or purchase agreements entered into by the Coroner will require approval or ratification by the governing authority of the Parish. The governing authority shall also establish an annual salary for the Coroner, deputy or assistant coroners, secretaries, stenographers, Coroners, technicians, investigators, official photographers, or other employees. The Coroner shall not own or acquire immovable property. Any and all immovable property, including building, component parts and other appurtenances, previously owned by the Parish and transferred to the Coroner shall be transferred to the governing authority of the Parish free and clear of all mortgages, liens, or other encumbrances within six months of June 7, 2013. Within six months of June 7, 2013, the Coroner and the governing authority of Parish will enter into a restated cooperative endeavor agreement. The transfer of the immovable property was performed on January 16, 2015. The Coroner and the Parish are currently operating under a cooperative endeavor agreement which became effective January 1, 2014.

ST. TAMMANY PARISH CORONER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (continued)

The component-unit financial statements of the Coroner include the General Fund and activities that are within the oversight responsibility of the Coroner as an independently elected Parish official. As an independently elected Parish official, the Coroner is responsible for the operations of his office under the oversight of the St. Tammany Parish Council per LA R.S. 13:5725 effective June 7, 2013. Accordingly, the Coroner is a separate governmental reporting entity. Certain units of local government, over which the Coroner exercises no oversight responsibility such as the Parish Council, Parish School Board, other independently elected Parish officials, and municipalities within the Parish, are excluded from the accompanying component unit financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the Coroner.

As the governing authority of the Parish, for reporting purposes, the St. Tammany Parish Council (the Council) is the financial reporting entity for the Parish. The financial reporting entity consists of (a) the primary government (Council), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the primary government's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14, as amended, established criteria for determining which component units should be considered part of the Parish for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. The criteria include:

- a) Appointing a voting majority of an organization's governing body, and the ability of the Council to impose its will on that organization and/or the potential for the organization to provide specific financial benefits to or impose specific financial burden on the organization.
- b) Organizations for which the Council does not appoint a voting majority but are fiscally dependent on the Council, along with a financial benefit or burden relationship.
- c) Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

The Coroner was determined to be a component unit of the Parish, the reporting entity, because the reporting entity's financial statements would be misleading if data of the Coroner was not included due to the significance of the relationship and scope of public services. The accompanying financial statements present information only on funds maintained by the Coroner and do not present information on the Parish, the general government services provided by the Parish, or other governmental units that comprise the financial reporting entity.

ST. TAMMANY PARISH CORONER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (continued)

Bond funds are not maintained by the Coroner; therefore, they should not be included in the financial statements of the Coroner. The Parish has levied an ad valorem tax for the purpose of providing funding for the Coroner's Office, including constructing, acquiring, improving, operating and maintaining facilities and equipment thereof. The Parish issued Limited Tax Revenue Bonds secured and payable from the Coroner Tax for the purpose of construction, acquiring and improving facilities and equipment for the Coroner and paying the costs incurred in connection with the issuance of the Bonds.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the Coroner. The governmental activities are supported by intergovernmental revenues, service fees, and other non-exchange transactions.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges for services, which are revenues from the exchanges or exchange like transactions with external parties that purchase, use, or directly benefit from the program's goods, services, or privileges provided by a given function or segment and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Intergovernmental and other items not properly included among program revenues are reported instead as general revenues.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Basis of accounting refers to when revenues and expenditures are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

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

ST. TAMMANY PARISH CORONER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Coroner considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

The Coroner reports the following major governmental fund:

General Fund - The General Fund is the general operating fund of the Coroner. This fund is used to account for all financial transactions and resources. Revenues are derived primarily from intergovernmental revenues, state and federal grants, traffic fines and court fees, charges for services, and interest income.

Amounts reported as program revenues include charges for services, which are revenues from exchange or exchange-like transactions with external parties that purchase, use or directly benefit from the program's goods, services, or privileges. Likewise, general revenues include all intergovernmental revenues.

Budgetary Accounting

The Coroner follows these procedures in establishing the budgetary data:

1. The budgeting process should begin approximately 90 to 120 days before the beginning of the new year being budgeted.
2. Before the adoption of the budget, the budget must be made available for public inspection.
3. Conduct a public hearing on the proposed budget.
4. The budget is adopted on a basis consistent with generally accepted accounting principles. Budgeted amounts are as originally adopted, or as amended by the St. Tammany Parish Council.
5. Budgets are amended as necessary during the year during a public meeting.

Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less.

ST. TAMMANY PARISH CORONER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Trade Accounts Receivable

The financial statements of the Coroner contain no allowance for doubtful trade receivables. Uncollectible trade receivables, including amounts due from other government units, are charged directly against earnings when they are determined to be uncollectible. Management believes that there will be no material losses on the collection of trade accounts receivables.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets, which include property, equipment, and furniture and fixtures, are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost, if historical costs are not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Coroner maintains a threshold level of \$5,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital outlays are recorded as expenditures of the General Fund and as assets in the government-wide financial statements; to the extent that the Coroner's capitalization threshold is met. In accordance with GASB Statement No. 34, the Coroner has elected to not capitalize infrastructure retroactively. Depreciation is recorded on capital assets on a government-wide basis and depreciated over their estimated useful lives on a straight-line basis.

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

<u>Description</u>	<u>Estimated Asset Life</u>
Auto Equipment	7
Autopsy Equipment	15
Computer Equipment	3
Furniture and Fixtures	5
Lab Equipment	3 to 5
Office Equipment	3 to 5

Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Financial Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the Coroner has one item that qualifies for reporting in this category, deferred amounts related to pensions.

ST. TAMMANY PARISH CORONER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

(1) **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Deferred Outflows and Inflows of Resources (Continued)

In addition to liabilities, the Statement of Financial Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position or fund balance that applies to future periods and so will not be recognized as an inflow of resources (revenue) until then. Currently, the Coroner has one item that qualifies for reporting in this category, deferred amounts related to pensions.

Net Pension Asset

For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of Parochial Employees' Retirement System of Louisiana and additions to/deductions from the system's fiduciary net position have been determined on the same basis as they are reported by the system. 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. See note 6 for further information on the net pension asset.

Equity Classifications

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

- a. Net investment in capital assets - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings 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.

Governmental fund equity is classified as fund balance. In the governmental fund financial statements, fund balances are classified as follows:

- a. Nonspendable – amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.

ST. TAMMANY PARISH CORONER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity Classifications (continued)

- b. Restricted – amounts that have constraints placed on them either externally by third-parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. Enabling legislation does not authorize the Coroner to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.

- c. Committed – amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Coroner's highest level of decision making authority which includes resolutions of the Coroner. Those committed amounts cannot be used for any other purpose unless the Coroner removes or changes the specified use by taking the same type of action (resolution); it employed previously to commit those amounts.

- d. Assigned – amounts constrained by the Coroner's intent to be used for specific purposes, but are neither restricted nor committed. The authority for assigning fund balance is expressed by the Coroner.

- e. Unassigned – amounts not included in other classifications.

Accounting Estimates

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

Subsequent Events

Subsequent events have been evaluated through April 13, 2019, which is the date the financial statements were available to be issued.

ST. TAMMANY PARISH CORONER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

(2) CASH AND CASH EQUIVALENTS

At December 31, 2018, the Coroner had cash and cash equivalents (book balances) totaling \$813,799. These deposits are stated at cost. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At December 31, 2018, the Coroner had \$832,117 in deposits (collected bank balances). These deposits are secured from custodial credit risk by \$250,000 of federal deposit insurance (GASB Category 1) and \$2,750,000 of pledged securities held by the custodial bank in the name of the Coroner (GASB Category 2).

(3) CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2018, is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, being depreciated:				
Leasehold improvements	\$ 69,392	\$ -	\$ -	\$ 69,392
Auto equipment	382,548	-	-	382,548
Autopsy equipment	249,774	150,000	-	399,774
Computer equipment	206,534	-	-	206,534
Furniture and fixtures	59,456	-	-	59,456
Lab equipment	2,032,932	23,064	-	2,055,996
Office equipment	<u>254,513</u>	<u>62,490</u>	<u>-</u>	<u>317,003</u>
 Total capital assets being depreciated	 <u>3,255,149</u>	 <u>235,554</u>	 <u>-</u>	 <u>3,490,703</u>
Less: accumulated depreciation for:				
Leasehold improvements	(55,678)	(2,303)	-	(57,981)
Auto equipment	(169,192)	(45,850)	-	(215,042)
Autopsy equipment	(145,486)	(23,425)	-	(168,911)
Computer equipment	(206,534)	-	-	(206,534)
Furniture and fixtures	(59,456)	-	-	(59,456)
Lab equipment	(1,813,316)	(116,832)	-	(1,930,148)
Office equipment	<u>(208,212)</u>	<u>(14,838)</u>	<u>-</u>	<u>(223,050)</u>
 Total accumulated depreciation	 <u>(2,657,874)</u>	 <u>(203,248)</u>	 <u>-</u>	 <u>(2,861,122)</u>
 Total capital assets, net	 <u>\$ 597,275</u>	 <u>\$ 32,306</u>	 <u>\$ -</u>	 <u>\$ 629,581</u>

Depreciation expense of \$203,248 for the year ended December 31, 2018, was charged to health and welfare services.

ST. TAMMANY PARISH CORONER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

(4) DUE TO/FROM OTHER GOVERNMENTAL UNITS

The Coroner performs autopsies and protective custody services for other Parishes within the State of Louisiana. The Coroner also receives an allocation of traffic fines and court fees from the St. Tammany Parish Sheriff. The amount owed to the Coroner from other governmental entities for services rendered as of December 31, 2018 was \$60,973. In accordance with its Cooperative Endeavor Agreement described in Note 7, the Coroner is to transfer any surplus or deficit in its fund balance to the Parish. At December 31, 2018, the payable to the Parish due to a surplus fund balance was \$291,400. Due to governmental entities totaled \$291,565 at December 31, 2018.

(5) CONTINGENT LIABILITIES

The Coroner is currently named as a defendant in two law suits which arose in the normal course of its operations. The Coroner intends to vigorously defend itself against these claims. An outcome of any estimate of loss cannot be readily determined at this time. At December 31, 2018, there was no pending litigation or potential undisclosed liabilities, which, in the opinion of the Coroner, would have had a material adverse effect on the financial statements.

(6) PENSION PLAN

Plan Description

Substantially all employees of the Coroner are members of the Parochial Employees Retirement System of Louisiana (the System), a multiple-employer (cost sharing), public employee retirement system (PERS), controlled and administered by a separate Board of Trustees. The System is composed of two distinct plans. Plan A and Plan B, with separate assets and benefit provisions. All participating employees of the Coroner are members of Plan A. All permanent employees working at least 28 hours per week whom are paid wholly or in part from parish funds and all elected Parish officials are eligible to participate in the System. The retirement allowance is equal to three percent of the member's final average compensation multiplied by his/her years of creditable service. Final average compensation shall be defined as the average of the highest consecutive 36 months' salary for members hired prior to January 1, 2007. For members hired on January 1, 2007 or later, final average compensation shall be defined as the average of the highest consecutive 60 months' salary.

Any employee who was a member of the supplemental plan prior to the revision date of January 1, 1980 has the benefit earned for service credited prior to the revision date on the basis of one percent of final compensation plus two dollars per month for each year credited prior to the revision date, and three percent of final compensation for each year of service credited after the revision date. The retirement allowance may not exceed the greater of one hundred percent of the member's final salary or the final average compensation. The System also provides death and disability benefits. Benefits are established by state statute.

ST. TAMMANY PARISH CORONER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

(6) PENSION PLAN (CONTINUED)

Eligibility of Benefits Available:

<u>Members hired prior to January 1, 2007</u>		<u>Members hired after January 1, 2007</u>	
<u>Years</u>	<u>Age</u>	<u>Years</u>	<u>Age</u>
7	65	7	67
10	60	10	62
25	55	30	55
30	any age		

The Board is authorized to provide a cost of living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age sixty-five equal to 2% of the member's benefit paid on October 1, 1977, (or the member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older (R.S. 11:1937). Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55.

The System issues an annual financial report to all participating employers. The financial report can be obtained by writing to: The Parochial Employees' Retirement System, P.O. Box 14619, Baton Rouge, LA 70898-4619.

The Coroner does not guarantee the benefits granted by the System.

Funding Policy

In addition to certain dedicated taxes that are remitted to the System, (which constitute major funding of the System) members of the System are required by state statute to contribute 9.50% of their annual covered salary for the years ended December 31, 2018, 2017 and 2016, and the Coroner is required to contribute at an actuarially determined rate. At December 31, 2018, the employer contribution rate was 11.50%. The contribution requirements of plan members and the Coroner are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year.

ST. TAMMANY PARISH CORONER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

(6) PENSION PLAN (CONTINUED)

Contributions

The payroll for employees of the Coroner was \$2,471,538, and payroll covered by the System was \$2,157,628 for the year ended December 31, 2018. The contributions for the year ended December 31, 2018 was \$458,948, of which \$204,975 was contributed by employees and \$253,973 was contributed by the Coroner.

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

At December 31, 2018, the Coroner reported an asset totaling \$235,350 for its proportionate share of the net pension asset for the Fund. The net pension liability was measured as of December 31, 2017 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Coroner's proportion of the Net Pension Liability was based on a projection of the Coroner's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2017, the Coroner's proportion was 0.317078% for the System, which was a decrease of 0.014400% from its proportion measured as of December 31, 2016.

For the year ended December 31, 2018, the Coroner recognized pension expense for the System totaling \$280,725. Netted with pension expense is the employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions totaling \$10,533 for the System.

For the year ended December 31, 2018, the Coroner recognized revenue from ad valorem taxes and revenue sharing funds received by the System. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities totaling \$23,575.

ST. TAMMANY PARISH CORONER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

(6) PENSION PLAN (CONTINUED)

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

At December 31, 2018, the Coroner reported deferred outflows of resources and deferred inflows of resources related to pensions from the System:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 152,348
Change in assumptions	297,047	-
Net difference between projected and actual earnings on pension plan investments	-	543,727
Changes in proportion and differences between employer contributions and proportionate share of contributions	895	15,044
Employer contributions subsequent to the measurement date	<u>253,972</u>	<u>-</u>
Total	<u>\$ 551,914</u>	<u>\$ 711,119</u>

Employer contributions subsequent to the measurement date totaling \$253,972 and reported as deferred outflows of resources will be recognized as an increase of the Net Pension Asset in the year ended December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31:

2019	\$ 27,255
2020	(40,258)
2021	(184,668)
2022	<u>(215,506)</u>
Total	<u>\$ (413,177)</u>

ST. TAMMANY PARISH CORONER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

(6) PENSION PLANS (CONTINUED)

Actuarial Assumptions

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

Valuation Date:	December 31, 2017
Actuarial Cost Method:	Plan A - Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return	6.75%, net of investment expense, including inflation
Projected Salary Increases	5.25% (2.75% Merit, 2.5% Inflation)
Mortality Rates	RP-2000 Employee Sex Distinct Table was selected for employees. RP-2000 Healthy Annuitant Sex Distinct Tables were selected for annuitants and beneficiaries. RP-2000 Disabled Lives Mortality Table was selected for disabled annuitants.
Expected Remaining Service Lives	4 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System 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.

Mortality Rate

The mortality rate assumption used was set based upon an experience study performed on plan data for the period January 1, 2004 through December 31, 2009. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities. 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 the tables used would produce liability values approximating the appropriate generational mortality tables.

ST. TAMMANY PARISH CORONER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

(6) PENSION PLANS (CONTINUED)

Actuarial Assumptions (continued)

Long-term Expected Real Rate of Return

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.0% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.62% for the year ended December 31, 2017.

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

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Fixed income	35.0%	1.24%
Equity	52.0%	3.57%
Alternatives	11.0%	0.69%
Real assets	<u>2.0%</u>	<u>0.12%</u>
Totals	<u>100.0%</u>	<u>5.66%</u>
Inflation		<u>2.00%</u>
Expected arithmetic nominal return		<u>7.66%</u>

ST. TAMMANY PARISH CORONER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

(6) PENSION PLANS (CONTINUED)

Actuarial Assumptions (continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.75% for Plan A. 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 and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the Coroner's proportionate share of the Net Pension Liability (Asset) using the discount rate of 6.75%, as well as what the Authority's proportionate share of the Net Pension Liability (Asset) would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
	<u>5.75%</u>	<u>6.75%</u>	<u>7.75%</u>
Coroner's proportionate share of the Net Pension Liability (Asset)	\$ 1,160,361	\$ (235,350)	\$ (1,478,139)

Retirement System Audit Report

Parochial Employees' Retirement System of Louisiana issued a stand-alone audit report on its financial statements for the year ended December 31, 2017. Access to the audit report can be found on the System's website: www.persla.org or on the Office of Louisiana Legislative Auditor's official website: www.lla.state.la.us.

ST. TAMMANY PARISH CORONER
NOTES TO THE FINANCIAL STATEMENTS
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(7) COOPERATIVE ENDEAVOR AGREEMENT

As of January 1, 2014, the Coroner had entered into a cooperative endeavor agreement with the St. Tammany Parish Government in accordance with LA R.S. 13:5725.

LA R.S. 13:5724 was repealed and replaced with LA R.S. 13:5725 effective June 7, 2013. The statute states the governing authority of the Parish shall receive all tax revenues collected from the ad valorem tax levied by the Parish for the Coroner purposes. The Coroner is to transfer any surplus or deficit in its fund balance to the Parish. At December 31, 2018, the payable to the Parish due to a surplus fund balance was \$291,400. Any contracts or purchase agreements entered into by the Coroner will require approval or ratification by the governing authority of the Parish.

The governing authority shall also establish an annual salary for the Coroner, deputy or assistant coroners, secretaries, stenographers, Coroners, technicians, investigators, official photographers, or other employees. The Coroner shall not own or acquire immovable property.

REQUIRED SUPPLEMENTARY INFORMATION

ST. TAMMANY PARISH CORONER
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	Original Budget	Final Budget	Actual	Variance- Positive (Negative)
<u>REVENUES:</u>				
Revenues from contract with St. Tammany Parish	\$ 4,908,748	\$ 4,954,741	\$ 4,954,741	\$ -
Traffic fines and court fees	32,000	30,449	30,721	272
Charges for services	458,610	513,000	523,685	10,685
Federal and state grants	483,179	135,709	148,259	12,550
Interest income	10,000	29,661	31,043	1,382
Other income	11,500	393	393	-
Total revenues	5,904,037	5,663,953	5,688,842	24,889
<u>EXPENDITURES:</u>				
Health and welfare				
Professional and technical services	881,766	788,990	824,110	(35,120)
Personnel services	3,390,656	3,344,744	3,215,217	129,527
Repairs and maintenance	86,150	83,855	119,755	(35,900)
Supplies	660,442	637,590	638,304	(714)
Utilities	340,423	271,909	273,908	(1,999)
Insurance	95,000	93,338	90,385	2,953
Other health and welfare	850	200	209	(9)
Total health and welfare	5,455,287	5,220,626	5,161,888	58,738
Capital outlays	321,586	315,859	235,554	80,305
Total expenditures	5,776,873	5,536,485	5,397,442	139,043
Excess of revenues over expenditures	127,164	127,468	291,400	163,932
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers in (out)	(127,164)	(127,468)	(291,400)	(163,932)
Total other financing sources (uses)	(127,164)	(127,468)	(291,400)	(163,932)
Net change in fund balance	-	-	-	-
FUND BALANCES, BEGINNING OF YEAR	341,742	341,742	341,742	-
FUND BALANCES, END OF YEAR	\$ 341,742	\$ 341,742	\$ 341,742	\$ -

(See Independent Auditors' Report)

ST. TAMMANY PARISH CORONER
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
FOR THE YEAR ENDED DECEMBER 31, 2018*

	<u>12/31/2018</u>	<u>12/31/2017</u>	<u>12/31/2016</u>	<u>12/31/2015</u>
<u>Parochial Employees Retirement System of Louisiana</u>				
Coroner's Proportion of the Net Pension Liability (Asset)	0.317078%	0.331479%	0.299226%	0.270985%
Coroner's Proportionate Share of the Net Pension Liability (Asset)	\$ (235,350)	\$ 682,685	\$ 787,649	\$ 74,090
Coroner's Covered-Employee Payroll	\$ 2,157,628	\$ 1,965,854	\$ 1,715,643	\$ 1,362,084
Coroner's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	-10.91%	34.73%	45.91%	5.44%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability or Asset	101.98%	94.15%	92.23%	99.15%

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

ST. TAMMANY PARISH CORONER
SCHEDULE OF CONTRIBUTIONS - RETIREMENT PLAN
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>12/31/2018</u>	<u>12/31/2017</u>	<u>12/31/2016</u>	<u>12/31/2015</u>
<u>Parochial Employees Retirement System of Louisiana</u>				
Contractually Required Contribution	\$ 248,127	\$ 243,959	\$ 255,561	\$ 248,768
Contributions in Relation to the Contractually Required Contribution	<u>(253,973)</u>	<u>(243,959)</u>	<u>(255,561)</u>	<u>(240,123)</u>
Contribution Deficiency (Excess)	<u>\$ (5,846)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,645</u>
Coroner's Covered-Employee Payroll	\$ 1,951,670	\$ 1,951,670	\$ 1,965,854	\$1,715,643
Contributions as a Percentage of Covered-Employee Payroll	11.50%	12.50%	13.00%	14.00%

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

ST. TAMMANY PARISH CORONER
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION
DECEMBER 31, 2018

(1) **PENSION PLAN SCHEDULES**

Changes of Benefit Terms

There were no changes of benefit terms during any of the years presented.

Changes of Assumptions

For the year ended December 31, 2018 (measurement date of December 31, 2017), the Parochial Employers Retirement System of Louisiana (the system) lowered its assumption for the real investment rate of return from 7.0% in 2016 to 6.75% in 2017.

For the year ended December 31, 2016 (measurement date of December 31, 2015), the the System lower its inflation rate assumption from 3% to 2.5% annually, and lowered the salary increase assumption from 5.75% to 5.25%. The real investment rate of return assumption was also lowered from 7.25% in 2014 to 7.0% in 2015. Additionally, the System began using the RP-2000 Employee Sex Distinct Table for selected employees and the RP-2000 Healthy Annuitant Sex Distinct Tables to develop its mortality rate assumptions.

There were no changes of assumptions during the year ended December 31, 2017.

OTHER SUPPLEMENTARY INFORMATION

ST. TAMMANY PARISH CORONER
SCHEDULE OF COMPENSATION, BENEFITS AND
OTHER PAYMENT TO AGENCY HEAD
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Dr. Preston</u>
Salary	\$ 140,525
Benefits - insurance	27,759
Benefits - retirement	16,630
Vehicle provided by government	780
Cell phone	<u>716</u>
Total compensation, benefits, and other payments	<u>\$ 186,410</u>

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*

To the St Tammany Parish Coroner
Lacombe, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the *Louisiana Governmental Audit Guide*, 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 and each major fund of St. Tammany Parish Coroner as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise St. Tammany Parish Coroner's basic financial statements, and have issued our report thereon dated April 13, 2019.

Internal Control over Financial Reporting

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

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

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

To the St. Tammany Parish Coroner
April 13, 2019

Compliance and Other Matters

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

St. Tammany Parish Coroner's Response to Findings

St. Tammany Parish Coroner's response to the finding identified in our audit is described in the accompanying management corrective action plan. St. Tammany Parish Coroner's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

April 13, 2019
Mandeville, Louisiana


Certified Public Accountants

ST. TAMMANY PARISH CORONER
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2018

SECTION I SUMMARY OF AUDIT RESULTS

1. The independent auditors' report expresses an unmodified opinion on the financial statements of the St. Tammany Parish Coroner.
2. One significant deficiency in internal control related to the audit of the financial statements was reported in the 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*.
3. No instances of noncompliance material to the financial statements of the St. Tammany Parish Coroner are reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
4. No management letter was issued for the year ended December 31, 2018.

SECTION II FINANCIAL STATEMENT FINDINGS

2018-001 Documentation of Controls over Adherence to Bid Law

Criteria: Purchases of like commodities (materials and supplies) during the course of a fiscal year must be aggregated and publicly bid if the total amount of purchases of like commodities during the fiscal year exceeds \$10,000.

Condition: Although the Coroner's office represented that it obtained quotes for all purchases of like commodities that exceeded \$10,000 in the aggregate, the Coroner's office did not retain sufficient documentation to demonstrate compliance in this regard.

Effect: The Coroner's documentation did not demonstrate compliance with Louisiana Public Bid Law for certain purchases of commodities during the year. This is not considered an instance of noncompliance material to the financial statements.

Cause: The Coroner did not document quotations received for certain purchases of materials and supplies that were subject to public bid law.

Recommendation: The Coroner should ensure that its controls over reviewing purchases of like commodities are effectively designed to be able to identify items that quotes should be obtained for and to appropriately document the quotes and any action taken related to the quotes such as acceptance and disqualification.

Management's Response: See Management's Corrective Action Plan for their response.

ST. TAMMANY PARISH CORONER
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2017

**SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE
FINANCIAL STATEMENTS**

Not Applicable

**SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL
AWARDS**

Not Applicable

SECTION III MANAGEMENT LETTER

2017-001 Vehicle Log Book

We noted that the Coroner didn't uphold the vehicle log book policy for one maintenance vehicle due to its infrequent use away from the Coroner's facility.

This issue has been resolved through the Coroner ensuring that a vehicle log is properly maintained for each vehicle, in compliance with its policies and procedures.



April 13, 2019

ST. TAMMANY PARISH CORONER'S OFFICE

65278 HIGHWAY 434 • LACOMBE, LA 70445

OFFICE: 985-781-1150 • FAX: 985-781-1148

Louisiana Legislative Auditor

St. Tammany Parish Coroner respectfully submits the following corrective action plan for the year ended December 31, 2018.

Name and address of independent public accounting firm:

Ericksen Krentel LLP
2895 Highway 190, Ste 213
Mandeville, LA 70471

Audit Period: January 01, 2018 – December 31, 2018

The finding from the December 31, 2018 schedule of findings and responses is discussed below. The finding is numbered consistently with the number assigned in the schedule.

SECTION II FINDINGS - FINANCIAL STATEMENTS AUDIT

2018-001 Documentation of Controls over Adherence to Bid Law

Recommendation: The Coroner should ensure that its controls over reviewing purchases of like commodities are effectively designed to be able to identify items that quotes should be obtained for and to appropriately document the quotes and any action taken related to the quotes such as acceptance and disqualification.

Management's Response: Management agrees with the recommendation and will review its controls over the documentation of bid law compliance to ensure that it retains appropriate documentation in the future.

If there are any questions regarding this plan, please contact the Coroner's office, Dr. Charles Preston, 65278 Hwy 434, Lacombe, Louisiana 70445 at 985-781-1150.

Sincerely,

Signature

Coroner

Title

ST. TAMMANY PARISH CORONER
LACOMBE, LOUISIANA
AGREED-UPON PROCEDURES
FOR THE YEAR ENDED
DECEMBER 31, 2018



ERICKSEN KRENTEL^{LLP}
CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS



INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the St. Tammany Parish Coroner
Lacombe, Louisiana

We have performed the procedures enumerated below, which were agreed to by the St. Tammany Parish Coroner and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the agreed upon procedures for the year ended December 31, 2018 in accordance with Act 774 of 2014 Regular Legislative Session. The St. Tammany Parish Coroner's management is responsible for those C/C areas identified in the agreed upon procedures.

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 those parties specified in the 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.

Our procedures and findings are detailed in Schedule "1".

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

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

May 9, 2019
Mandeville, Louisiana

Certified Public Accountants

ST. TAMMANY PARISH CORONER
AGREED-UPON PROCEDURES
JANUARY 1, 2018 TO DECEMBER 31, 2018

Fuel Cards

1. **Procedures:** Obtain and inspect the entity's written policies and procedures over fuel cards and observe that they address the following:
 - a) How cards are to be controlled, including procedures for lost cards, authorized users, removal of signatory authorization upon employment termination, and approval required to open an account.
 - b) Allowable business uses.
 - c) Required approvers of statements.
 - d) Monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

Results: Obtained the entity's written policies and procedures and observed that they address all the above.

2. **Procedures:** Obtain from management a listing of all active fuel cards for the fiscal period, including card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

Results: Obtained a listing of all active fuel cards and management's representation that the listing was complete.

3. **Procedures:** Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card and obtain supporting documentation, and:
 - a) Observe that there is evidence that the monthly statement or combined statement was reviewed and approved, in writing, by someone other than the authorized card holder.
 - b) Observe that finance charges and late fees were not assessed on the selected statements.
 - c) Observe that management is monitoring card usage to include documentation that reasonableness of fuel usage was verified.

Results: Observed evidence that the monthly statement was reviewed and approved by someone other than the authorized card holder and that management is monitoring card usage for reasonableness. There were no finance charges or late fees assessed on the statement.

ST. TAMMANY PARISH CORONER
AGREED-UPON PROCEDURES (CONTINUED)
JANUARY 1, 2018 TO DECEMBER 31, 2018

Non-Payroll Disbursements (excluding credit card/debit card/fuel card/P-Card purchases or payments)

1. **Procedures:** Obtain and inspect the entity's written policies and procedures over purchasing and non-payroll disbursements and observe that they address (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; (5) documentation required to be maintained for all bids and price quotes, and (6) the processing, reviewing, and approving of disbursements.

Results: The written policies and procedures over non-payroll disbursements adequately address all the above except for how vendors are added to the vendor list.

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

Results: Obtained a listing of locations that processed payments for the fiscal period and management's representation that it is complete.

3. **Procedures:** For each location selected under #2 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

Results: Observed through the entity's written policies and procedures and inquiries of management that segregation of duties related to all the job duties above are apparent within the organization.

ST. TAMMANY PARISH CORONER
AGREED-UPON PROCEDURES (CONTINUED)
JANUARY 1, 2018 TO DECEMBER 31, 2018

4. **Procedures:** For each location selected under #2 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and observe that the disbursement matched the related original invoice/billing statement.

Results: Obtained the entity's non-payroll disbursement transaction population and management's representation that the listing was complete. Selected five disbursements and obtained supporting documentation to observe for consistency with the original invoice/billing statement. No exceptions were noted.

5. **Procedures:** Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #3, as applicable.

Results: Observed that the disbursement documentation for materials and supplies included evidence of segregation of duties tested under #3 above. No exceptions were noted.

Ethics

1. **Procedures:** Obtain and inspect the entity's written policies and procedures over ethics and observe that they address each of the following:
- a) The prohibitions as defined in Louisiana Revised Statute 42:1111-1121.
 - b) Actions to be taken if an ethics violation takes place.
 - c) System to monitor possible ethics violations.
 - d) Requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.

Results: Observed that the entity's written policies and procedures over ethics adequately addresses all the above.

ST. TAMMANY PARISH CORONER
AGREED-UPON PROCEDURES (CONTINUED)
JANUARY 1, 2018 TO DECEMBER 31, 2018

2. **Procedures:** Obtain a listing of employees (and elected officials) and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain ethics documentation from management, and:
- a) Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b) Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

Results: Obtained a listing of employees and management's representation that the listing was complete. One out of the five employees selected did not complete the required one hour of ethics training during the fiscal period. Employees selected did not attest through signature verification that they read the entity's ethics policy during the fiscal period, although each did in a prior year.



ST. TAMMANY PARISH CORONER'S OFFICE

65278 HIGHWAY 434 • LACOMBE, LA 70445

OFFICE: 985-781-1150 • FAX: 985-781-1148

May 9, 2019

Louisiana Legislative Auditor

The St. Tammany Parish Coroner respectfully submits the following corrective action plan for items identified pursuant to the Statewide Agreed-Upon Procedures Engagement prescribed by the Louisiana Legislative Auditor.

Name and address of independent public accounting firm:

Ericksen Krentel LLP
2895 Highway 190, Ste 213
Mandeville, LA 70471

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

The exceptions from the Statewide Agreed-Upon Procedures Report are discussed below:

Ethics

Exceptions: One out of the five employees selected did not complete the required one hour of ethics training during the fiscal period. Employees selected did not attest through signature verification that they read the entity's ethics policy during the fiscal period, although each did in a prior year.

Management's Response to Exceptions: Management has noted and agrees with the above exceptions. Management will consider the effects of such exceptions and the need to enhance key controls or compensating controls in the identified areas.

If there are any questions regarding this plan, please contact the Coroner's office, Dr. Charles Preston, 65278 Hwy 434, Lacombe, Louisiana 70445 at 985-781-1150.

Sincerely,

Signature

Title