

ST. LANDRY PARISH SHERIFF

Opelousas, Louisiana

Financial Report

Year Ended June 30, 2017

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INDEPENDENT AUDITOR'S REPORT

The Honorable Bobby Guidroz
St. Landry Parish Sheriff
Opelousas, 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 St. Landry Parish Sheriff (hereinafter "Sheriff") as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 40 and the schedules of funding progress, employer's share of net pension liability and employer contributions on pages 41 through 43 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by 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 obtain during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Other information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the St. Landry Sheriff's basic financial statements. The other supplementary information on pages 46 through 53 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The combining and comparative statements on pages 46, 47, 51, and 52 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. The prior year comparative information on these statements has been derived from the St. Landry Sheriff's 2016 financial statements, which was subjected to the auditing procedures applied by us in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and, in our opinion, was fairly presented in all material respects in relation to the basic financial statements from which they have been derived.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 9, 2017 on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal over financial reporting and compliance.

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

Lafayette, Louisiana
November 9, 2017

BASIC FINANCIAL STATEMENTS

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

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana

Statement of Net Position
June 30, 2017

	<u>Governmental Activities</u>
ASSETS	
Current assets:	
Cash and interest-bearing deposits	\$ 4,770,656
Due from other governmental units	266,034
Prepaid expenditures	12,101
Other	<u>500</u>
Total current assets	5,049,291
Noncurrent assets:	
Capital assets, net	<u>5,462,272</u>
 TOTAL ASSETS	 <u>10,511,563</u>
 DEFERRED OUTFLOWS OF RESOURCES	 <u>3,944,461</u>
LIABILITIES	
Current liabilities:	
Accounts, salaries, and other payables	<u>442,480</u>
Noncurrent liabilities:	
Long-term liabilities	405,832
Net OPEB obligation	7,695,879
Net pension liability	<u>7,533,961</u>
Total noncurrent liabilities	<u>15,635,672</u>
 TOTAL LIABILITIES	 <u>16,078,152</u>
 DEFERRED INFLOWS OF RESOURCES	 <u>1,219,727</u>
NET POSITION	
Net investment in capital assets	6,149,557
Unrestricted (deficit)	<u>(8,991,412)</u>
 TOTAL NET POSITION (DEFICIT)	 <u>\$ (2,841,855)</u>

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

FUND FINANCIAL STATEMENTS (FFS)

MAJOR FUNDS DESCRIPTION

General Fund

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

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana

Balance Sheet - Governmental Funds
June 30, 2017

	<u>General Fund</u>	<u>Contraband Fund (Non-major)</u>	<u>Total</u>
ASSETS			
Cash and interest-bearing deposits	\$ 4,636,205	\$ 134,451	\$ 4,770,656
Receivables -			
Due from other governmental units	266,034	-	266,034
Prepaid expenditures	12,101	-	12,101
Other	500	-	500
Total assets	<u>\$ 4,914,840</u>	<u>\$ 134,451</u>	<u>\$ 5,049,291</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 90,111	\$ -	\$ 90,111
Accrued liabilities	352,369	-	352,369
Total liabilities	<u>442,480</u>	<u>-</u>	<u>442,480</u>
Fund balances:			
Nonspendable (prepaid expenditures)	12,101	-	12,101
Assigned for construction	1,000,000	-	1,000,000
Assigned for operations of Contraband Fund	-	134,451	134,451
Unassigned -			
General Fund	3,460,259	-	3,460,259
Total fund balances	<u>4,472,360</u>	<u>134,451</u>	<u>4,606,811</u>
Total liabilities and fund balances	<u>\$ 4,914,840</u>	<u>\$ 134,451</u>	<u>\$ 5,049,291</u>

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

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana

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

Total fund balance for governmental funds at June 30, 2017		\$ 4,606,811
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Land	\$ 357,889	
Buildings, net of \$584,975 accumulated depreciation	3,603,896	
Vehicles, net of \$2,196,034 accumulated depreciation	647,002	
Equipment, net of \$1,816,253 accumulated depreciation	<u>853,485</u>	5,462,272
The deferred outflows of expenditures for the Sheriffs' Pension and Relief Fund are not a use of current resources and, therefore, are not reported in the funds.		
		3,944,461
Long-term liabilities at June 30, 2017:		
Compensated absences payable	(355,832)	
Other claims payable	(50,000)	
Net OPEB obligation	(7,695,879)	
Net pension liability	<u>(7,533,961)</u>	(15,635,672)
The deferred inflows of contributions for the Sheriffs' Pension and Relief Fund are not available resources and, therefore, are not reported in the funds.		
		<u>(1,219,727)</u>
Net position (deficit) at June 30, 2017		<u>\$ (2,841,855)</u>

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

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana

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

	General Fund	Contraband Fund (Non-major)	Total
Revenues:			
Taxes -			
Ad valorem taxes	\$ 2,718,721	\$ -	\$ 2,718,721
Sales taxes	8,609,970	-	8,609,970
Intergovernmental revenues -			
Federal grants	41,693	-	41,693
Federal forfeited revenue	-	48,260	48,260
State grants	31,200	-	31,200
State grants - state revenue sharing (net)	266,306	-	266,306
State supplemental pay	582,177	-	582,177
Video poker commissions	626,068	-	626,068
Fees charges and commissions for services -			
Civil and criminal fees	1,261,693	-	1,261,693
Special duty detail	253,577	-	253,577
Feeding, keeping, and transporting prisoners	624,372	-	624,372
Interest income	18,221	393	18,614
Sale of equipment	37,400	-	37,400
Miscellaneous	122,510	10,056	132,566
Total revenues	<u>15,193,908</u>	<u>58,709</u>	<u>15,252,617</u>
Expenditures:			
Current -			
Public safety:			
Personal services and related benefits	9,268,907	-	9,268,907
Operating services	2,245,807	-	2,245,807
Operations and maintenance	2,137,675	19,233	2,156,908
Travel and other charges	31,625	-	31,625
Capital outlay	354,982	-	354,982
Total expenditures	<u>14,038,996</u>	<u>19,233</u>	<u>14,058,229</u>
Net change in fund balances	1,154,912	39,476	1,194,388
Fund balances, beginning	<u>3,317,448</u>	<u>94,975</u>	<u>3,412,423</u>
Fund balances, ending	<u>\$ 4,472,360</u>	<u>\$ 134,451</u>	<u>\$ 4,606,811</u>

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

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana

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

Total net changes in fund balances for the year ended June 30, 2017 per Statement of Revenues, Expenditures and Changes in Fund Balances		\$1,194,388
 The change in net position reported for governmental activities in the statement of activities is different because:		
 Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 354,982	
Depreciation expense for the year ended June 30, 2017	<u>(610,722)</u>	(255,740)
 Differences between the amounts reported as expenses in the statement of activities and those reported as expenditures in the fund financial statements:		
Claims payable	100,000	
Compensated absences	150,916	
OPEB benefits	(384,148)	
Pension expense	<u>(95,998)</u>	(229,230)
Non-employer's contributions to the Sheriffs' Pension and Relief Fund		<u>461,108</u>
Total changes in net position for the year ended June 30, 2017 per Statement of Activities		<u>\$1,170,526</u>

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

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana

Statement of Fiduciary Assets and Liabilities
June 30, 2017

	<u>Agency Funds</u>
ASSETS	
Cash and interest-bearing deposits	<u>\$ 2,315,271</u>
LIABILITIES	
Liabilities:	
Due to other taxing bodies	\$ 2,283,536
Due to inmates	<u>31,735</u>
Total liabilities	<u>\$ 2,315,271</u>

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

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana

Notes to Basic Financial Statements

INTRODUCTION

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

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

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

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

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

(1) Summary of Significant Accounting Policies

A. Reporting Entity

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

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

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana

Notes to Basic Financial Statements (Continued)

B. Basis of Presentation

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

Government-Wide Financial Statements (GWFS)

The statement of net position and the statement of activities display information about the Sheriff as a whole. These statements include all the financial activities of the Sheriff. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions."

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

Fund Financial Statements (FFS)

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

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana

Notes to Basic Financial Statements (Continued)

Governmental Funds –

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

Special Revenue Fund – Contraband Fund – This fund is used to account for the receipt and disbursement of contraband received.

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. Accordingly, it presents only a statement of fiduciary assets and liabilities and does not present a statement of changes in fiduciary net position. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Sheriff's own programs. Fiduciary funds are presented on an economic resources measurement focus and the modified accrual basis of accounting.

C. Measurement Focus/Basis of Accounting

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

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

ST. LANDRY PARISH SHERIFF
Opelousas, 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, generally 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.

Sales taxes are considered as “measurable” when in the hands of the sales tax collector and are recognized as revenue at that time.

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

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

Expenditures

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

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 income is removed from the combined 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. 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.

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana

Notes to Basic Financial Statements (Continued)

F. 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.

G. Prepaid Expenditures

Payments made for software maintenance contracts and for health and workmen's compensation insurance that will benefit periods beyond the end of the fiscal year are recorded as prepaid expenditures.

H. Capital Assets

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

Capital assets are recorded in the Statement of Net Position and Statement of Activities. 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:

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

I. 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.

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana

Notes to Basic Financial Statements (Continued)

J. Compensated Absences

Employees of the St. Landry Parish Sheriff earn from 12 to 15 days of annual leave each year, depending on their length of service. Sick leave is earned at the rate of 1 day for each month worked. Accrued sick leave is not limited and not payable upon termination. Only 48 hours of annual leave can be carried forward from one year to the next, and it is not payable upon retirement or termination. Compensatory time is not limited and is paid upon retirement or termination. At June 30, 2017, employees of the Sheriff have accumulated and vested \$355,832 of compensated absence benefits, which is recorded as a liability in the Statement of Net Position. In accordance with professional accounting standards, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits at June 30, 2017.

K. Equity Classifications

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

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

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

- a. Nonspendable – amounts that cannot be spent either because that 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.

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana

Notes to Basic Financial Statements (Continued)

- 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 by a formal decision of the Sheriff, which is the highest level of decision-making authority.
- e. Unassigned – all other spendable amounts.

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

L. 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.

M. Estimates

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

(2) Cash and Interest-Bearing Deposits

Under state law, the Sheriff may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Sheriff may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2017, the Sheriff has cash and interest-bearing deposits (book balances) totaling \$7,085,927, as follows:

	<u>Governmental Activities</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Noninterest-bearing deposits	\$ 193,395	\$ 46,620	\$ 240,015
Interest-bearing deposits	<u>4,577,261</u>	<u>2,268,651</u>	<u>6,845,912</u>
Total	<u>\$ 4,770,656</u>	<u>\$ 2,315,271</u>	<u>\$ 7,085,927</u>

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

The deposits are stated at cost, which approximates market. Custodial credit risk is the risk that in the event of a bank failure, the Sheriff will not be able to recover deposits. The Sheriff does not have a policy for custodial credit risk; however, under state law these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank 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>\$ 7,349,113</u>
Federal deposit insurance	2,000,000
Pledged securities	<u>5,349,113</u>
Total	<u>\$ 7,349,113</u>

Deposits in the amount of \$5,349,113 were exposed to custodial credit risk. The securities pledged for these deposits are held by the bank, or its trust department or agent, but not in the Sheriff's name. Even though the pledged securities are not held in the name of the Sheriff, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Sheriff that the fiscal agent has failed to pay deposited funds upon demand.

(3) Ad Valorem Taxes

The Sheriff is the ex-officio tax collector of the parish and is responsible for the collection and distribution of ad valorem property taxes. Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the parish government in November and are actually billed to taxpayers by the Sheriff in October or November. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Tax Assessor of St. Landry 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. During the month of November 6, tax notices were distributed for the 6 tax year. Law enforcement taxes applicable to the Sheriff's General Fund, were levied at the rate of 4.18 mills on property with approximate net assessed valuations (after homestead exemption) totaling \$62,726,949.

Total law enforcement taxes levied during the fiscal year ended June 30, 2017 were \$2,621,986.

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana

Notes to Basic Financial Statements (Continued)

(4) Due From Other Governmental Units

Amounts due from other governmental units at June 30, 2017 consist of the following:

St. Landry Parish and others for prisoner maintenance, fees, and other charges	\$ 253,816
State of Louisiana and federal agencies for grants	<u>12,218</u>
Total	<u>\$ 266,034</u>

(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:				
Capital assets not being depreciated:				
Land	\$ 357,889	\$ -	\$ -	\$ 357,889
Other capital assets:				
Buildings	4,173,354	15,517	-	4,188,871
Vehicles	3,122,484	259,737	539,185	2,843,036
Equipment	3,268,286	79,727	678,275	2,669,738
Total	<u>10,922,013</u>	<u>354,981</u>	<u>1,217,460</u>	<u>10,059,534</u>
Less: accumulated depreciation				
Buildings	469,048	115,927	-	584,975
Vehicles	2,438,157	297,860	539,983	2,196,034
Equipment	2,296,795	196,935	677,477	1,816,253
Total	<u>5,204,000</u>	<u>610,722</u>	<u>1,217,460</u>	<u>4,597,262</u>
Net capital assets	<u>\$ 5,718,013</u>	<u>\$ (255,741)</u>	<u>\$ -</u>	<u>\$ 5,462,272</u>

Depreciation expense in the amount of \$610,722 was charged to public safety.

(6) Accounts, Salaries, and Other Payables

The accounts, salaries, and other payables consisted of the following at June 30, 2017:

Accounts	\$ 90,111
Salaries	224,059
Pension	67,488
Payroll withholdings	<u>60,822</u>
Total	<u>\$ 442,480</u>

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana

Notes to Basic Financial Statements (Continued)

(7) Changes in Long-Term Liabilities

During the year ended June 30, 2017, the following changes occurred in long-term liabilities transactions and balances:

	Balance 7/1/2016	Additions	Reductions	Balance 6/30/2017
Compensated absences	\$ 506,748	\$ 611,990	\$ 762,906	\$ 355,832
Other claims	150,000	-	100,000	50,000
	<u>\$ 656,748</u>	<u>\$ 611,990</u>	<u>\$ 862,906</u>	<u>\$ 405,832</u>

(8) 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 began to recognize the cost of postemployment healthcare in the year when employee services are received, to report the accumulated liability from prior years, and to provide information useful in assessing potential demands on the Sheriff's future cash flows. Because the Sheriff 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 St. Landry Parish Sheriff's medical and life insurance benefits are provided to employees upon actual retirement.

The employer pays 100% of the medical coverage for the retiree only (not dependents). The employer also pays for life insurance coverage after retirement. Employees are covered a retirement system whose retirement eligibility (D.R.O.P. entry) is age 55 and 12 years of service, but most employees work 25 years before actually retiring. See the section below entitled "Post employment Benefit Plan Eligibility Requirements" for the assumption as to actual retirement.

Life insurance coverage is continued to retirees by election. The employer pays for life insurance up to \$10,000 after retirement for retirees who so elect but it is based on the blended active/retired rate and there is thus an implied subsidy. Since GASB Codification Section P50 requires the use of "unblended" rates, we have used the 94GAR 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.

Contribution Rates: Employees do not contribute to their post employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents.

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana

Notes to Basic Financial Statements (Continued)

Fund Policy: Until 2008, St. Landry Parish Sheriff recognized the cost of providing post-employment medical and life insurance benefits (St. Landry Parish Sheriff's portion of the retiree medical and life insurance benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. In 2017, St. Landry Parish Sheriff's portion of health care and life insurance funding cost for retired employees totaled \$202,515, respectively.

Effective July 1, 2008, St. Landry Parish Sheriff implemented Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions* (GASB 45). This amount was applied toward the Net OPEB Benefit Obligation as shown in the following table.

Annual Required Contribution: St. Landry Parish Sheriff's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB Codification Section P50. The ARC is the sum of the Normal Cost plus the contribution to amortize the Unfunded Actuarial Accrued Liability (UAAL). A level dollar, open amortization period of 30 years (the maximum amortization period allowed by GASB Codification Section P50) has been used for the post-employment benefits. The actuarially computed ARC is as follows:

Normal cost	\$ 308,852
30-year UAL amortization amount	408,180
Annual required contribution (ARC)	<u>\$ 717,032</u>

Net Post-employment Benefit Obligation (Asset): The table shows St. Landry Parish Sheriff's Net Other Post-employment Benefit (OPEB) Obligation for fiscal year ending June 30, 2017:

Beginning Net OPEB Obligation	<u>\$ 7,311,731</u>
Annual required contribution	717,032
Interest on net OPEB obligation	292,469
ARC Adjustment	<u>(422,838)</u>
OPEB cost	586,663
Current year retiree premium	<u>(202,515)</u>
Change in Net OPEB Obligation	<u>384,148</u>
Ending Net OPEB Obligation	<u>\$ 7,695,879</u>

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana

Notes to Basic Financial Statements (Continued)

The following table shows St. Landry Parish Sheriff's annual post employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded post employment benefits (PEB) liability for 2017, 2016, and 2015.

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Liability (Asset)
6/30/2017	\$ 586,663	34.52%	\$ 7,695,879
6/30/2016	\$ 599,436	25.76%	\$ 7,311,731
6/30/2015	\$ 579,454	24.67%	\$ 6,866,708

Funded Status and Funding Progress: In 2017 and 2016, St. Landry Parish Sheriff made no contributions to its post employment benefits plan. The plan is not funded, has no assets, and hence has a funded ratio of zero. Based on the July 1, 2016 actuarial valuation, the most recent valuation, the Actuarial Accrued Liability (AAL) at the end of the year June 30, 2017 was \$7,340,591 which is defined as that portion, as determined by a particular actuarial cost method (St. Landry Parish Sheriff uses the Projected Unit Credit Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost.

Actuarial Accrued Liability (AAL)	\$ 7,340,591
Actuarial Valuation of Plan Assets (AVP)	-
Unfunded actuarial accrued liability (UAAL)	<u>\$ 7,340,591</u>
 Funded ratio (AVP/AAL)	 0.00%
 Covered Payroll (active plan members)	 \$ 7,622,252
UAAL as a percentage of covered payroll	96.30%

Actuarial Methods and Assumptions: Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by St. Landry Parish Sheriff and its employee plan members) at the time of the valuation and on the pattern of sharing costs between St. Landry Parish Sheriff and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between St. Landry Parish Sheriff and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana

Notes to Basic Financial Statements (Continued)

Actuarial Cost Method: The ARC is determined using the Projected Unit Credit Cost Method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality, and turnover.

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

Turnover Rate: 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 15%.

Post employment Benefit Plan Eligibility Requirements: Since employees are eligible to retire (or enter the five year D.R.O.P.) at age 55 and 12 years of service, but most employees work at least 25 years before actually retiring, we have assumed that actual retirement (and commencement of OPEB benefits) occurs at the later of age 60 and completion of 25 years of service. Medical benefits are provided to employees upon actual retirement.

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

Health Care Cost Trend Rate: The expected rate of increase in medical cost is based on a graded schedule beginning with 8% annually, down to an ultimate annual rate of 5% for ten years out and later.

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

Method of Determining Value of Benefits: The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The medical rates provided are "blended" rates for active and retired both before and after Medicare eligibility, so we have estimated the "unblended" rates for retirees before Medicare eligibility as 130% of the blended rate and after Medicare eligibility as 80% of the blended rate, as required by GASB 45 for valuation purposes.

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

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana

Notes to Basic Financial Statements (Continued)

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

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

Below is a summary of OPEB cost and contributions for the last three fiscal years.

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
OPEB Cost	\$ 579,453	\$ 599,436	\$ 586,663
Contribution	-	-	-
Retiree premium	<u>142,975</u>	<u>154,413</u>	<u>202,515</u>
Total contribution and premium	<u>142,975</u>	<u>154,413</u>	<u>202,515</u>
Change in net OPEB obligation	<u>\$ 436,478</u>	<u>\$ 445,023</u>	<u>\$ 384,148</u>
% of contribution to cost	0.00%	0.00%	0.00%
% of contribution plus premium to cost	24.67%	25.76%	34.52%

9) Employee Retirement Systems

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.

Plan Description:

Employees of the Sheriff are provided with pensions through a cost-sharing multiple-employer defined benefit pension plan established in accordance with the provisions of Louisiana Revised Statute 11:2171 to provide retirement, disability and survivor benefits to employees of sheriff's offices throughout the State of Louisiana, employees of the Louisiana Sheriffs' Association and the Sheriff's Pension and Relief Fund's office. The Fund issues a publicly available financial report that may be accessed on their website as follows:

LSPRF - <http://www.lsprf.com>

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

Benefits Provided:

The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Retirement:

For members who become eligible for membership on or before December 31, 2011: Members with twelve years of creditable service may retire at age fifty-five; members with thirty years of service may retire regardless of age. The retirement allowance is equal to three and one-third percent of the member's average final compensation multiplied by his years of creditable service, not to exceed (after reduction for optional payment form) 100% of average final compensation. Active, contributing members with at least ten years of creditable service may retire at age sixty. The accrued normal retirement benefit is reduced actuarially for each month or fraction thereof that retirement begins prior to the member's earliest normal retirement date assuming continuous service.

For members whose first employment making them eligible for membership in the system began on or after January 1, 2012: Members with twelve years of creditable service may retire at age sixty-two; members with twenty years of service may retire at age sixty; members with thirty years of creditable service may retire at age fifty-five. The benefit accrual rate for such members with less than thirty years of service is three percent; for members with thirty or more years of service; the accrual rate is three and one-third percent. The retirement allowance is equal to the benefit accrual rate times the member's average final compensation multiplied by his years of creditable service, not to exceed (after reduction for optional payment form) 100% of average final compensation. Members with twenty or more years of service may retire with a reduced retirement at age fifty.

For a member whose first employment making him eligible for membership in the system began on or before June 30, 2006, final average compensation is based on the average monthly earnings during the highest thirty-six consecutive months or joined months if service was interrupted. The earnings to be considered for each twelve-month period within the thirty-six month period shall not exceed 125% of the preceding twelve-month period.

For a member whose first employment making him eligible for membership in the system began after June 30, 2006 and before July 1, 2013, final average compensation is based on the average monthly earnings during the highest sixty consecutive months or joined months if service was interrupted. The earnings to be considered for each twelve-month period within the sixty month period shall not exceed 125% of the preceding twelve-month period.

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

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

Deferred Retirement Benefits:

The Fund does provide for deferred benefits for vested members who terminate before being eligible for retirement. Benefits become payable once the member reaches the appropriate age for retirement.

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

Disability Benefits:

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

Survivor's Benefits:

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

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

Permanent benefit Increases/Cost-of-Living Adjustments:

Cost of living provisions for the Fund allows the board of trustees to provide an annual cost of living increase of 2.5% of the eligible retiree's original benefit if certain funding criteria are met. Members are eligible to receive a cost of living adjustment once they have attained the age of sixty and have been retired at least one year. Funding criteria for granting cost of living adjustments is dependent on the funded ratio.

Contributions:

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2016, the actual employer contribution rate was 13.75% with 0% allocated from the Funding Deposit Account. For the year ended June 30, 2016, the actuarially determined employer contribution rate was 9.54%. The actual rate differs from the actuarially required rate due to state statutes that require the contribution rate be calculated and set two years prior to the year effective.

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 \$461,108 and excluded from pension expense for the year ended June 30, 2017.

Actuarial Assumptions:

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

The mortality rate assumptions were set after reviewing an experience study performed over the period July 1, 2004 through June 30, 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 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.

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

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2016, and 2015 are as follows:

Valuation Date	June 30, 2016 and 2015
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	6 years
Investment Rate of Return	7.6% per annum
Projected Salary Increases	5.5% per annum
Mortality	RP-2000 Combined Healthy Mortality Table for active members, healthy annuitants and beneficiaries RP-2000 Disabled Lives Mortality Table for disabled annuitants
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the Fund and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

Discount Rate:

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

Employer Allocations:

The schedule of employer allocations reports the required projected employer contributions in addition to the employer allocation percentage. The required projected 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.

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

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.

The target allocation and best estimates of arithmetic/geometric real rates of return for each major asset class are summarized for each plan in the following tables:

	LSPRF*	
Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Equity Securities	60%	3.90%
Bonds	25%	0.50%
Alternative Investments	<u>15%</u>	<u>0.60%</u>
Totals	<u>100%</u>	5.00%
Inflation		<u>2.70%</u>
Expected Nominal Return		<u>7.70%</u>

*Arithmetic real rates of return

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

At June 30, 2017, the Sheriff reported a liability of \$7,533,961 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 1.187031%, which was an increase of .088985% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the Sheriff recognized pension expense of \$1,104,367 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$5,174.

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

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana

Notes to Basic Financial Statements (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 790,229
Change of assumptions	615,498	-
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	428,624	429,498
Net differences between projected and actual earnings on plan investments	1,886,882	-
Contributions subsequent to the measurement date	1,013,457	-
Total	\$3,944,461	\$ 1,219,727

Deferred outflows of resources of \$1,013,457 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, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	
2018	\$ 162,203
2019	162,203
2020	711,816
2021	510,418
2022	82,319
Thereafter	82,318
	\$ 1,711,277

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.

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:

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana

Notes to Basic Financial Statements (Continued)

	1.0% Decrease 6.5%	Current Discount Rate 7.5%	1.0% Increase 8.5%
Employer's proportionate share of the net pension liability	\$ 12,782,133	\$ 7,533,961	\$ 3,202,218

The Sheriff also remits to the Parochial Employees' Retirement System for retirement of the parish judges' secretaries. At June 30, 2017, the Sheriff's proportionate share of the deferred outflows of resources, net pension liability, and deferred inflows of resources are \$4,227, \$4,376, and \$800, respectively, which were not recorded in the financial statements. The Sheriff's contribution for the years ended June 30, 2017, and 2016 were \$2,574 and \$2,477, respectively.

(10) Taxes Paid Under Protest

The unsettled balances due to taxing bodies and others in the agency funds at June 30, 2017, include \$1,247,587 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.

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

The Sheriff's offices are located in the parish courthouse and/or other buildings owned by the St. Landry Parish Government. The cost of maintaining the parish courthouse and jail, as required by statute, is paid by the St. Landry Parish Government. These expenditures are not included in the accompanying financial statements.

(12) Changes in Agency Fund Balances

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

	Balance 7/1/2016	Additions	Reductions	Balance 6/30/2017
Agency Funds:				
Sheriff's Fund	\$ 142,309	\$ 1,884,428	\$ 1,930,733	\$ 96,004
Bond Fund	602,172	2,827,441	2,824,472	605,141
Tax Collector Fund	1,440,036	39,118,190	39,011,007	1,547,219
License Fund	28,236	587,005	592,124	23,117
Prisoners' Money Fund	29,225	83,245	74,172	38,298
Drug Seizure Fund	1,486	-	(4,006)	5,492
Total	\$ 2,243,464	\$ 44,500,309	\$ 44,428,502	\$ 2,315,271

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana

Notes to Basic Financial Statements (Continued)

(13) Operating Leases

The Sheriff is contracted under a vehicle fleet lease agreement. The monthly lease payments per vehicle range from \$410 to \$1,169 for 60 months and expire at various dates.

Future minimum lease payments are as follows:

2018	\$ 133,818
2019	133,818
2020	29,313
2021	22,624
2022	<u>12,410</u>
Total	<u>\$ 331,983</u>

Lease expense for the year ended June 30, 2017 was \$127,339.

(14) Litigation and Claims

At June 30, 2017, the Sheriff is involved in several lawsuits claiming damages. The Sheriff's legal counsel has reviewed the Sheriff's claims and lawsuits, which are primarily personal injury claims and automobile accident claims, in order to evaluate the likelihood of an unfavorable outcome to the Sheriff and to arrive at an estimate, if any, of the amount or range of potential loss to the Sheriff. As a result of the review, the various claims and lawsuits have been categorized into "probable", "reasonably possible", or "remote", as defined by the Governmental Accounting Standards Board. The Sheriff is involved in three lawsuits that are classified as "probable". It is estimated that any unfavorable outcome to the Sheriff should not exceed \$150,000, which is accrued in the government-wide financial statements. It is the opinion of legal counsel that all remaining lawsuits would not create a material liability to the Sheriff in excess of insurance coverage.

(15) Risk Management

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

(16) Assigned Fund Balances

At June 30, 2017, fund balance of the General Fund in the amount of \$1,000,000 was assigned for the purpose of renovating acquired property into a training facility and fund balance of the Contraband Fund in the amount of \$134,451 was assigned for the purpose of operations.

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana

Notes to Basic Financial Statements (Continued)

(17) Sheriff Collections on Behalf of Other Taxing Authorities

For the fiscal year ended June 30, 2017, the collection and distribution of on-behalf payments were as follows:

	Total Collections	St. Landry Parish Government	St. Landry Parish Sheriff
Occupational Licenses	\$ 587,005	\$ 498,954	\$ 88,051

(18) Ex-officio Tax Collector

The amount of cash on hand at year end was \$1,547,219. The unsettled balances of the Tax Collector Fund at June 30, 2017 consist of the following:

Collection of current and prior year taxes, not settled	\$ 238,669
Refunds and redemptions	60,963
Protest taxes	<u>1,247,587</u>
Total	<u>\$ 1,547,219</u>

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

Bobby Guidroz, Sheriff	\$ 2,565,580
St. Landry Parish School Board	12,594,664
St. Landry Parish Government	4,764,872
St. Landry Parish Assessor	1,245,963
Gravity Drainage Districts	2,398,707
Public Works Commission	3,069,420
Fire Districts	8,300,070
Forestry Tax	13,140
Louisiana Tax Commission	45,281
Acadia-St. Landry Hospital	74,639
Consolidated District 1, Ward 3	1,162,347
Red River Levee	308,112
Retirement Plans	<u>1,048,280</u>
Total	<u>\$37,591,075</u>

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana

Notes to Basic Financial Statements (Continued)

For the fiscal year ended June 30, 2017, the taxes assessed and uncollected are as follows:

	Louisiana Tax Commission Decreases	Unpaid
Bobby Guidroz, Sheriff	\$ 15,583	\$ 28,474
St. Landry Parish School Board	76,496	139,780
St. Landry Parish Government	34,727	53,163
St. Landry Parish Assessor	7,568	13,828
Gravity Drainage Districts	24,388	33,114
Public Works Commission	10,865	22,858
Fire Districts	49,913	80,666
Forestry Tax	3	-
Acadia-St. Landry Hospital	1,048	962
Consolidated District 1, Ward 3	7,286	2,090
Red River Levee	871	2,870
Louisiana Tax Commission	-	2
Total	\$ 228,748	\$ 377,807

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

The schedule of compensation and benefits paid to Bobby Guidroz, Sheriff, for the year ended June 30, 2017 follows:

Purpose	Amount
Salary	\$ 160,320
Benefits-insurance	9,345
Benefits-retirement	21,242
Per diem	942
Conference travel	4,380
Continuing professional education fees	2,730
Total	\$ 198,959

**REQUIRED SUPPLEMENTARY
INFORMATION**

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana

Budgetary Comparison Schedule
For the Year Ended June 30, 2017

	Budget		Actual	Variance with Final Budget
	Original	Amended		Positive (Negative)
Revenues:				
Taxes and licenses -				
Ad valorem taxes	\$2,580,000	\$2,705,000	\$2,718,721	\$ 13,721
Sales taxes	8,600,000	8,520,000	8,609,970	89,970
Intergovernmental revenues -				
Federal grants	25,000	33,500	41,693	8,193
State grants	25,000	26,500	31,200	4,700
State grants - state revenue sharing (net)	260,000	265,000	266,306	1,306
State supplemental pay	615,000	585,000	582,177	(2,823)
Video poker commissions	535,000	573,000	626,068	53,068
Fees charges and commissions for services -				
Civil and criminal fees	1,150,500	1,210,000	1,261,693	51,693
Special duty detail	200,000	225,000	253,577	28,577
Feeding, keeping, and transporting prisoners	635,000	589,000	624,372	35,372
Interest income	20,000	16,000	18,221	2,221
Sale of equipment	-	37,000	37,400	400
Miscellaneous	110,000	115,000	122,510	7,510
Total revenues	<u>14,755,500</u>	<u>14,900,000</u>	<u>15,193,908</u>	<u>293,908</u>
Expenditures:				
Current -				
Public safety:				
Personal services and related benefits	9,523,000	9,333,000	9,268,907	64,093
Operating services	2,402,000	2,275,000	2,245,807	29,193
Operations and maintenance	2,120,000	2,240,000	2,137,675	102,325
Travel and other charges	44,000	51,000	31,625	19,375
Capital outlay	554,400	351,000	354,982	(3,982)
Total expenditures	<u>14,643,400</u>	<u>14,250,000</u>	<u>14,038,996</u>	<u>211,004</u>
Excess (Deficiency) of revenues over expenditures	112,100	650,000	1,154,912	504,912
Fund balance, beginning	<u>3,317,448</u>	<u>3,317,448</u>	<u>3,317,448</u>	-
Fund balance, ending	<u>\$3,429,548</u>	<u>\$3,967,448</u>	<u>\$4,472,360</u>	<u>\$ 504,912</u>

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana

Schedule of Funding Progress
For the 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
07/01/08	\$ -	\$8,821,393	\$8,821,393	0.0%	\$ 7,213,059	122.3%
07/01/10	-	9,735,139	9,735,139	0.0%	8,250,188	118.0%
07/01/12	-	6,182,913	6,182,913	0.0%	7,444,694	83.1%
07/01/14	-	6,866,708	6,866,708	0.0%	7,408,239	92.7%

ST. LANDRY PARISH SHERIFF
Opelousas, 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	1.184180%	\$ 4,689,359	\$ 7,548,660	62.1%	87.34%
2016	1.098046%	4,894,559	7,567,230	64.7%	86.61%
2017	1.187031%	7,533,961	8,110,274	92.9%	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.

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana

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

<u>Year ended June 30,</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractual Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Contributions as a % of Covered Employee Payroll</u>
2015	\$ 1,078,330	\$ 1,078,330	\$ -	\$7,567,230	14.25%
2016	1,115,163	1,115,163	-	8,110,274	13.75%
2017	1,013,457	1,013,457	-	7,648,730	13.25%

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

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana

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

(1) Budgets and Budgetary Accounting

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

- a. The chief administrative deputy 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.
- b. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
- c. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
- d. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
- e. All budgetary appropriations lapse at the end of each fiscal year.
- f. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as finally amended by the Sheriff. Such amendments were not material in relation to the original appropriations.

(2) Pension Plans

Changes of Assumptions – Changes of assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. These assumptions include the rate of investment return, mortality of plan members, rate of salary increase, rates of retirement, rates of termination, rates of disability, and various other factors that have an impact on the cost of the plan.

(3) Excess of Expenditures Over Appropriations

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

	<u>Final Budget</u>	<u>Actual</u>	<u>Excess</u>
Capital Outlay	\$ 351,000	\$ 354,982	\$ (3,982)

**OTHER SUPPLEMENTARY
INFORMATION**

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana

Comparative Statement of Net Position
June 30, 2017 and 2016

	Governmental Activities	
	2017	2016
ASSETS		
Current assets:		
Cash and interest-bearing deposits	\$ 4,770,656	\$ 3,769,011
Due from other governmental units	266,034	244,653
Prepaid expenditures	12,101	13,287
Other	500	500
Total current assets	5,049,291	4,027,451
Noncurrent assets:		
Capital assets, net	5,462,272	5,718,012
TOTAL ASSETS	10,511,563	9,745,463
DEFERRED OUTFLOWS OF RESOURCES	3,944,461	1,413,967
LIABILITIES		
Current liabilities:		
Accounts, salaries, and other payables	442,480	615,028
Noncurrent liabilities:		
Long-term liabilities	405,832	656,748
Net OPEB obligation	7,695,879	7,311,731
Net pension liability	7,533,961	4,894,559
Total noncurrent liabilities	15,635,672	12,863,038
TOTAL LIABILITIES	16,078,152	13,478,066
DEFERRED INFLOWS OF RESOURCES	1,219,727	1,693,745
NET POSITION		
Net investment in capital assets	6,149,557	5,718,012
Unrestricted (deficit)	(8,991,412)	(9,730,393)
TOTAL NET POSITION (DEFICIT)	\$(2,841,855)	\$(4,012,381)

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana
General Fund

Comparative Balance Sheet
June 30, 2017 and 2016

	2017	2016
ASSETS		
Cash and interest-bearing deposits	\$4,636,205	\$3,674,036
Receivables -		
Due from other governmental units	266,034	244,653
Prepaid expenditures	12,101	13,287
Other	500	500
Total assets	<u>\$4,914,840</u>	<u>\$3,932,476</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 90,111	\$ 310,027
Accrued liabilities	352,369	305,001
Total liabilities	442,480	615,028
Fund balance:		
Nonspendable (prepaid expenditures)	12,101	13,287
Assigned for construction	1,000,000	1,000,000
Unassigned	3,460,259	2,304,161
Total fund balance	4,472,360	3,317,448
Total liabilities and fund balance	<u>\$4,914,840</u>	<u>\$3,932,476</u>

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana
General Fund

Budgetary Comparison Schedule -
Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Year Ended June 30, 2017
With Comparative Actual Amounts for Year Ended June 30, 2016

	2017			Variance with Final Budget Positive (Negative)	2016
	Budget		Actual		
	Original	Amended			
Revenues:					
Taxes -					
Ad valorem taxes	\$2,580,000	\$2,705,000	\$2,718,721	\$ 13,721	\$2,621,585
Sales taxes	8,600,000	8,520,000	8,609,970	89,970	8,598,822
Intergovernmental revenues -					
Federal grants	25,000	33,500	41,693	8,193	43,323
State grants	25,000	26,500	31,200	4,700	60,237
State grants - state revenue sharing (net)	260,000	265,000	266,306	1,306	255,832
State supplemental pay	615,000	585,000	582,177	(2,823)	630,707
Video poker commissions	535,000	573,000	626,068	53,068	554,648
Fees, charges and commissions for services -					
Civil and criminal fees	1,150,500	1,210,000	1,261,693	51,693	1,218,328
Special duty detail	200,000	225,000	253,577	28,577	215,433
Feeding, keeping, and transporting prisoners	635,000	589,000	624,372	35,372	680,816
Interest income	20,000	16,000	18,221	2,221	17,027
Sale of equipment	-	37,000	37,400	400	50
Miscellaneous	110,000	115,000	122,510	7,510	130,531
Total revenues	<u>14,755,500</u>	<u>14,900,000</u>	<u>15,193,908</u>	<u>293,908</u>	<u>15,027,339</u>
Expenditures:					
Current -					
Public safety:					
Personal services and related benefits	9,523,000	9,333,000	9,268,907	64,093	9,476,514
Operating services	2,402,000	2,275,000	2,245,807	29,193	2,402,603
Operations and maintenance	2,120,000	2,240,000	2,137,675	102,325	2,111,595
Travel and other charges	44,000	51,000	31,625	19,375	24,586
Capital outlay	554,400	351,000	354,982	(3,982)	1,004,410
Total expenditures	<u>14,643,400</u>	<u>14,250,000</u>	<u>14,038,996</u>	<u>211,004</u>	<u>15,019,708</u>
Excess (Deficiency) of revenues over expenditures	112,100	650,000	1,154,912	504,912	7,631
Fund balance, beginning	<u>3,317,448</u>	<u>3,317,448</u>	<u>3,317,448</u>	-	<u>3,309,817</u>
Fund balance, ending	<u>\$3,429,548</u>	<u>\$3,967,448</u>	<u>\$4,472,360</u>	<u>\$ 504,912</u>	<u>\$3,317,448</u>

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana
General Fund

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

	2017			Variance with Final Budget Positive (Negative)	2016
	Budget		Actual		
	Original	Amended			
Current:					
Public safety -					
Personal services and related benefits:					
Sheriff's salary	\$ 144,000	\$ 146,000	\$ 145,816	\$ 184	\$ 142,686
Deputies salaries	8,220,000	8,030,000	7,967,749	62,251	8,114,969
Pension and payroll taxes	1,145,000	1,142,000	1,140,838	1,162	1,204,666
Sheriff's expense allowance	14,000	15,000	14,504	496	14,193
Total personal services and related benefits	<u>9,523,000</u>	<u>9,333,000</u>	<u>9,268,907</u>	<u>64,093</u>	<u>9,476,514</u>
Operating services:					
Deputy group insurance	1,900,000	1,835,000	1,779,170	55,830	1,793,334
Auto insurance	310,000	250,000	252,533	(2,533)	309,591
Deputy liability insurance	150,000	145,000	143,221	1,779	150,515
Other	42,000	45,000	70,883	(25,883)	149,163
Total operating services	<u>2,402,000</u>	<u>2,275,000</u>	<u>2,245,807</u>	<u>29,193</u>	<u>2,402,603</u>
Operations and maintenance:					
Auto fuel and oil	425,000	360,000	350,321	9,679	379,282
Auto maintenance	250,000	310,000	248,570	61,430	288,282
Computer and copier expenditures	95,000	107,000	101,626	5,374	112,904
Deputy uniforms, supplies, etc.	110,000	170,000	171,390	(1,390)	146,397
Office supplies and expenditures	188,000	188,000	184,794	3,206	167,120
Telephone and utilities	250,000	253,000	244,024	8,976	263,607
Liability claims	100,000	125,000	125,549	(549)	42,834
Maintenance of equipment and buildings	352,000	297,000	288,187	8,813	334,920
Postage	80,000	60,000	50,559	9,441	94,398
Prisoner feeding and maintenance	70,500	55,000	67,853	(12,853)	80,036
Professional fees	145,000	258,000	253,015	4,985	139,332
Criminal investigation expenditures	7,500	3,000	2,528	472	6,092
Other	47,000	54,000	49,259	4,741	56,391
Total operations and maintenance	<u>2,120,000</u>	<u>2,240,000</u>	<u>2,137,675</u>	<u>102,325</u>	<u>2,111,595</u>
Travel and other charges	44,000	51,000	31,625	19,375	24,586
Capital outlay:					
Vehicles	300,000	260,000	259,737	263	138,327
Equipment	116,000	75,000	79,728	(4,728)	635,646
Buildings	138,400	16,000	15,517	483	230,437
Total capital outlay	<u>554,400</u>	<u>351,000</u>	<u>354,982</u>	<u>(3,982)</u>	<u>1,004,410</u>
Total expenditures	<u>\$ 14,643,400</u>	<u>\$ 14,250,000</u>	<u>\$ 14,038,996</u>	<u>\$ 211,004</u>	<u>\$ 15,019,708</u>

AGENCY FUNDS

Sheriff's Fund -

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

Bond Fund -

To account for the collection of cash bonds and payment of these collections to the eligible 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, fees, and licenses. The Tax Collector Fund is used to collect and distribute these taxes, fees, and licenses to the appropriate taxing bodies.

Prisoners' Money Fund -

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

Drug Seizure Fund -

To account for monies seized during drug policing activities.

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana
Agency Funds

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

	Sheriff's Fund	Bond Fund	Tax Collector Fund		Prisoners' Money Fund	Drug Seizure Fund	June 30,	
			Tax Collector	License Account			2017	2016
ASSETS								
Cash	\$ -	\$ 1,830	\$ 850	\$ 150	\$ 38,298	\$ 5,492	\$ 46,620	\$ 36,186
Interest-bearing deposits	<u>96,004</u>	<u>603,311</u>	<u>1,546,369</u>	<u>22,967</u>	<u>-</u>	<u>-</u>	<u>2,268,651</u>	<u>2,207,278</u>
Total assets	<u>\$ 96,004</u>	<u>\$ 605,141</u>	<u>\$ 1,547,219</u>	<u>\$ 23,117</u>	<u>\$ 38,298</u>	<u>\$ 5,492</u>	<u>\$ 2,315,271</u>	<u>\$ 2,243,464</u>
LIABILITIES								
Due to taxing bodies and others	96,004	\$ 605,141	\$ 1,547,219	\$ 23,117	\$ 6,563	\$ 5,492	\$ 2,283,536	\$ 2,218,718
Due to inmates	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,735</u>	<u>-</u>	<u>31,735</u>	<u>24,746</u>
Total liabilities	<u>\$ 96,004</u>	<u>\$ 605,141</u>	<u>\$ 1,547,219</u>	<u>\$ 23,117</u>	<u>\$ 38,298</u>	<u>\$ 5,492</u>	<u>\$ 2,315,271</u>	<u>\$ 2,243,464</u>

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana
Agency Funds

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

	Sheriff's Fund	Bond Fund	Tax Collector Fund		Prisoners' Money Fund	Drug Seizure Fund	Total	
			Tax Collector	License Account			2017	2016
Balances, beginning of year	\$ 142,309	\$ 602,172	\$ 1,440,036	\$ 28,236	\$ 29,225	\$ 1,486	\$ 2,243,464	\$ 2,036,420
Additions:								
Deposits -								
Sheriff's sales	1,360,033	-	-	-	-	-	1,360,033	1,295,663
Sheriff's fees	275,713	-	-	-	-	-	275,713	251,991
Bonds	-	236,926	-	-	-	-	236,926	218,460
Fines and costs	-	2,570,014	-	-	-	-	2,570,014	2,448,201
Work release housing & transportation	-	16,965	-	-	15,360	-	32,325	36,222
Garnishments	247,940	-	-	-	-	-	247,940	222,306
Licenses and fees	-	-	-	586,769	-	-	586,769	579,453
Inmates	-	-	-	-	67,787	-	67,787	121,759
Taxes, fees, etc. paid to tax collector	-	-	39,105,829	-	-	-	39,105,829	38,516,001
Interest on interest-bearing deposits	742	3,536	12,361	236	98	-	16,973	18,455
Total additions	1,884,428	2,827,441	39,118,190	587,005	83,245	-	44,500,309	43,708,511
 Total	 2,026,737	 3,429,613	 40,558,226	 615,241	 112,470	 1,486	 46,743,773	 45,744,931
Reductions:								
Taxes, fees, etc. distributed to taxing bodies and others	-	2,510,128	39,011,007	-	-	-	41,521,135	40,774,641
Deposits settled to -								
Sheriff's General Fund	620,371	314,344	-	88,819	-	-	1,023,534	928,581
Clerk of court	91,739	-	-	-	-	-	91,739	68,697
Parish Government	-	-	-	503,305	-	-	503,305	509,395
Inmates	-	-	-	-	58,714	-	58,714	124,670
Appraisers	48,025	-	-	-	-	-	48,025	34,350
Attorneys, litigants, etc.	1,036,439	-	-	-	-	-	1,036,439	1,042,520
Other reductions	134,159	-	-	-	15,458	(4,006)	145,611	18,613
Total reductions	1,930,733	2,824,472	39,011,007	592,124	74,172	(4,006)	44,428,502	43,501,467
 Balances, end of year	 \$ 96,004	 \$ 605,141	 \$ 1,547,219	 \$ 23,117	 \$ 38,298	 \$ 5,492	 \$ 2,315,271	 \$ 2,243,464

STATE OF LOUISIANA, PARISH OF ST. LANDRY

AFFIDAVIT

Bobby Guidroz, Sheriff of St. Landry Parish

BEFORE ME, the undersigned authority, personally came and appeared, Bobby Guidroz, the sheriff of St. Landry Parish, State of Louisiana, who after being duly sworn, deposed and said:

The following information is true and correct:

\$1,547,219 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.

Bobby G. Guidroz
Sheriff of St. Landry Parish

SWORN to and subscribed before me, Notary, this 5 day of October 2017, in my office in Opelousas, Louisiana.

Paul J. D. Capri (Signature)
Paul J. D. Capri (Print), # 66923
Notary Public
at my death (Commission)

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

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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

The Honorable Bobby Guidroz
St. Landry Parish Sheriff
Opelousas, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the St. Landry Parish Sheriff (the Sheriff) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements and have issued our report thereon dated November 9, 2017.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying summary schedule of current and prior year audit findings and corrective action, we identified a certain deficiency in internal control that we consider to be a material weakness.

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.

We consider the deficiency described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan as item 2017-001 (IC) to be a material weakness.

Compliance and Other Matters

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

St. Landry Parish Sheriff's Response to Findings

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

Purpose of this Report

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

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

Lafayette, Louisiana
November 9, 2017

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana

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

Ref. No.	Fiscal Year Finding Initially Occurred	Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
<u>CURRENT YEAR (6/30/17) --</u>						
<u>Internal Control:</u>						
2017-001(IC)	2007	The Sheriff did not have adequate segregation of functions within the accounting system.	N/A	No response is considered necessary.	Sherri McGovern, Chief Civil Deputy	N/A
<u>PRIOR YEAR (6/30/16) --</u>						
<u>Internal Control:</u>						
2016-001(IC)	2007	The Sheriff did not have adequate segregation of functions within the accounting system.	N/A	No response is considered necessary.	Sherri McGovern, Chief Civil Deputy	N/A

ST. LANDRY PARISH SHERIFF
Opelousas, Louisiana

Independent Accountant's Report
On Applying Agreed-Upon Procedures

Year Ended June 30, 2017

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

* A Professional Accounting Corporation

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The Honorable Bobby Guidroz
St. Landry Parish Sheriff
Opelousas, Louisiana and the
Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by the management of the St. Landry Parish Sheriff and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Sheriff's compliance with certain laws, regulations and best practices during the year ended June 30, 2017. Management of the St. Landry 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.

The procedures and associated findings are as follows:

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 except as follows: how vendors are added to the vendor list.

- 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, except as follows: how payroll is processed.

- 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, except as follows: how the contracts are monitored.

- 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, except as follows: allowable business uses, required documentation, required approvers, and how the card's usage is monitored.

- 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 did not have written policies and procedures to address the functions noted above.

Board (or Finance Committee, if applicable)

2. Obtain and review the board/committee minutes for the fiscal period, and:
- a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.

The St. Landry Parish Sheriff does not have a Board or Finance Committee, and therefore, this attribute 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).

➤ 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.

➤ *This step is not applicable to the St. Landry Parish Sheriff.*

- 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.

This step is not applicable to the St. Landry parish Sheriff.

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, noting that reconciliations have been prepared for all months for each of the eleven bank accounts selected.

- 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

Obtained bank statements and reconciliations for all months in the fiscal period noting evidence of management's review not present for all months for ten of the eleven bank accounts selected.

- 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 management's documentation of research for items that have been outstanding for more than 6 months were present on all bank accounts examined that had outstanding items.

Collections

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

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

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

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

In all five of the locations selected, the person responsible for collecting cash is bonded, is not responsible for depositing cash in the bank, recording transactions, or reconciling the bank account. Of the five locations selected, none are required to share a drawer with another employee.

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

In all locations selected, there is a formal process to reconcile cash collections to the general ledger by revenue source, by a person who is not responsible for cash collections.

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

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

The highest (dollar) week of cash collections for each location was obtained along with collection documentation, deposit slips, and bank statements. Three of the five locations had deposits that were not deposited within one day.

- 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.

All collections were completely supported by documentation for each of the locations tested.

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.

In all locations, there is a process defined to determine the completeness of all collections by a person who is not responsible for collections.

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

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

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

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

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

Examined supporting documentation for each of the twenty-five disbursements selected and found that all disbursements (except those excluded from written policy) were initiated using a purchase order system.

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

Examined supporting documentation for each of the twenty-five disbursements selected and found that fourteen of the twenty-five disbursements did not have appropriate approval of purchase orders.

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

Examined supporting documentation for each of the twenty-five disbursements and found all payments (except those excluded from written policy) were processed after purchased order was approved, receiving report indicated that goods were received and invoice was approved.

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.

The entity does not have written documentation that prohibits the person responsible for processing payments from adding vendors to the Sheriff's purchasing/disbursement system.

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.

The entity does not have written documentation that requires that the person with signatory authority or the person that makes the final authorization for disbursements has no responsibility for initiating or recording 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 of management indicated that unused check stock is maintained in a locked location. It was noted that persons with signatory authority does not have system access to print checks.

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.

There were no exceptions noted upon inquiry of authorized signers.

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

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

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

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

There were six credit cards active for the year, all cards were selected for testing.

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

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

Monthly statements were obtained, and no credit card statements were approved in writing by someone other than the cardholder.

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

There were no finance charges and/or late fees assessed on any of the cards selected.

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)

One card selected for testing had two of six transactions that did not have an original itemized receipt. All other cards selected for testing had original itemized receipts.

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

No exceptions were noted as a result of applying this procedure.

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

The written policies did not require any other documentation.

- 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.

There were no exceptions noted as a result of the testing of transaction details to the entity's written purchasing/department policies. There were no transactions noted that would have been subject to Louisiana Public Bid Law.

- 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.

All transactions were in compliance with Article 7, Section 14 of the Louisiana Constitution.

Travel and Expense Reimbursement

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

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

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

The entity's written policies relating to travel and expense reimbursements were obtained.

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.

No exceptions were noted as a result of applying this procedure.

- 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 were noted as a result of applying this procedure.
 - Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).
Two of the three employees selected for testing did not have documentation of a business/public purpose for the travel paid for by the Sheriff.
 - Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)
No exceptions were noted as a result of applying this procedure.
- 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 were noted as a result of applying this procedure.
- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.
No exceptions were noted as a result of applying this procedure.

Contracts

20. Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management's representation that the listing or general ledger is complete.
Listing of all contracts in effect and management's representation that the listing is complete was obtained.
21. Using the listing above, select the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:
- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.
No exceptions were noted as a result of applying this procedure.
 - 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)
There were no instances of noncompliance noted as a result of applying this procedure.

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

There were no instances of noncompliance noted as a result of applying this procedure.

- 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 contracts selected were amended.

- 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.

There were no instances of noncompliance noted as a result of applying this procedure.

- 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).

The St. Landry Parish Sheriff does not have a Board.

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 were noted as a result of applying this procedure.

- 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 were noted as a result of applying this procedure.

- 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.)

All selected employees had daily attendance and leave documented.

- 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 were noted as a result of applying this procedure.

- 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 were noted as a result of applying this procedure.

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 were noted as a result of applying this procedure.

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 were noted as a result of applying this procedure.

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 were noted as a result of applying this procedure.

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.

No debt was issued during the fiscal period.

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.

The St. Landry Parish Sheriff does not have any outstanding debt.

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.

The St. Landry Parish Sheriff has no tax millages relating to debt service.

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.

The entity has the required notices posted on its 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 were observed or identified regarding management's representations in the procedures above.

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

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

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

Lafayette, Louisiana
November 9, 2017