

# St. Helena Parish Sheriff

## Annual Financial Statements

As of and for the Year Then Ended June 30, 2017  
With Supplemental Information Schedules



**BRUCE HARRELL & COMPANY**  
CERTIFIED PUBLIC ACCOUNTANTS  
A Professional Accounting Corporation

St. Helena Parish Sheriff  
Greensburg, Louisiana

Annual Financial Statements  
As of and for the Year Ended June 30, 2017  
With Supplemental Information Schedules

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**St. Helena Parish Sheriff  
Greensburg, Louisiana**

**Annual Financial Statements  
As of and for the Year Ended June 30, 2017  
With Supplemental Information Schedules**

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Bruce C. Harrell, CPA

Dale H. Jones, CPA  
Kristi U. Bergeron, CPA  
Jessica H. Jones, CPA  
Brandy Westcott Garcia, CPA  
Denise R. LeTard, CPA  
Elizabeth P. Lafargue, CPA

INTERNET  
www.teamcpa.com

MEMBERS  
American Institute of CPAs  
Society of Louisiana CPAs



BRUCE HARRELL  
and COMPANY

CERTIFIED PUBLIC ACCOUNTANTS  
A Professional Accounting Corporation

109 West Minnesota Park  
Park Place Suite 7  
Hammond, LA 70403  
VOICE: (985) 542-6372  
FAX: (985) 345-3156

KENTWOOD OFFICE  
P.O. Box 45 - 909 Avenue G  
Kentwood, LA 70444  
VOICE: (985) 229-5955  
FAX: (985) 229-5951

## Independent Auditor's Report

To the Honorable Nathaniel Williams  
St. Helena Parish Sheriff and  
Ex-Officio Parish Tax Collector  
Post Office Box 1205  
Greensburg, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of St. Helena 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 St. Helena Parish Sheriff's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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.

## **BRUCE HARRELL & COMPANY**

CERTIFIED PUBLIC ACCOUNTANTS

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### ***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 St. Helena Parish Sheriff as of June 30, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 8–14 and 53, as well as, the schedule of funding progress for retiree benefits on page 54, the schedule of proportionate share of the net pension liability on page 55, and the schedule of contributions on page 56 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that comprise the Sheriff's basic financial statements. The schedule of compensation, benefits, and other payments to agency head and the tax collector account affidavit, are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The schedule of compensation, benefits, and other payments to agency head and the tax collector account affidavit 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 schedule of compensation, benefits, and other payments to agency head and the tax collector account affidavit are fairly stated in all material respects in relation to the basic financial statements as a whole.

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**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 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 control over financial reporting and compliance.



Bruce Harrell & Company, CPAs  
A Professional Accounting Corporation  
Kentwood, Louisiana

December 29, 2017

**Required Supplemental Information (Part I)**  
**Management's Discussion and Analysis**

**St. Helena Parish Sheriff  
Management's Discussion and Analysis  
As of and for the Year Ended June 30, 2017**

## **Introduction**

As management of the St. Helena Parish Sheriff, Greensburg, Louisiana, we offer readers of the Sheriff's financial statements this narrative overview and analysis of the financial activities of the Sheriff for the fiscal year ended June 30, 2017. This management discussion and analysis ("MD&A") is designed to provide an objective and easy to read analysis of the St. Helena Parish Sheriff's financial activities based on currently known facts, decisions, or conditions. It is intended to provide readers with a broad overview of the Sheriff's finances. It is also intended to provide readers with an analysis of the Sheriff's short-term and long-term activities based on information presented in the financial report and fiscal policies that have been adopted by the Sheriff. Specifically, this section is designed to assist the reader in focusing on significant financial issues, provide an overview of the St. Helena Parish Sheriff's financial position (its ability to address the next and subsequent year challenges), identify any material deviations from the financial plan (the approved budget), and identify individual fund issues or concerns.

As with other sections of this financial report, the information contained within this MD&A should be considered only a part of a greater whole. The readers of this statement should take time to read and evaluate all sections of this report, including the footnotes and the Other Required Supplemental Information ("RSI") that is provided in addition to this MD&A.

## **Financial Highlights**

- The Sheriff's total overall net position increased by \$128,177. However, the total net position is negative due to pension liability.
- At June 30, 2017, the Sheriff's governmental fund reported an ending fund balance of \$508,220. \$11,581 was nonspendable and \$496,639 was unassigned and is available for spending at the Sheriff's discretion.
- Governmental fund balance increased \$134,279 during the year.
- Expenses for the year were \$2,941,750, an increase of \$70,473.

## **Overview of the Annual Financial Report**

This discussion and analysis is intended to serve as an introduction to the St. Helena Parish Sheriff's financial statements. The St. Helena Parish Sheriff's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**St. Helena Parish Sheriff  
Management's Discussion and Analysis  
As of and for the Year Ended June 30, 2017**

**Government-Wide Financial Statements**

The *government-wide* financial statements are designed to provide readers with a broad overview of the St. Helena Parish Sheriff's finances in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the St. Helena Parish Sheriff's assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting. The difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources are reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the St. Helena Parish Sheriff is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements present governmental activities of the Sheriff that are principally supported by property taxes and gaming revenues. The sole purpose of these governmental activities is public safety. The government-wide financial statements can be found on pages 16-17 of this report.

**Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The St. Helena Parish Sheriff, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related and legal requirements. The Sheriff uses two categories of funds to account for financial transactions: governmental funds and fiduciary (agency) funds.

**Governmental Funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, there are differences in the information presented for government funds and for governmental activities in the government-wide financial statements. Review of these differences provides the reader of the financial statements insight on the long-term impact of the Sheriff's more immediate decisions on the current use of financial resources. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The reconciliations can be found on page 20 and 22 of this report.

The St. Helena Parish Sheriff maintains one individual governmental fund. Information is presented separately in the governmental fund statements of revenues, expenditures, and changes in fund balances for the General Fund, which is considered to be a major fund.

The St. Helena Parish Sheriff adopts an annual appropriated budget for its general fund. A budgetary comparison statement for the major fund has been provided herein to demonstrate compliance with the budget. The basic governmental fund financial statements can be found on pages 19 and 21 of this report.

**St. Helena Parish Sheriff  
Management's Discussion and Analysis  
As of and for the Year Ended June 30, 2017**

**Fiduciary funds.** Fiduciary (agency) funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are *not* available to support the St. Helena Parish Sheriff's own programs.

The basic fiduciary fund financial statements can be found on pages 24 and 25 of this report.

**Notes to the Financial Statements**

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 27 - 51 of this report.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the St. Helena Parish Sheriff's performance. This can be found on pages 58 and 59 of this report.

**Government-Wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The following table provides a summary of the Sheriff's net position for the current year as compared to the prior year. The Sheriff's net position increased by \$128,777.

**Net Position  
2017 and 2016**

	<b>Governmental Activities</b>	
	<b>2017</b>	<b>2016</b>
Assets:		
Current and Other Assets	\$ 715,546	\$ 630,934
Capital Assets	1,100,717	978,426
Total Assets	<u>1,816,263</u>	<u>1,609,360</u>
Deferred Outflows of Resources	567,990	223,039
Total Assets and Deferred Outflows of Resources	<u>2,384,253</u>	<u>1,832,399</u>
Liabilities:		
Long-Term Debt Outstanding	1,938,358	1,418,293
Other Liabilities	297,368	338,553
Total Liabilities	<u>2,235,726</u>	<u>1,756,846</u>
Deferred Inflows of Resources	223,491	278,694
Total Liabilities and Deferred Inflows of Resources	<u>2,459,217</u>	<u>2,035,540</u>
Net Position:		
Invested in Capital Assets, Net of Related Debt	805,684	818,719
Restricted	11,581	10,965
Unrestricted	(892,229)	(1,032,825)
Total Net Position	<u>\$ (74,964)</u>	<u>\$ (203,141)</u>

**St. Helena Parish Sheriff  
Management's Discussion and Analysis  
As of and for the Year Ended June 30, 2017**

The following table provides a summary of the Sheriff's changes in net position.

	<b>Governmental</b>		<b>Governmental</b>	
	<b>Activities</b>		<b>Activities</b>	
	<u>2017</u>	<u>% Total</u>	<u>2016</u>	<u>% Total</u>
<b>Revenues:</b>				
<b>Program Revenues:</b>				
Charges for Services	\$ 760,495	25%	\$ 791,700	25%
Operating Grants and Contributions	109,701	3%	177,660	6%
Capital Grants and Contributions	-	-	163,260	5%
<b>General Revenues:</b>				
Property Taxes	979,594	32%	1,007,717	32%
State Revenue Sharing	68,782	2%	65,038	2%
Gaming Revenues	1,041,433	34%	969,675	30%
State Supplemental Pay	83,408	3%	-	-
Investment Earnings	3,020	-	2,545	-
Other	17,360	1%	17,575	-
Gain (Loss) on Sale of Assets	6,134	-	(3,078)	-
<b>Total Revenues</b>	<u>3,069,927</u>	<u>100%</u>	<u>3,192,092</u>	<u>100%</u>
<b>Expenses:</b>				
Public Safety	2,924,749	99%	2,859,654	100%
Interest on Long Term Indebtednes	17,001	1%	11,623	-
<b>Total Expenses</b>	<u>2,941,750</u>	<u>100%</u>	<u>2,871,277</u>	<u>100%</u>
<b>Increase (Decrease) in Net Position</b>	<u>128,177</u>		<u>320,815</u>	
<b>Net Position - Beginning</b>	<u>(203,141)</u>		<u>(523,956)</u>	
<b>Net Position, Ending</b>	<u>\$ (74,964)</u>		<u>\$ (203,141)</u>	

Gaming revenue was the largest revenue source for the Sheriff, amounting to 34% of total general revenues. Property taxes were the second largest revenue source for the Sheriff amounting to 32% of total general revenues. The prior year percentage for property taxes and gaming revenues was comparable to the current year's percentage.

The expenses of the St. Helena Parish Sheriff's Office, as reported in Statement of Activities, were \$2,941,750 which increased by \$70,473.

**St. Helena Parish Sheriff  
Management's Discussion and Analysis  
As of and for the Year Ended June 30, 2017**

**Financial Analysis of the Governmental Funds**

As noted earlier, the Sheriff used fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus on the Sheriff's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing resources available for spending at the end of the fiscal year. As of the current fiscal year the Sheriff's General Fund reported ending fund Balance of \$508,220.

**General Fund Budgetary Highlights**

Changes from the Sheriff's original budget to the final budget are detailed in the Required Supplementary Information Section along with a comparison to actual activity for year ended June 30, 2017. Highlights of significant changes from the Sheriff's original budget to the final budget include:

- Total final budgeted revenues and other financing sources increased by \$167,926 from the original budgeted revenues and other financing sources for June 30, 2017. The majority of the increase was from gaming revenue and proceeds from borrowings, which were used for capital improvements.
- Final budgeted expenditures increased by \$193,761 from the original budgeted expenditures for June 30, 2017. The majority of the increase is in capital outlays.

**St. Helena Parish Sheriff  
Management's Discussion and Analysis  
As of and for the Year Ended June 30, 2017**

**Capital Assets and Debt Administration**

**Capital Assets**

The Sheriff's investment in capital assets includes land, construction in progress, buildings and improvements, and machinery and equipment. The Sheriff's investment in capital assets for its governmental activities as of June 30, 2017 amounts to \$1,100,717 (net of accumulated depreciation). The increase in capital assets for the year was \$122,291 as reflected in the following schedule. For more detailed information, see Note 5 to the financial statements on page 36 of this report.

**Capital Assets (Net of Depreciation)  
2017 and 2016**

	<u>Governmental Activities</u>		<b>Increase (Decrease)</b>	<b>Percentage Increase (Decrease)</b>
	<u>2017</u>	<u>2016</u>		
<b>Capital Assets</b>				
Land	\$ 10,000	\$ 10,000	\$ -	-
Buildings	695,129	695,129	-	0%
Vehicles	723,350	664,122	59,228	9%
Furniture and Equipment	582,686	536,802	45,884	9%
Subtotal Capital Assets	<u>2,011,165</u>	<u>1,906,053</u>	<u>105,112</u>	6%
Less: Accumulated Depreciation	<u>(910,448)</u>	<u>(927,627)</u>	<u>17,179</u>	2%
<b>Capital Assets, Net</b>	<u><u>\$ 1,100,717</u></u>	<u><u>\$ 978,426</u></u>	<u><u>\$ 122,291</u></u>	12%

**Long-Term Debt:**

At the end of the fiscal year, the Sheriff had other long-term debt of capital leases, net unfunded other post-employment benefit obligations, and net pension liability in the amount of \$2,026,991. For more detailed information, see Notes 6 and 12 to the financial statements of this report.

**Outstanding Debt  
2017 and 2016**

	<u>Governmental Activities</u>	
	<u>2017</u>	<u>2016</u>
<b>Other Long Term Debt</b>		
Capital Leases	\$ 293,624	\$ 158,916
Unfunded Net Other Post Employment Benefit Obligations	513,995	441,716
Net Pension Liability	<u>1,219,372</u>	<u>898,430</u>
<b>Total Long Term Debt</b>	<u><u>\$ 2,026,991</u></u>	<u><u>\$ 1,499,062</u></u>

**Economic Factors and Next Year's Budgets and Rates**

Gaming Revenues and property taxes are the largest source of revenues for the sheriff. Both are expected to remain approximately the same for the fiscal year ending June 30, 2018 as they were in the previous year.

**St. Helena Parish Sheriff  
Management's Discussion and Analysis  
As of and for the Year Ended June 30, 2017**

**Request for Information**

This financial report is designed to provide a general overview of the Sheriff's finances for all those with an interest in the government's finances. Questions regarding this report or requests for additional information should be addressed to the St. Helena Parish Sheriff, P. O. Box 1205, Greensburg, Louisiana 70441, Telephone (225) 222-4413.

# Basic Financial Statements

## Government-Wide Financial Statements

**St. Helena Parish Sheriff  
Statement of Net Position  
As of June 30, 2017**

**Statement A**

		<b>Primary Government Governmental Activities</b>
<b>Assets</b>		
Current Assets:		
Cash and Cash Equivalents	\$	473,630
Receivables, Net:		230,335
Prepaid Insurance		11,581
<b>Total Current Assets</b>		<b>715,546</b>
Capital Assets:		
Land		10,000
Capital Assets, Net		1,090,717
<b>Total Capital Assets</b>		<b>1,100,717</b>
<b>Total Assets</b>		<b>1,816,263</b>
<b>Deferred Outflows of Resources</b>		
Pension Related		567,990
<b>Total Deferred Outflows of Resources</b>		<b>567,990</b>
<b>Total Assets and Deferred Outflows of Resources</b>	\$	<b>2,384,253</b>
<b>Liabilities</b>		
Current Liabilities:		
Accounts Payable	\$	61,530
Other Accrued Payables		147,205
Current Portion of Long Term Indebtedness		
Capital Leases		88,633
<b>Total Current Liabilities</b>		<b>297,368</b>
Long Term Liabilities:		
Capital Leases		204,991
Unfunded Net Other Post Employment Benefit Obligations		513,995
Net Pension Liability		1,219,372
<b>Total Long Term Liabilities</b>		<b>1,938,358</b>
<b>Total Liabilities</b>		<b>2,235,726</b>
<b>Deferred Inflows of Resources</b>		
Pension Related		223,491
<b>Total Deferred Inflows of Resources</b>		<b>223,491</b>
<b>Net Position</b>		
Net Investment in Capital Assets		805,684
Restricted for Prepaid Expenses		11,581
Unrestricted		(892,229)
<b>Total Net Position</b>		<b>(74,964)</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Net Position</b>	\$	<b>2,384,253</b>

The accompanying notes are an integral part of this statement.

**St. Helena Parish Sheriff**  
**Statement of Activities**  
**For the year ended June 30, 2017**

		<b>Program Revenues</b>			<b>Net (Expenses) Revenues and Changes in Net Assets</b>
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants &amp; Contributions</b>	<b>Capital Grants &amp; Contributions</b>	<b>Primary Government Governmental Activities</b>
<b>Governmental Activities</b>					
Public Safety	\$ (2,922,646)	\$ 760,495	\$ 109,701	\$ -	\$ (2,052,450)
Capital Lease Interest	(19,104)	-	-	-	(19,104)
<b>Total Governmental Activities</b>	<u>(2,941,750)</u>	<u>760,495</u>	<u>109,701</u>	<u>-</u>	<u>(2,071,554)</u>
<b>General Revenues:</b>					
Taxes:					
Property Taxes					979,594
Intergovernmental					
Gaming Revenues					1,041,433
State Revenue Sharing					68,782
On Behalf Payments - State Supplemental Pay					83,408
Investment Earnings					3,020
Miscellaneous					17,360
Loss on Sale of Assets					6,134
<b>Total General Revenues and Transfers</b>					<u>2,199,731</u>
<b>Change in Net Position</b>					<u>128,177</u>
<b>Net Position - Beginning</b>					<u>(203,141)</u>
<b>Net Position - Ending</b>					<u>\$ (74,964)</u>

The accompanying notes are an integral part of this statement.

# Basic Financial Statements

## Fund Financial Statements

Statement C

St. Helena Parish Sheriff  
Balance Sheet, Governmental Funds  
As of June 30, 2017

	<u>General Fund</u>
<b>Assets</b>	
Cash and Equivalents	\$ 473,630
Receivables, Net	230,335
Prepaid Insurance	11,581
<b>Total Assets</b>	<u>\$ 715,546</u>
<b>Liabilities and Fund Balances</b>	
Liabilities:	
Accounts Payable	\$ 61,530
Other Accrued Liabilities	4,148
Accrued Wages and Employee Benefits	141,648
Total Liabilities	<u>207,326</u>
Fund Balances:	
Nonspendable	11,581
Unassigned	496,639
Total Fund Balances	<u>508,220</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 715,546</u>

The accompanying notes are an integral part of this statement.

**St. Helena Parish Sheriff**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Government-Wide Financial Statement of Net Position**  
**As of June 30, 2017**

Amounts reported for governmental activities in the Statement of Net Position are different because:

<b>Fund Balances, Total Governmental Funds (Statement C)</b>	\$	508,220
<p>Capital assets used in governmental activities are not financial resources and are therefore not reported in the governmental funds.</p>		
Governmental capital assets net of depreciation		1,100,717
<p>Interest payable used in the governmental activities is not payable from current resources and therefore is not reported in the governmental funds</p>		
		(1,409)
<p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the Governmental fund.</p>		
Capital Leases Payable	\$ (293,624)	
Net Pension Liability	(1,219,372)	
Unfunded Net Other Post Employment Benefit Obligations	<u>(513,995)</u>	(2,026,991)
<p>Deferred outflows of resources and deferred inflows of resources related to pensions do not require the use of current financial resources and therefore are not reported in the Governmental funds.</p>		
Deferred Outflows-Pension Related	567,990	
Deferred Inflows-Pension Related	<u>(223,491)</u>	344,499
<b>Net Position of Governmental Activities (Statement A)</b>	\$	<u><u>(74,964)</u></u>

The accompanying notes are an integral part of this statement.

**St. Helena Parish Sheriff**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balances**  
**For the year ended June 30, 2017**

	<b>General Fund</b>
<b>Revenues</b>	
Taxes :	
Ad valorem	\$ 979,594
Intergovernmental:	
Grants	35,071
State Revenue Sharing	68,782
State Supplemental Pay	83,408
Fees, Charges, and Commissions for Services:	
Commissions on Collection of Tax and Licenses	234,325
Fines, Forfeitures and Other Fees	122,690
Feeding and Keeping Prisoners	403,480
Miscellaneous:	
Gaming Revenue	1,041,433
Investment Earnings	3,020
Donations	4,325
Other	13,035
<b>Total Revenues</b>	<b>2,989,163</b>
<b>Expenditures</b>	
Public Safety	
Personal Services and Related Benefits	
Salaries	1,303,891
Employee Benefits	593,332
Operating Services	316,191
Materials and Supplies	493,024
Travel and Other Charges	6,682
Total Public Safety	<b>2,713,120</b>
Capital Outlays	305,299
Debt Service	143,192
<b>Total Expenditures</b>	<b>3,161,611</b>
<b>Excess (Deficiency) of Revenues Over (Under) (Expenditures)</b>	<b>(172,448)</b>
<b>Other Financing Sources (Uses)</b>	
Proceeds from Sale of Capital Assets	47,313
Proceeds from Borrowing	259,414
<b>Total Other Financing Sources (Uses)</b>	<b>306,727</b>
<b>Net Change in Fund Balances</b>	<b>134,279</b>
<b>Fund Balances, Beginning</b>	<b>373,941</b>
<b>Fund Balances, Ending</b>	<b>\$ 508,220</b>

The accompanying notes are an integral part of this statement.

**St. Helena Parish Sheriff**  
**Reconciliation of the Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Government-Wide Statement of Activities**  
**For the year ended June 30, 2017**

Amounts reported for governmental activities in the Statement of Activities are different because:

**Net Change in Fund Balances, Total Governmental Funds, Statement E** \$ 134,279

Governmental funds report capital outlays as expenditures. However, in the statement of activities the costs of these assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period net of the gain on the sale of capital assets, which also is not reflected in the fund basis financial statements.

Expenditures for capital assets	\$	305,299	
Less:			
Loss on sale of capital assets		6,134	
Proceeds from the sale of capital assets		(47,313)	
Current year depreciation		(141,829)	122,291

Capital lease proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount by which proceeds exceeded payments.

Proceeds from Capital Leases		(259,414)	
Repayment of Principal - Capital Leases		124,706	(134,708)

Interest Expense reported in the statement of activities does not require the use of current financial resources and is therefore not reported as expenditures in governmental funds. (618)

(Increases) or decreases in the unfunded post-employment benefit obligations for medical and life insurance expected in future periods are not recorded for governmental funds on the fund basis. (72,279)

Governmental funds report current year pension contributions as expenditures. However, in the Statement of Activities, these contributions are reported as deferred inflows of resources and the proportionate share of the plan's pension expense is reported as pension expense. 4,582

The Sheriff's proportionate share of non-employer contributions to the pension plans does not provide current financial resources and is not reported as revenue in the governmental funds. 74,630

**Change in Net Position of Governmental Activities, Statement B** \$ 128,177

The accompanying notes are an integral part of this statement.

# Basic Financial Statements

## Fiduciary Fund Financial Statements

**St. Helena Parish Sheriff**  
**Statement of Net Position - Fiduciary Funds**  
**As of June 30, 2017**

	<b>Fiduciary Funds</b>			
	<b>Sheriff's Fund</b>	<b>Tax Collector Fund</b>	<b>Prisoner Funds</b>	<b>Total</b>
<b>Assets</b>				
Current Assets:				
Cash and Cash Equivalents	\$ 64,394	\$ 383,978	\$ 335	\$ 448,707
<b>Total Assets</b>	64,394	383,978	335	448,707
<b>Liabilities</b>				
Held for taxing bodies and others	64,394	383,978	335	448,707
<b>Total Liabilities</b>	\$ 64,394	\$ 383,978	\$ 335	\$ 448,707

The accompanying notes are an integral part of this statement.

**St. Helena Parish Sheriff**  
**Statement of Changes in Net Position - Fiduciary Funds**  
**For the year ended June 30, 2017**

	<b>Fiduciary Funds</b>			
	<b>Sheriff's Fund</b>	<b>Tax Collector Fund</b>	<b>Prisoner Funds</b>	<b>Total</b>
	\$	\$	\$	\$
<b>Balances at Beginning of Year</b>	58,269	382,179	332	440,780
<b>Additions</b>				
Suits and Sales	506,143	-	-	506,143
Bonds	40,542	-	-	40,542
Fines and Costs	167,186	-	-	167,186
Garnishments	62,574	-	-	62,574
Other	3	11,949,103	3	11,949,109
<b>Total Additions</b>	<u>776,448</u>	<u>11,949,103</u>	<u>3</u>	<u>12,725,554</u>
<b>Distributions</b>				
Taxes, Fees, Etc Distributed to Taxing Bodies and Others	-	11,947,304	-	11,947,304
Deposits Settled To:				
Sheriff's General Fund	74,632	-	-	74,632
Police Jury	10,287	-	-	10,287
District Attorney	106,992	-	-	106,992
Clerk of Court	27,535	-	-	27,535
Other	550,877	-	-	550,877
<b>Total Distributions</b>	<u>770,323</u>	<u>11,947,304</u>	<u>-</u>	<u>12,717,627</u>
<b>Change in Net Position</b>	<u>6,125</u>	<u>1,799</u>	<u>3</u>	<u>7,927</u>
<b>Balances at End of Year</b>	<u>\$ 64,394</u>	<u>\$ 383,978</u>	<u>\$ 335</u>	<u>\$ 448,707</u>

The accompanying notes are an integral part of this statement.

# Basic Financial Statements

## Notes to the Financial Statements

**St. Helena Parish Sheriff**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2017**

**Introduction**

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the St. Helena Parish Sheriff serves a four year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the Parish of St. Helena, Louisiana. 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 the neighborhood watch programs, and anti-drug abuse programs. Additionally, the Sheriff, when requested, provides assistance to other law enforcement agencies within the parish.

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

**The Reporting Entity**

For financial reporting purposes, the Sheriff includes all funds, account groups and activities 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 the employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. The Sheriff is financially independent, other than certain operating expenditures of the Sheriff's office that are paid or provided by the parish council as required by Louisiana Law. Accordingly, the Sheriff is a separate governmental reporting entity.

Certain units of local government which the Sheriff exercises no oversight responsibility such as the parish government, 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.

**1. Summary of Significant Accounting Policies**

**A. Government-Wide and Fund Financial Statements**

The accompanying basic financial statements of the St. Helena 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.

**St. Helena Parish Sheriff**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2017**

These financial statements are presented in accordance with GASB Statement No. 34, *Basic Financial Statements, Management's Discussion and Analysis, for State and Local Governments*. Statement No. 34 established standards for financial reporting, with presentation requirements originally including a statement of net assets (or balance sheet), a statement of activities, and a statement of cash flows. The definition and composition of these statements, as originally defined in GASB Statement No. 34, are as amended by GASB Statements included in the following paragraphs. The Sheriff has also adopted the provisions of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, which require capital contributions to the Sheriff to be presented as a change in net position.

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, effective for financial statement periods ending after December 15, 2012, provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. Concepts Statement No. 4, *Elements of Financial Statements*, introduced and defined *Deferred Outflows of Resources* as a consumption of net assets by the government that is applicable to a future reporting period, and *Deferred Inflows of Resources* as an acquisition of net assets by the government that is applicable to a future reporting period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. GASB Concepts Statement 4 identifies net position as the residual of all other elements presented in a statement of financial position. This Statement amends the net asset reporting requirements in Statement No. 34, *Basic Financial Statements— and Management's Discussion and Analysis—for State and Local Governments*, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. The definition and reporting of net position is further described in *Footnote J—Net Position*.

The Sheriff has also adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all non-fiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are presented as separate columns in the fund financial statements.

**St. Helena Parish Sheriff**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2017**

**B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements (Statement of Net Position and Statement of Activities) are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are susceptible to accrual (i.e., when they become measurable and available). Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Ad valorem taxes and the related state revenue sharing are recorded in the year taxes are due and payable. Intergovernmental revenues and fees, and 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 the Sheriff is entitled to the funds.

Expenditures, including capital outlays, are recorded when the related fund liability is incurred. When both restricted and unrestricted resources are available for use, it is the Sheriff's policy to use restricted resources first, then unrestricted resources as they are needed. When committed, assigned or unassigned fund balances are available, the Sheriff considers amounts to have been spent out of committed funds, then assigned funds, and finally unassigned funds as needed, unless the Sheriff has provided otherwise in his commitment or assignment actions.

The Sheriff reports the following major governmental fund:

The *General Fund* is the Sheriff's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. 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. The sheriff's primary sources of revenue are gaming revenues and an ad valorem tax levied by the law enforcement district. Other sources of revenue include commissions on state revenue sharing, state supplemental pay for deputies, civil and criminal fees, fees for court attendance and maintenance of prisoners, et cetera. General operating expenditures are paid from this fund.

The following fiduciary funds are reported separately:

**Agency Funds**

*Sheriff's Fund, Tax Collector Fund, and the Prisoner Fund:* The agency funds are used as depositories for civil suits, cash bonds, taxes, fees, and inmate monies. Disbursements from these funds are made to various parish agencies, litigants in suits, inmates, or deputies as prescribed by law. The agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**St. Helena Parish Sheriff**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2017**

The Sheriff's fiduciary funds are presented in the fiduciary fund financial statements by type. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government wide statements.

**C. Budget Practices**

The proposed budget for the year ended June 30, 2017, was made available for public inspection and comments from taxpayers at the Sheriff's Office during June 2016. The public hearing was held on June 28, 2016 at 10:00 a.m. regarding the proposed budget for the fiscal year ending June 30, 2017 and the notice was published in the official journal on June 15, 2016.

The budget is legally adopted and amended, as necessary, by the Sheriff. All expenditure appropriations lapse at year-end. Unexpended appropriations and any excess of revenues over expenditures are carried forward to the subsequent year as beginning fund balance.

Encumbrance accounting is not used. However, the budget is integrated into the accounting records, which allows monthly comparison of budget and actual amounts. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

**D. Cash, Cash Equivalents, and Investments**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the sheriff may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 and the sheriff's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost.

**E. Inventories**

The Sheriff utilizes the "purchase method" of accounting for supplies in governmental funds whereby expendable operating supplies are recognized as expenditures when purchased. The Sheriff did not record any inventory at June 30, 2017, as the amount is not material.

**F. Prepaid Items**

Certain payments for insurance reflect cost applicable to future accounting periods and are recorded as prepaid items in both government wide and fund financial statements.

**G. Capital Assets**

Capital assets, which include property, plant, equipment, and vehicles, are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Sheriff maintains a threshold level of \$500 or more for capitalizing capital assets.

**St. Helena Parish Sheriff**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2017**

When surplus items are sold for an immaterial amount after being declared un-needed for public purposes, no salvage value is utilized for depreciation purposes. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset's lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings & Building Improvements	25 - 40 Years
Furniture and Fixtures	5 - 7 Years
Equipment	5 - 15 Years
Vehicles	5 Years

**H. Long-Term Obligations**

Long-Term Obligations are recorded in the statement of net position and statement of activities.

**I. Compensated Absences**

The Sheriff's office has the following policy related to vacation and sick leave:

Vacation Leave: Vacation leave is earned by all permanent full-time salaried employees according to the length of service.

- 1 to 3 year = 40 hours of vacation
- 4 to 10 year = 80 hours of vacation
- 10 or more years = 120 hours of vacation

Vacation leave not taken in year earned can be carried forward up to a maximum of 120 hours, and any excess over 120 hours is converted to sick leave. Upon resignation, termination, or retirement, unused vacation leave earned during the current year shall be paid based on current salary. Based on GASB Statement No. 16, vacation leave has been accrued as a liability as the benefits were earned.

Sick Leave: Sick leave is earned by all full-time salaried employees at a rate of one day of sick leave for each month of employment. Sick leave may be carried forward to a maximum of 576 hours and upon resignation, termination, or retirement, all unused sick leave shall be forfeited. No liability has been accrued for unused employee sick leave. In accordance with GASB 16, *Accounting for Compensated Absences*, an accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.

**J. Net Position**

GASB Statement No. 34, *Basic Financial Statements, Management's Discussion and Analysis, for State and Local Governments*, required reclassification of net assets into three separate components. GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, revised the terminology by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. GASB Statement No. 63 requires the following components of net position:

**St. Helena Parish Sheriff**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2017**

- **Net Investment in Capital Assets Component of Net Position**

The *net investment in capital assets* component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflows of resources attributable to the unspent amount should not be included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflows of resources should be included in the same net position component (restricted or unrestricted) as the unspent amount.

- **Restricted Component of Net Position**

The *restricted* component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported.

- **Unrestricted Component of Net Position**

The *unrestricted* component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

In the fund statements, governmental fund equity is classified as fund balance. The Sheriff adopted GASB 54 for the year ended June 30, 2012. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used.

- **Non-spendable.** These are amounts that cannot be spent either, because they are in a non-spendable form or because they are legally or contractually required to be maintained intact.
- **Restricted.** These are amounts that can be spent only for specific purposes, because of constitutional provisions, enabling legislation or constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- **Committed.** These are 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 for the Sheriff.
- **Assigned.** These are amounts that do not meet the criteria to be classified as restricted or committed, but are intended to be used for specific purposes based on the discretion of the Sheriff.
- **Unassigned.** These are all other spendable amounts. This also includes expenditure amounts incurred for specific purposes which exceed the amounts restricted, committed, or assigned to those purposes.

When expenditures are incurred for the purposes for which both restricted and unrestricted amounts are available, the Sheriff's office reduces restricted amounts first, followed by unrestricted amounts. When expenditures are incurred for purposes for which committed, assigned and unassigned amounts are

**St. Helena Parish Sheriff**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2017**

available, the sheriff's office reduces committed amounts first, followed by assigned amounts and then unassigned amounts.

**K. Revenues**

Ad valorem taxes and the related state revenue sharing (which is based on population and homesteads in the parish) are recorded in the year the taxes are available for collection. The taxes are generally collected in December of the current year and January and February of the ensuing year. Federal and State grants are recorded when the law enforcement district is entitled to the funds.

**L. Comparative Data/Reclassifications**

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

**M. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the parish, which are either unusual in nature or infrequent in occurrence.

**N. Estimates**

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

**O. Reconciliations of Government-Wide and Fund Financial Statements**

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets is presented in Statement D of the basic financial statements. Explanation of certain differences between the governmental fund statement of revenues, expenses, and changes in fund balances and the government-wide statement of activities is presented in Statement F of the basic financial statements.

**P. Pension Plans**

The St. Helena Parish Sheriff's Office is a participating employer in a cost-sharing, multiple-employer defined benefit pension plan as described in Note 6. 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 each of the plans, and additions to/deductions for the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within the plan.

**St. Helena Parish Sheriff**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2017**

**2. Levied Taxes**

The following is a summary of authorized and levied property taxes:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Law Enforcement District	10.62	10.62	none
Law Enforcement District	9.20	9.20	none

Total taxable property valuation was \$71,165,360 for the year ended June 30, 2017. The authorized millage was 19.82 for 2016. The following are the principal taxpayers and related ad valorem tax revenue for the sheriff:

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>	<u>Revenue for Sheriff</u>
Transcontinental Gas Pipeline	Public Utility	\$ 5,454,130	7.66%	\$ 108,101
Dixie Electric Membership Co.	Public Utility	3,863,970	5.43%	76,584
Entergy Gulf States, Inc	Public Utility	2,599,780	3.65%	51,528
Amerchol	Chemical Plant	2,381,610	3.35%	47,204
Soterra, LLC	Timber	1,891,940	2.66%	37,498

**3. Cash and Cash Equivalents**

At June 30, 2017, the Sheriff has cash and cash equivalents (book balances) totaling \$922,337, as follows:

	<u>2017</u>
Governmental Funds	
Demand Deposits	\$ 473,330
Other	300
Subtotal Deposits in Governmental Fund	<u>473,630</u>
Fiduciary Funds	
Demand Deposits	64,253
Time and Savings Deposits	<u>384,454</u>
Subtotal Deposits in Fiduciary Funds	<u>448,707</u>
Total Deposits	<u>\$ 922,337</u>

Fiduciary funds are not reflected in the Statement of Net Assets.

These demand deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

**St. Helena Parish Sheriff**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2017**

At June 30, 2017, the Sheriff has \$1,303,995 in deposits (collected bank balances). The demand deposits are secured from risk by \$393,150 of federal deposit insurance and \$910,845 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten days of being notified by the Sheriff that the fiscal agent has failed to pay deposited funds upon demand.

*Custodial Credit Risk:* Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Sheriff does not have a formal policy for custodial 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.

**4. Receivables**

The Governmental Fund receivables at June 30, 2017 consist of the following:

<b>Government Receivables</b>	<b>General Fund</b>
Ad Valorem	\$ 5,610
State Supplemental Pay	5,500
Gaming Revenue	130,708
Feeding and Keeping of Prisoners	54,190
Fees and Commissions	30,187
Other	4,140
<b>Total Government Receivables</b>	<b>\$ 230,335</b>

The sheriff has not established an allowance for bad debts since any bad debts would not be material to the financial statements.

**St. Helena Parish Sheriff**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2017**

**5. Capital Assets**

Capital assets and depreciation activity as of and for the year ended June 30, 2017 for governmental activities is as follows:

<b>Governmental Activities Capital Assets:</b>	<b>Beginning Balance</b>	<b>Reclass- ifications</b>	<b>Increase</b>	<b>Decrease</b>	<b>Ending Balance</b>
Capital Assets Not Being Depreciated:					
Land	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000
Total Capital Assets Not Being Depreciated	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,000</u>
Capital Assets Being Depreciated:					
Buildings	695,129	-	-	-	695,129
Vehicles	664,122	-	259,415	(200,187)	723,350
Furniture and Equipment	536,802	-	45,884	-	582,686
Total Capital Assets Being Depreciated	<u>1,896,053</u>	<u>-</u>	<u>305,299</u>	<u>(200,187)</u>	<u>2,001,165</u>
Less Accumulated Depreciation for:					
Buildings	(94,102)	-	(17,804)	-	(111,906)
Vehicles	(370,881)	-	(96,942)	159,007	(308,816)
Furniture and Equipment	(462,644)	1	(27,083)	-	(489,726)
Total Accumulated Depreciation	<u>(927,627)</u>	<u>1</u>	<u>(141,829)</u>	<u>159,007</u>	<u>(910,448)</u>
Total Capital Assets Being Depreciated, Net	<u>968,426</u>	<u>1</u>	<u>163,470</u>	<u>(41,180)</u>	<u>1,090,717</u>
<b>Total Governmental Activities Capital Assets, Net</b>	<b>\$ <u>978,426</u></b>	<b>\$ <u>1</u></b>	<b>\$ <u>163,470</u></b>	<b>\$ <u>(41,180)</u></b>	<b>\$ <u>1,100,717</u></b>

Depreciation was charged to governmental functions as follows:

Public Safety	\$ <u>141,829</u>
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**6. Pension Plan**

Substantially all employees of the St. Helena Parish Sheriff's Office are members of the Louisiana Sheriffs Pension and Relief Fund (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing to the Louisiana Sheriff's Pension and Relief Fund, 1225 Nicholson Drive, Baton Rouge, Louisiana 70802, or by calling (225) 219-0500.

The Sheriff's office implemented Governmental Accounting Standards Board (GASB) Statement 68 on Accounting and Financial Reporting for Pension and Statement 71 on Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB 68. The standards require the sheriff's office to record its proportional share of the Pension Plan Net pension Liability and report the following disclosures:

**Plan Description:** The Louisiana Sheriff's Pension and Relief Fund is the administrator of a cost-sharing, multiple employer defined benefit plan. The plan provides retirement, disability, and survivor benefits to employees of sheriff's offices throughout the state of Louisiana, employees of the Louisiana Sheriff's Association and the sheriff's Pension and relief Fund's office as provided for in LRS 11:271.

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Members who joined the system on or before December 31, 2011, are eligible for regular retirement benefits upon attaining 30 years of creditable service at any age, or 12 years of creditable service and age 55 years is entitled to retirement benefit payable monthly for life, equal to 3.33 percent of his final average compensation for each year of creditable service, not to exceed (after reduction for optional payment form) 100% of average final compensation. Active, contributing members with at least 10 years of creditable service may retire at age 60. 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. Members who joined the system on or after January 1, 2012, who retire at or after age 62 with at least 12 years of creditable service, at or after age 60 with at least 20 years of creditable service, or at 55 with 30 years of creditable service are entitled to a retirement benefit payable monthly for life, equal to 3.00 percent. For members with 30 or more years of service; the accrual rate is 3.33 percent. The retirement allowance is equal to the benefit accrual times the member's final average compensation each year of creditable service. In any case, the retirement benefit cannot exceed 100 percent of their final average salary. Members with 20 or more years of services may retire with a reduced retirement at age 55. For members eligible on or before June 30, 2006, final average compensation is based on the average monthly earnings during the highest 36 consecutive months (60 highest consecutive months for member employed between July 1, 2006 and July 1, 2013) or joined months if service was interrupted. The earnings to be considered for each 12 month period within the 36 month (or 60 month) period shall not exceed 125% of the preceding 12 months. For members joining after July 1, 2013, final compensation is based on the average monthly earning during the highest 60 consecutive months and the earnings to be considered for each 12 month period within the 60 months shall not exceed 115% of the preceding 12 month period.

A member is eligible to receive disability benefits if the member has at least 10 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 a sum equal to the greatest of 45% or final average compensation or the members' accrued retirement benefit at the time of termination of employment due to disability, or the retirement benefit which would be payable assuming continued service to the earliest normal retirement age. Members who become partially disabled receive 75% or the amount payable for total disability.

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 18 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.

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

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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 become eligible for retirement and his actual date of retirement. At retirement the member's maximum monthly retirement benefit is based upon his service, final average compensation and plan provisions in effect on the last day of creditable service immediately prior to the commencement of the Back-DROP period. In addition to the monthly benefit at retirement, the member receives a lump-sum payment equal to the maximum monthly benefit as calculated above multiplied by the number of months in the Back-DROP period. In addition, the member's Back-DROP account will be credited with employee contributions received by the retirement fund during the Back-Drop period. Participants have the option to opt out of this program and take a distribution, if eligible, or to rollover the assets to another qualified plan.

Cost of living provision of 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.

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

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

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 an additional 0% allocated from the funding Deposit Account.

In accordance with state statute, the Fund receives ad valorem taxes, insurance premium taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support for non-employer contributing entities, but are not considered special funding situations. Non-employer contributions are recognized as revenue and excluded from pension expense for the year ended June 30, 2016.

Plan members are required by state statute to contribute 10.25% of their annual covered salary and the St. Helena Parish Sheriff is required to contribute at an actuarially determined rate. The current rate for the year ended June 30, 2017 was 13.25% of annual covered payroll. Contributions to the System also include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and funds as required and available from insurance premium taxes. The contribution requirements of plan members and the St. Helena Parish Sheriff are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The St. Helena Parish Sheriff's contributions to the System for the years ending June 30, 2017 and 2016, were \$167,625 and \$180,413 respectively, equal to the required contributions for each year.

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

At June 30, 2017, the Sheriff reported a liability of \$1,219,372 for its proportionate share of the net pension liability of the System. 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 employers actuarially determined. At June 30, 2016 the Sheriff's proportion was 0.192121%, which was a decrease of 0.00943% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017 the sheriff recognized pension expense of \$163,181 representing its proportional share of the System's net expense, including amortization of deferred amounts.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ -	\$ (127,899)
Changes of assumptions	99,619	-
Net differences between projected and actual earnings on pension plan investments	305,392	(95,592)
Changes in proportion and differences between employer contributions and proportionate share of contributions	(4,646)	-
Employer contributions subsequent to the measurement date	167,625	
Total	\$ 567,990	\$ (223,491)

The Sheriff reported a total of \$167,625 as deferred outflows of resources related to pension contributions made subsequent to the measurement period of June 30, 2016 which will be recognized as a reduction in net pension liability in the year ended June 30, 2018.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year		
2017	\$	9,729
2018		9,729
2019		98,682
2020		67,955
2021		(4,611)
2022		(4,611)
	\$	176,873

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**Actuarial Assumptions** - A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2016 is as follows:

Valuation Date	June 30, 2016
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	7 years
Investment Rate of Return	7.6%, net of investment expense
Projected Salary Increases	5.5% (2.875% inflation, 2.625% merit)
Mortality	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Table for active members, healthy annuitants, and beneficiaries  RP-2000 Disabled Lives Mortality Table
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increase. The projected benefit payments do not include provisions for potential future increase not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

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

Estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2016 are summarized in the following table:

Asset Class	Expected Rate of Return		
	Target Allocation	Real Return Arithmetic Basis	Long-Term Expected Portfolio Real Rate of Return
Equity Securities	60%	6.4%	3.90%
Bonds	25%	1.9%	0.50%
Alternative Investments	15%	4.3%	0.60%
Total	100.00%		5.00%
Inflation			2.70%
Expected Arithmetic Nominal Return			7.70%

**Mortality Rate** -- The mortality rate assumptions were set after reviewing an experience study performed over the period July 1, 2009, through June 30, 2014. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the Fund's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that these tables would produce liability values approximating the appropriate generational mortality tables used.

**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

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the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the Fund's actuary. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the Employer's proportionate Share of the net pension Liability to Changes in the Discount Rate**

The following table presents the Sheriff's proportionate share of the net pension liability (NPL) using the discount rate of each Retirement System as well as what the Sheriff's proportionate share of the NPL would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate used by each of the Retirement Systems:

**Sensitivity of Employers proportionate Share**

	1% Decrease	Current Discount Rate	1% Increase
Louisiana Sheriff Pension & Relief Fund -Rates	6.50%	7.50%	8.50%
St. Helena Sheriff's Share of Net Pension Liability	\$ 2,068,789	\$ 1,219,372	\$ 518,279

**7. Other Postemployment Benefits**

**Plan Description** – The St. Helena Parish Sheriff's Office's medical and life insurance benefits are provided to employees upon actual retirement.

The employer pays 100% of the medical coverage for the retiree (not dependents). Employees are covered by a retirement system whose retirement eligibility (D.R.O.P. entry) provisions are as follows: age 55 and 15 years of service. Based on actual historical patterns, most employees retire after age 55 and 25 years of service, but not later than age 65 and 15 years of service.

Life insurance coverage is continued to retirees by election and is based on a blended rate for active employees and retirees. The employer pays for life insurance after retirement for retirees and the retirees. However, the rates are 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. Based on past experience, we have assumed that 75% of retirees continue the higher insurance amounts into retirement. Insurance coverage amounts are reduced to 75% of the original amount at age 65 and to 50% of the original amount at age 70. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance.

**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.

**Fund Policy** – Until 2009, the St. Helena Parish Sheriff recognized the cost of providing post-employment medical and life insurance benefits (the St. Helena 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 and 2016, the St.

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Helena Parish Sheriff's portion of health care and life insurance funding cost for retired employees totaled \$37,763 and \$34,967 respectively.

Effective July 1, 2009, the St. Helena Parish Sheriff implemented Government Accounting Standards Board Codification Section 50, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other than Pensions* (GASB Codification Section P50). This amount was applied toward the Net OPEB Benefit Obligation as shown in the following table.

**Annual Required Contribution** – The St. Helena 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:

	2017	2016
Normal Cost	\$ 41,512	\$ 39,915
30-year UAL (Unfunded Liability) amortization amount	76,406	73,467
Annual required contributions (ARC)	\$ 117,918	\$ 113,382

**Net Post-employment Benefit Obligation (Asset)** – The table below shows the St. Helena Parish Sheriff's Net Other Post-employment Benefit (OPEB) Obligation for fiscal years ending June 30:

	2017	2016
<b>Beginning Net OPEB Obligation</b>	\$ 441,716	\$ 369,895
Annual required contribution (ARC)	117,918	113,382
Interest on Net OPEB Obligation (Asset)	17,669	14,796
ARC Adjustment	(25,545)	(21,391)
OPEB Cost	110,042	106,787
Contribution to Irrevocable Trust	-	-
Current year retiree premium	(37,763)	(34,966)
Change in Net OPEB Obligation	72,279	71,821
<b>Ending Net OPEB Obligation (Asset)</b>	\$ 513,995	\$ 441,716

The following table shows the St. Helena Parish Sheriff's annual post-employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded post-employment benefits (PEB) liability for last year and this year:

Post Employment Benefit	Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual Cost Contributed	Net OPEB Obligation (Asset)
Medical and Life	6/30/2017	\$ 110,042	34.32%	\$ 513,995
Medical and Life	6/30/2016	\$ 106,787	32.74%	\$ 441,716

**Funded Status and Funding Progress** – In 2017 and 2016, the St. Helena 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, 2015 actuarial valuation, the most recent valuation, the Actuarial Accrued Liability (AAL) at the end of the year June 30, 2017 was \$1,374,070 which is defined

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as that portion, as determined by a particular actuarial cost method (the St. Helena 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.

	<u>2017</u>	<u>2016</u>
Actuarial Accrued Liability (AAL)	\$ 1,374,070	\$ 1,321,221
Actuarial Value of Plan Assets	-	-
Unfunded Act. Accrued Liability (UAAL)	<u>\$ 1,374,070</u>	<u>\$ 1,321,221</u>
Funded Ratio (Act. Val. Assets / AAL)	0.00%	0.00%
Covered Payroll (active plan members)	\$ 1,303,891	\$ 1,301,275
UAAL as a percentage of covered payroll	105.38%	101.53%

**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 the St. Helena Parish Sheriff and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the St. Helena 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 the St. Helena 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.

**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 would be used.

**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 18%.

**Post-employment Benefit Plan Eligibility Requirements** – We have assumed that employees retire three years after the historical retirement age as described in the section above entitled "Plan Description". The three years is to accommodate the D.R.O.P. period. Medical benefits are provided to employees upon actual retirement.

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**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 8.0% annually, down to an ultimate annual rate of 5.0% 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 employer pays 100% of the cost of the medical benefits for the retiree only (not dependents). The medical rates provided are "blended" rates for active and retired. We have therefore estimated the "unblended" rates as required by GASB Codification Section P50 for valuation purposes to be 130% of the blended rates prior to Medicare eligibility, and 80% of the blended rates after Medicare eligibility.

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

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

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

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

	OPEB Costs and Contributions		
	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
OPEB Cost	\$ 99,658	\$ 106,787	\$ 110,041
Contribution	-	-	-
Retiree Premium	23,893	34,967	37,763
Total Contribution and premium	<u>23,893</u>	<u>34,967</u>	<u>37,763</u>
Change in net OPEB obligation	<u>\$ 75,765</u>	<u>\$ 71,820</u>	<u>\$ 72,278</u>
% of contribution to cost	0.00%	0.00%	0.00%
% of contribution plus premium to cost	23.97%	32.74%	34.32%

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**8. Deferred Compensation Plan**

The St. Helena Parish Sheriff offers its employees, the Louisiana Public Employees Deferred compensation Plan, a deferred compensation plan created in accordance with Internal Revenue code Section 457, as revised January 1, 1999. The plan, available to all St. Helena Parish Sheriff employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts and all income attributable to those amounts, property, or rights, shall be held for the exclusive benefit of participants and their beneficiaries.

At June 30, 2017 the amounts applicable to the employees of the St. Helena Parish Sheriff's office were \$27,879. As of June 30, 2017 the total amount of plan assets was \$1,597,429,976.

**9. Accounts, Salaries, and Other Payables**

<b>Governmental Funds Payable</b>	<u>General Fund</u>
Accounts	\$ 61,530
Accrued Wages and Employee Benefits	141,648
Withholdings	<u>4,148</u>
<b>Total Government Funds Payable</b>	<b><u>\$ 207,326</u></b>

**10. Short-Term Debt**

On October 4, 2016, and October 27, 2016, St. Helena Parish Sheriff obtained interim loans for operating expenses from First Guaranty Bank in the amount of \$101,000 and \$49,000 respectfully. The interest rate on the loans was 4.75%, both maturing no later than June 30, 2017. The loans were repaid with the property tax and gaming revenues collected in December 2016 and January 2017 of the current fiscal year.

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**11. Leases**

The Sheriff records items under capital leases as an asset and an obligation in the accompanying financial statements. The Sheriff had ten capital leases for the year ended June 30, 2017 for the purpose of purchasing law enforcement vehicles. The following is an analysis of capital leases:

		<u>Capital Lease</u> <u>Payable End of Year</u>
Lease-purchase due in monthly installments of interest at 5.890% , Collateralized by equipment.	\$ 3,558 , including	\$ 17,531
Lease-purchase due in monthly installments of interest at 6.140% , Collateralized by equipment.	\$ 1,967 , including	5,797
Lease-purchase due in monthly installments of interest at 5.990% , Collateralized by equipment.	\$ 474 , including	13,162
Lease-purchase due in monthly installments of interest at 5.990% , Collateralized by equipment.	\$ 1,014 , including	36,690
Lease-purchase due in monthly installments of interest at 5.940% , Collateralized by equipment.	\$ 778 , including	26,770
Lease-purchase due in monthly installments of interest at 5.521% , Collateralized by equipment.	\$ 778 , including	32,897
Lease-purchase due in monthly installments of interest at 5.750% , Collateralized by equipment.	\$ 593 , including	25,853
Lease-purchase due in monthly installments of interest at 5.750% , Collateralized by equipment.	\$ 2,109 , including	89,696
Lease-purchase due in monthly installments of interest at 5.499% , Collateralized by equipment.	\$ 877 , including	45,228
		<u>\$ 293,624</u>

The following is a summary of future minimum lease payments under the capital leases and the present value of the net minimum lease payments as of June 30, 2017.

<u>Fiscal Year</u> <u>Ended June 30</u>	<u>Total</u>
2018	\$ 102,811
2019	79,119
2020	76,278
2021	57,541
2022	<u>10,990</u>
Future minimum lease payments	326,739
Less: Amount representing interest	<u>(33,115)</u>
Present Value of net minimum lease payments	<u>\$ 293,624</u>

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The Sheriff has operating leases for the following:

Land

On April 15, 2003, the Sheriff leased a parcel of land located at 46447 Highway 16, Pine Grove, Louisiana on which a Sub-Station for the St. Helena Parish Sheriff was constructed. The lease is for 99 years terminating on April 15, 2102. The amount of the lease payment is \$1.00 per year.

Building

The Sheriff entered into a cooperative endeavor agreement with the St. Helena Parish Police Jury on February 1, 2015 for the use of the Police Jury's building for the Sheriff's department's administrative offices. The term of the agreement is effective as of January 1, 2015 and is for a period of ten years terminating on December 31, 2025. The Sheriff pays the St. Helena Parish Police Jury \$2,424.67 per month. The payments for the year ended June 30, 2017 was \$26,671.

On August 29, 2008, the Sheriff leased a building to be used as a substation from Easleyville Wash and Rental, Inc. The Lease began on August 1, 2008 and will end August 1, 2018. The lease is a renewal lease in ten year intervals. The annual lease payment is \$10 annually.

**12. Long-Term Debt**

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

	<b>Governmental Activities</b>			
	<b>Lease Agreements</b>	<b>Unfunded OPEB Obligations</b>	<b>Net Pension Liability</b>	<b>Total Long- Term Obligations</b>
Beginning Balance	\$ 158,916	\$ 441,716	\$ 898,430	\$ 1,499,062
Additions	259,415	72,279	320,942	652,636
Deletions	(124,707)	-	-	(124,707)
Ending Balances	<u>\$ 293,624</u>	<u>\$ 513,995</u>	<u>\$ 1,219,372</u>	<u>\$ 2,026,991</u>

The following is a summary of the current and the long-term obligation portions of long-term obligations for the year ended June 30, 2017:

	<b>Governmental</b>			
	<b>Capital Leases</b>	<b>Unfunded OPEB Obligations</b>	<b>Net Pension Liability</b>	<b>Total</b>
Current Portion	\$ 88,633	\$ -	\$ -	\$ 88,633
Long-Term Portion	204,991	513,995	1,219,372	1,938,358
	<u>\$ 293,624</u>	<u>\$ 513,995</u>	<u>\$ 1,219,372</u>	<u>\$ 2,026,991</u>

**St. Helena Parish Sheriff**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2017**

The annual requirements to amortize all debt outstanding at June 30, 2017, including principal and interest payments are as follows:

<u>Fiscal Year</u> <u>Ended June 30</u>	<u>Total</u>
2018	\$ 102,811
2019	79,119
2020	76,278
2021	57,541
2022	<u>10,990</u>
Future minimum lease payments	326,739
Less: Amount representing interest	<u>(33,115)</u>
Present Value of net minimum lease payments	<u>\$ 293,624</u>

**13. Risk Management**

The sheriff is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Sheriff attempts to minimize risk from significant losses through the purchase of insurance.

**14. Litigation and Claims**

At June 30, 2017, the sheriff is involved in several lawsuits and claims, which are adequately covered by liability insurance or in the opinion of legal counsel, will not result in any liability to the Sheriff insured by the Louisiana Sheriff's Risk Management Program.

**15. On-Behalf Payments**

During 1998, the Sheriff implemented GASB Statements No. 24, Accounting and Financial Reporting for Certain Grants and Other Financial Assistance. The standard requires the Sheriff to report in the financial statement on-behalf salary and fringe benefits payments made by the State of Louisiana to certain groups of sheriff employees.

Supplementary salary payments are made by the state directly to certain groups of employees. The Sheriff is not legally responsible for these salaries. Therefore, the basis for recognizing the revenue and expenditures (expense) payments is the actual contribution made by the state. For the year June 30, 2017 the state paid supplemental salaries to law enforcement employees of the Sheriff's office. On-behalf payment recorded as revenues and expenditures (expenses) in June 30, 2017 financial statements are as follows:

General Fund:	State Supplemental Salaries
	<u>June 30, 2017</u>
Policeman Supplemental Pay	\$ 83,408

**16. Expenditures of the Sheriff's Office Paid by the Parish Police Jury**

The sheriff's jail is located in the parish courthouse. The cost of maintaining and operating the courthouse, as required by Louisiana Revised Statute 33:4715, is paid by the St. Helena Parish Police Jury. These costs are not included in the accompanying financial statements.

**St. Helena Parish Sheriff**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2017**

**17. Ex-Officio Tax Collector**

The tax collector collected and disbursed the following taxes and fees for the year ended June 30, 2017, by taxing body as follows:

Occupational, alcohol, and amusement license taxes collected and remitted to the Parish Police Jury for the current year consisted of:

	<b>Collections</b>	<b>Cost</b>	<b>Distribution</b>
St. Helena Parish Police Jury	\$ 155,764	\$ 23,365	\$ 132,399
Total Taxes and Interest	\$ 155,764	\$ 23,365	\$ 132,399

State Revenue Sharing Taxes collected and remitted to the various bodies for the current year consisted of:

State Revenue Sharing Taxes collected and remitted to the various

<u>Taxing Bodies</u>	<u>Amount</u>
St. Helena Parish Police Jury	\$ 81,833
St. Helena Parish School Board	31,622
St. Helena Parish Hospital District	5,422
St. Helena Parish Sheriff	68,782
St. Helena Parish Assessor	18,387
Florida Parish Juvenile	6,778
Parish Assessor Retirement System	525
Parish Clerk Retirement System	525
Parish District Attorney Retirement System	420
Parish Municipal Employee Retirement System	525
Parish Parochial Employee Retirement System	525
Parish Register of Voters Retirement System	132
Parish Sheriff Retirement System	1,049
Parish Teacher Retirement System	2,098
 <b>Total State Revenue Sharing</b>	 <b>\$ 218,623</b>

Sales taxes collected and remitted to the various bodies for the current year consisted of:

<u>Taxing Bodies</u>	<u>Total Collections</u>	<u>Collection Cost</u>	<u>Final Distribution</u>
St. Helena Parish School Board	\$ 1,559,517	\$ 52,659	\$ 1,506,858
St. Helena Parish Police Jury	2,339,290	102,292	2,236,998
Town of Greensburg	179,841	3,619	176,222
Parish Tourist Commission	3,593	144	3,449
Village of Montpelier	41,625	833	40,792
Total	\$ 4,123,866	\$ 159,547	3,964,319

**St. Helena Parish Sheriff**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2017**

Schedule of 2016 Ad Valorem Tax Roll, Collections, and Uncollected Ad Valorem Taxes:

Taxing District	Amount Assessed	Tax Order Changes	Total Taxes Collectible	Taxes Collected	Total Not Collected	Uncollected by taxing authority as of June 30, 2017		
						Adjudications of Taxes	Other	Total Uncollected
St. Helena Parish Police Jury	\$ 1,944,096	\$ (133,440)	\$ 1,810,656	\$ (1,807,684)	\$ 2,972	\$ 1,190	\$ 1,782	\$ 2,972
St. Helena Parish School Board	2,322,456	(160,723)	2,161,733	(2,160,557)	1,176	570	606	1,176
St. Helena Parish Hospital	1,181,092	(80,343)	1,100,749	(1,098,757)	1,992	815	1,177	1,992
St. Helena Parish Sheriff	1,064,056	(72,382)	991,674	(989,880)	1,794	526	1,268	1,794
Louisiana Tax Commission	8,142	-	8,142	(8,142)	-	-	-	-
St. Helena Parish Assessor	400,497	(27,244)	373,253	(372,579)	674	276	398	674
Fire Protection District #4	280,097	(313)	279,784	(279,711)	73	132	(59)	73
Fifth Ward Recreation District	90,129	(403)	89,726	(89,388)	338	99	239	338
Florida Parish Juvenile District	147,637	(10,043)	137,594	(137,345)	249	102	147	249
Council on Aging	190,585	(12,964)	177,621	(177,299)	322	132	190	322
State Forestry Tax	14,563	(5)	14,558	(14,558)	-	-	-	-
<b>Total</b>	<b>\$ 7,643,350</b>	<b>\$ (497,860)</b>	<b>\$ 7,145,490</b>	<b>\$ (7,135,900)</b>	<b>\$ 9,590</b>	<b>\$ 3,842</b>	<b>\$ 5,748</b>	<b>\$ 9,590</b>

**18. Taxes Paid Under Protest**

The net assets held for others in the agency funds at June 30, 2017, as reflected on Statement G, include \$367,051 of taxes paid under protest, plus interest earned to date of \$16,927 on the investment of these funds totaling \$383,978. These funds are held pending resolution of the protest and are accounted for in the Tax Collection Agency Fund.

**19. Contracts**

On August 4, 2016, the St. Helena Parish Sheriff entered into an agreement with Ram Ware, LLC dba e-Gov Systems to use their RevSolution Sales Tax Collection System computer program. The license is effective for five years. After five years, the agreement shall automatically be extended for consecutive one year terms on each anniversary of the effective date, unless either party gives notice of non-renewal prior to the expiration of the then current term. The total initial one-time fee for the software is \$20,000 of which \$2,000 was due upon project kickoff and paid September 9, 2016. The remaining balance of \$18,000 shall be paid no later than December 31, 2016. The St. Helena Parish Sheriff shall also pay an annual fee of \$3,900, due every August 1 (beginning 2017) for the Annual License Fee Renewal, which includes standard support of the program.

**20. Cooperative Endeavor Agreements**

The Sheriff entered into a cooperative endeavor agreement with the St. Helena Parish Police Jury on February 1, 2015 for the use of the Police Jury's building for the Sheriff's department's administrative offices. The term of the agreement is effective as of January 1, 2015 and is for a period of ten years terminating on December 31, 2025. The Sheriff pays the St. Helena Parish Police Jury \$2,424.67 per month. The payments for the year ended June 30, 2017 was \$26,671.

**St. Helena Parish Sheriff**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2017**

**21. Subsequent Events**

Subsequent events have been evaluated by management through December 29, 2017, the date the financial statements were available for issuance. No events were noted that require recording or disclosure in the financial statements for the fiscal year ending June 30, 2017.

## Required Supplemental Information (Part II)

**St. Helena Parish Sheriff**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual**  
**General Fund**  
**For the year ended June 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance Favorable</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes				
Ad valorem	\$ 988,000	\$ 973,984	\$ 979,594	\$ 5,610
Intergovernmental:				
Grants	8,900	32,575	35,071	2,496
State Revenue Sharing	65,000	68,782	68,782	-
State Supplemental Pay	84,000	86,049	83,408	(2,641)
Fees, Charges, and Commissions for Services:				
Commissions on Collection of Tax and Licenses	238,500	241,215	234,325	(6,890)
Fines, Forfeitures and Other Fees	132,500	120,837	122,690	1,853
Feeding and Keeping Prisoners	412,000	390,125	403,480	13,355
Miscellaneous:				
Gaming Revenue	950,000	1,036,992	1,041,433	4,441
Investment Earnings	2,800	1,415	3,020	1,605
Donations	6,000	4,325	4,325	-
Other	8,450	11,334	13,035	1,701
<b>Total Revenues</b>	<u>2,896,150</u>	<u>2,967,633</u>	<u>2,989,163</u>	<u>21,530</u>
<b>Expenditures</b>				
Public Safety:				
Personal Services and Related Benefits	1,846,380	1,897,209	1,897,223	(14)
Operating Services	322,000	331,351	316,191	15,160
Materials and Supplies	503,750	520,019	493,024	26,995
Travel & Training	5,000	5,277	6,682	(1,405)
Total Public Safety	<u>2,677,130</u>	<u>2,753,856</u>	<u>2,713,120</u>	<u>40,736</u>
Capital Outlays	122,632	305,299	305,299	-
Debt Service	208,823	143,191	143,192	(1)
<b>Total Expenditures</b>	<u>3,008,585</u>	<u>3,202,346</u>	<u>3,161,611</u>	<u>40,735</u>
<b>Excess Revenues (Expenditures)</b>	<u>(112,435)</u>	<u>(234,713)</u>	<u>(172,448)</u>	<u>62,265</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds from Sale of Capital Assets	30,000	47,312	47,313	1
Proceeds from Borrowings	180,284	259,415	259,414	(1)
<b>Total Other Financing Sources (Uses)</b>	<u>210,284</u>	<u>306,727</u>	<u>306,727</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	<u>97,849</u>	<u>72,014</u>	<u>134,279</u>	<u>62,265</u>
<b>Fund Balances, Beginning</b>	<u>332,645</u>	<u>373,941</u>	<u>373,941</u>	<u>-</u>
<b>Fund Balances, Ending</b>	<u>\$ 430,494</u>	<u>\$ 445,955</u>	<u>\$ 508,220</u>	<u>\$ 62,265</u>

See independent auditor's report.

**St. Helena Parish Sheriff**  
**Schedule of Funding Progress-Employee Health Care Plan**  
**For the year ended June 30, 2017**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
June 30, 2015	\$ -	\$ 1,041,957	\$ 1,041,957	0.0%	\$ 1,371,799	75.96%
June 30, 2016	\$ -	\$ 1,321,221	\$ 1,321,221	0.0%	\$ 1,301,275	101.53%
June 30, 2017	\$ -	\$ 1,374,070	\$ 1,374,070	0.0%	\$ 1,303,891	105.38%

See independent auditor's report.

**St. Helena Parish Sheriff**  
**Schedule of the Sheriff's Proportionate Share of the Net Pension Liability**  
**For the year ended June 30, 2017**

Louisiana Sheriff's Pension and Relief Fund:	<u>6/30/2015</u>	<u>6/30/2016</u>	<u>6/30/2017</u>
Employer's Proportion of the Net Pension Liability (Assets)	0.21106%	0.20155%	0.19212%
Employer's Proportionate Share of the Net Pension Liability (Assets)	\$ 835,803	\$ 898,430	\$ 1,219,372
Employer's Covered Employee Payroll	\$ 1,293,414	\$ 1,336,338	\$ 1,312,094
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	64.61991%	67.23075%	92.93328%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.34472%	86.60652%	82.09699%

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

See independent auditor's report.

**St. Helena Parish Sheriff**  
**Schedule of the St. Helena Parish Sheriff's Contributions**  
**For the year ended June 30, 2017**

Louisiana Sheriff's Pension and Relief Fund:	<u>6/30/2015</u>	<u>6/30/2016</u>	<u>6/30/2017</u>
Contractually required contribution	\$ 190,428	\$ 180,413	\$ 167,625
Contributions in relation to contractually required contributions	190,428	180,413	167,625
Contributions deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Employer's Covered Employee Payroll	\$ 1,336,338	\$ 1,312,094	\$ 1,265,091
Contributions as a Percentage of Covered Employee Payroll	14.25%	13.75%	13.25%

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

See independent auditor's report.

# Other Supplemental Information (Part III)

STATE OF LOUISIANA, PARISH OF ST. HELENA

Affidavit

Nathaniel Williams, Sheriff of St. Helena Parish

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

The following information if true and correct:

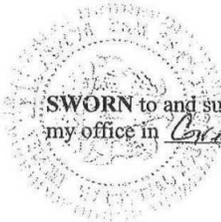
\$383,977 is the amount of cash on hand in the tax collector account on June 30, 2017.

He further deposed and said:

All itemized statements of the amount of taxes collected for the tax year from July 1, 2016 to June 30, 2017, by taxing authority, are true and correct.

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

Nathaniel Williams  
Signature  
Sheriff of St. Helena Parish



SWORN to and subscribed before me, Notary, this 12 day of December, 2017, in my office in Covington, Louisiana.

Aracelis Colon (Signature)  
Aracelis Colon (Print), # 90420  
\_\_\_\_\_  
(Commission)

**St. Helena Parish Sheriff**  
**Schedule of Compensation, Benefits, and Other Payments to Agency Head**  
**For the year ended June 30, 2017**

**Nathaniel Williams, Sheriff**

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 159,998
Payroll Taxes Paid by Employer	2,320
Benefits-Employee Health Insurance	10,240
Benefits-Retirement	21,200
Travel-Lodging	793
Meals	343
Registration Fees	50
Total	<u>\$ 194,944</u>

See independent auditor's report.

**St. Helena Parish Sheriff  
Schedule of Findings and Responses  
For the Year Ended June 30, 2017**

**Section I Summary of Auditor's Results**

*Financial Statements*

a. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified       Qualified   
Disclaimer       Adverse

b. *Report on Internal Control and Compliance Material to the Financial Statements*

Internal Control:

Material Weaknesses  Yes  No      Significant Deficiencies  Yes  No

Compliance:

Noncompliance Material to Financial Statements  Yes  No

*Federal Awards - NA*

Internal Control over major federal Programs:

Material Weaknesses  Yes  No      Significant Deficiencies  Yes  No

Type of auditor's report issued on compliance for major federal programs:

Unmodified       Qualified   
Disclaimer       Adverse

Are there findings required to be reported in accordance with 2 CFR 200.516(a)

Yes  No

Was a management letter issued?

Yes  No

Identification of Major Programs:

CFDA Number (s)	Name of Federal Program (or Cluster)

Dollar threshold used to distinguish between Type A and Type B Programs: \$ \_\_\_\_\_

Is the auditee a 'low-risk' auditee, as defined by OMB Circular A-133?  Yes  No

**St. Helena Parish Sheriff  
Schedule of Findings and Responses  
For the Year Ended June 30, 2017**

**Section II Financial Statement Findings**

**Reference Number: 2017-C1 Ethics Training (Noncompliance)**

**Criteria:** Public servants and elected officials are required to take one hour of training per calendar year on the Code of Governmental Ethics pursuant to LA R.S.42:1170A . Elected officials are additionally required to receive one hour of training per term of office on the Campaign Finance Disclosure Acts.

**Condition:** During the Statewide-Agreed-Upon Procedures for the fiscal year ending 6/30/2017, it was noted that the St. Helena Parish Sheriff has only one ethics certificate on file for the fiscal year – that of the Sheriff. It was further determined that no other employee had taken the required course or turned in the documentation to management.

**Cause:** St. Helena Parish Sheriff's office did not follow up to ensure that all employees were compliant with this required training per calendar year.

**Effect:** Apparent noncompliance with the above referenced statute.

**Recommendations:** St. Helena Parish Sheriff should put into place a tracking system for the completion of the required annual course, such as a worksheet that includes all employees and copies of their completion certificates. Management should communicate a required completion deadline date and follow up with consequences for failure to meet the deadline.

**Response by Management:** We will implement the auditor's recommendations.

**Current Year Status:** Not Resolved.

**Contact Person:**

Nathaniel "Nat" Williams, Sheriff, 53 N. 2<sup>nd</sup> Street, Greensburg, Louisiana 70441  
(225) 222-4413

**Reference Number: 2017-I1 Inadequate Control over Disbursement (Significant Deficiency)**

**Criteria:** St. Helena Parish Sheriff has written policies and procedures and the Sheriff holds that such policies and procedures are an integral part of their internal control system. As it relates to internal controls over disbursements, the Sheriff has specific policies and procedures regarding disbursements as follows: A purchase order must clearly describe the item(s) and quantities to be purchased and be signed by the appropriate financial officer; The financial officer is to verify that adequate funds are budgeted and available and that the purchase is in compliance with the Louisiana Public Bid Law; Documentation/evidence must also exist that the items were actually received by the department and signed by the employee receiving the report; An invoice is to be received from the vendor and approved (ie, initials and dates) by the financial officer and the Sheriff; Documentation should be present to support the payment and the amount owed is correct; The invoice must be attached with the PO (if applicable), receiving report (if applicable) and be provided to the Sheriff for review/approval before the disbursement is made.

**St. Helena Parish Sheriff  
Schedule of Findings and Responses  
For the Year Ended June 30, 2017**

**Condition:** During the Statewide Agreed-Upon procedures relating to disbursements, it was determined that disbursements for expenditures are consistently processed without following the policies and procedures in the financial manual of the St. Helena Parish Sheriff.

**Cause:** While the internal controls over disbursements are adequately designed, the controls are not operating as designed.

**Effect:** Inadequate control over disbursements exposes the Sheriff's office to several risks, including, but not limited to misappropriation of assets and inaccurate or fraudulent financial reporting.

**Recommendations:** The Sheriff's office should immediately ensure implementation of the policies and procedures within their financial manual to ensure disbursements are properly initiated, approved, received and invoices are approved before disbursements are made and continually monitor that they are in practice.

**Response by Management:** The Sheriff will begin immediately documenting his approval on each invoice. He will immediately begin to make sure all of the proper supporting documentation is present when he signs the check, which should include purchase orders (when applicable) and receiving reports (when applicable).

**Current Year Status:** Not Resolved.

**Contact Person:**

Nathaniel "Nat" Williams, Sheriff, 53 N. 2<sup>nd</sup> Street, Greensburg, Louisiana 70441  
(225) 222-4413

**Section III Federal Award Findings and Questioned Costs**

None

St. Helena Parish Sheriff  
Greensburg, Louisiana

Schedule of Prior Year Audit Findings and Responses  
For the Year Ended June 30, 2017

**Section I Internal Control and Compliance Material to the Financial Statements**

**Reference Number:** 16-01 (Sales Tax). Continued from Finding 15-01 from prior fiscal year.

**Type Finding:** Significant deficiency

**Criteria:** The collection of sales tax fees requires not only reconciliation and disbursement of funds per taxing district, but also the ability to identify and collect past due account balances. Software options must be available to identify and report delinquent taxpayers, and employees must have the training to produce delinquency reports on a timely basis.

**Condition:** It was noted in prior year findings that producing delinquency reports required finalization of program changes and training for employees operating the sales tax software. However, the St. Helena Parish Sheriff determined that update of the older sales tax software was cost prohibitive, and further changes to the existing program may not improve collection of delinquencies. During September 2016, the Sheriff purchased new sales tax software, executing a software license agreement for the new revenue collection system. Initial installation and training is being implemented in the fourth quarter of 2016.

**Cause:** For the older sales tax program, additional programming changes were required to produce usable sales tax delinquency reports. The cost for those programming changes and the additional training required was determined to be cost prohibitive.

**Effect:** Timely printing of delinquency reports and management of past due balances is required to maximize cash flow.

**Recommendations:** It is recommended that Sheriff continue to implement the new sales tax software, and with the implementation to monitor and follow-up on sales tax delinquencies.

**Response by Management:** We have taken action to resolve this finding by implementing the new sales tax software and now have the ability to monitor sales tax delinquencies.

**Current Year Status:** Resolved.

**Contact Person:**

Nathaniel "Nat" Williams, Sheriff, 53 N. 2<sup>nd</sup> Street, Greensburg, Louisiana 70441  
(225) 222-4413

**Section II Internal Control and Compliance Material to Federal Awards**

N/A

**Section III Management Letter**

N/A

This schedule was prepared by management.

Bruce C. Harrell, CPA

Dale H. Jones, CPA  
Kristi U. Bergeron, CPA  
Jessica H. Jones, CPA  
Brandy Westcott Garcia, CPA  
Denise R. LeTard, CPA  
Elizabeth P. Lafargue, CPA

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BRUCE HARRELL  
and COMPANY

CERTIFIED PUBLIC ACCOUNTANTS  
A Professional Accounting Corporation

109 West Minnesota Park  
Park Place Suite 7  
Hammond, LA 70403  
VOICE: (985) 542-6372  
FAX: (985) 345-3156

KENTWOOD OFFICE  
P.O. Box 45 - 909 Avenue G  
Kentwood, LA 70444  
VOICE: (985) 229-5955  
FAX: (985) 229-5951

**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***

To St. Helena Parish Sheriff  
Greensburg, 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 of the St. Helena Parish Sheriff, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the St. Helena Parish Sheriff's basic financial statements, and have issued our report thereon dated December 29, 2017.

**Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses that we consider to be significant deficiencies (Finding 2017-I1).

## **BRUCE HARRELL & COMPANY**

CERTIFIED PUBLIC ACCOUNTANTS

A Professional Accounting Corporation

To St. Helena Parish Sheriff

Greensburg, Louisiana

Page 2

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the St. Helena Parish Sheriff's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as item 2017-C1.

### **St. Helena Parish Sheriff's Response to Findings**

St. Helena Parish Sheriff's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. St. Helena Parish Sheriff's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Bruce Harrell & Co." with a stylized flourish at the end.

Bruce Harrell & Company, CPAs  
A Professional Accounting Corporation

December 29, 2017

St. Helena Parish Sheriff

Statewide Agreed-Upon Procedures

As of and for the Year Then Ended June 30, 2017



**BRUCE HARRELL & COMPANY**  
CERTIFIED PUBLIC ACCOUNTANTS  
A Professional Accounting Corporation

Bruce C. Harrell, CPA

Dale H. Jones, CPA  
Kristi U. Bergeron, CPA  
Jessica H. Jones, CPA  
Brandy Westcott Garcia, CPA  
Denise R. LeTard, CPA  
Elizabeth P. Lafargue, CPA

INTERNET  
www.teamcpa.com

MEMBERS  
American Institute of CPAs  
Society of Louisiana CPAs



BRUCE HARRELL  
and COMPANY

CERTIFIED PUBLIC ACCOUNTANTS  
A Professional Accounting Corporation

109 West Minnesota Park  
Park Place Suite 7  
Hammond, LA 70403  
VOICE: (985) 542-6372  
FAX: (985) 345-3156

KENTWOOD OFFICE  
P.O. Box 45 - 909 Avenue G  
Kentwood, LA 70444  
VOICE: (985) 229-5955  
FAX: (985) 229-5951

## Independent Accountant's Report on Applying Agreed-Upon Procedures

To St. Helena Parish Sheriff  
Greensburg, Louisiana

We have performed the procedures enumerated below, which were agreed to by the St. Helena Parish Sheriff (Entity) and the Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 01, 2016 through June 30, 2017. The Entity's management is responsible for those C/C areas identified in the SAUP's.

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; however, they did not address the functions noted above.*
  - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.  
*Written policies and procedures were obtained and address the functions noted above.*
  - c) **Disbursements**, including processing, reviewing, and approving  
*Written policies and procedures were obtained and address the functions noted above.*

- d) **Receipts**, including receiving, recording, and preparing deposits  
*Written policies and procedures were obtained; however, they did not address the functions noted above.*
- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.  
*Written policies and procedures were obtained and address the functions noted above.*
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process  
*Written policies and procedures were obtained and address the functions noted above, except for legal review.*
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage  
*Written policies and procedures were obtained and address the functions noted above.*
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers  
*Written policies and procedures were obtained and address the functions noted above, except dollar thresholds.*
- 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, but do not address the specific functions noted above.*
- j) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.  
*Written policies and procedures were obtained, but do not address the functions noted above.*

**Board (or Finance Committee, if applicable)**

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- 2. Obtain and review the board/committee minutes for the fiscal period, and:
  - a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.  
*The Sheriff's Office does not maintain minutes; therefore, this is not applicable.*
  - b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).  
*The Sheriff's Office does not maintain minutes; therefore, this is not applicable.*
- If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the

deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.

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

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

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

### ***Bank Reconciliations***

---

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

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

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

- a) Bank reconciliations have been prepared;

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

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

*The bank reconciliations for all accounts had no evidence of management review. The outside CPA reviews the bank reconciliations. Also the person entering the information into the reporting software is the same person responsible for reconciling the bank statements.*

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

*Obtained bank statements and reconciliations for all months in the fiscal period noting that one of six bank accounts tested had seven checks totaling \$80 that have been outstanding for more than six months. This bank account did not have management documentation reflecting research of these outstanding checks.*

### ***Collections***

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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 the 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 both locations, the employees responsible for collecting cash are bonded. There are no employees that are responsible for collecting cash that are depositing the cash, recording the related transactions, or reconciling the related bank account. Employees are not required to share the same cash 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.

*Written documentation was obtained and addresses the functions noted above.*

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

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

*For both locations, deposits were made within one day of collections.*

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

*Daily cash collections are completely supported by collection documentation.*

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

*Written documentation was obtained and addresses the functions noted above.*

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

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

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

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

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

*Examined supporting documentation for each of the 25 disbursements selected and found 18 purchases were not initiated using a purchase order system. However, in 9 of these instances, purchase orders were not required as a matter of policy. However, all disbursements did include proper supporting documentation. Initiation and approval functions are separate.*

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

*Examined supporting documentation for each of the 25 disbursements selected and found that 8 purchases did not have evidence of appropriate approval. However, all disbursements did include proper supporting documentation. Initiation and approval functions are separate.*

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

*Examined supporting documentation for each of the 25 disbursements selected and found that 17 of the purchases did not have evidence of proper approval. No receiving reports were present in the supporting documentation; however, these are not required as a matter of policy.*

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

*Written documentation was obtained and addresses the functions noted above.*

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

*Written documentation was obtained and addresses the functions noted above.*

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

*Inquiry and observation noted no exceptions*

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

*Inquiry noted no exceptions.*

#### ***Credit Cards/Debit Cards/Fuel Cards/P-Cards***

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

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

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

*Listing was obtained and randomly selected 10 cards.*

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

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

*Monthly statements were obtained. There is no approval process for fuel cards, except to turn in tickets for comparison to statements. Not all statements had receipts per policy.*

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

*No finance charges or late fees were noted.*

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

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

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

*Not all of the fuel cards had receipts. However, each card is assigned to a vehicle and check out to each employee. Each employee uses an unique pin for purchases.*

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

*There was one exception noted. There was no documentation to determine purpose of that exception.*

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

*There were two exceptions noted. There was no documentation on those exceptions. There are no written policies regarding the fuel cards.*

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

*No exceptions noted.*

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

*No exceptions noted.*

### ***Travel and Expense Reimbursement***

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

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

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

*Policies were obtained. No amounts listed exceed GSA rates.*

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

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

*No exceptions noted.*

- b) Report whether each expense is supported by:

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

*No exceptions noted.*

- Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).  
*No exceptions noted.*
  - Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)  
*No exceptions noted.*
- c) Compare the entity’s documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.  
*No exceptions noted.*
- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.  
*No exceptions noted.*

### ***Contracts***

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20. Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management’s representation that the listing or general ledger is complete.  
*Listing of all contracts in effect and management’s representation that the listing is complete was obtained.*
21. Using the listing above, select the five contract “vendors” that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:
- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.  
*No exceptions noted.*
  - b) Compare each contract’s detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:
    - If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder)  
*Not applicable.*
    - If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.  
*Not applicable.*

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

*No amendments noted.*

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

*No noncompliance noted.*

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

*Not applicable.*

### ***Payroll and Personnel***

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

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

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

*No exceptions noted.*

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

*No exceptions noted.*

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

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

*No exceptions noted.*

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

*No exceptions noted.*

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

*No exceptions noted.*

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

*No exceptions noted.*

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

*No exceptions noted.*

### ***Ethics (excluding nonprofits)***

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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.

*4 of the 5 employees selected did not have evidence of completion of ethic trainings.*

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)***

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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 exceptions noted.*

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

*No exceptions noted.*

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

*Not applicable.*

### ***Other***

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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.la.gov/hotline](http://www.la.la.gov/hotline)) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

*Required notice was posted on the entity's premises, but no evidence of being posted on the entity's website.*

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

*No exceptions noted.*

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

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



Bruce Harrell & Company, CPAs  
A Professional Accounting Corporation  
Kentwood, Louisiana

December 29, 2017