

WEBSTER PARISH CORONER

Minden, Louisiana

Financial Statements

For the Year Ended
December 31, 2018

WEBSTER PARISH CORONER

Minden, Louisiana

Annual Financial Statements
As of and for the Year Ended December 31, 2018

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To Dr. Max Stell
Webster Parish Coroner
Minden, Louisiana

Management is responsible for the accompanying financial statements of the governmental activities and the major fund of the Webster Parish Coroner, as of and for the year ended December 31, 2018, and related notes to the financial statements, which collectively comprise the Coroner's basic financial statements as listed in the table of contents, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statement on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Accounting principles generally accepted in the United States of America require that Budgetary Comparison Schedule on page 16 be presented to supplement the basic financial statements. Such information is presented for purposes of additional analysis and, although not a required 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 and for placing the basic financial statements in an appropriate operational, economic, or historical context. Management has omitted the Management Discussion and Analysis that the Governmental Accounting Standards Board requires to be presented to supplement the basic financial statements. Such missing information, although not a required 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 and for placing the basic financial statements in an appropriate operational, economic, or historical context. The required supplementary information was subject to our compilation engagement. We have not audited or reviewed the required supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

The supplementary information contained in Schedule 2, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

Wise Martin & Cole, LLC

Minden, LA
June 27, 2019

BASIC FINANCIAL STATEMENTS

Webster Parish Coroner
Minden, Louisiana

Statement of Net Position
December 31, 2018

	<u>Governmental Activities</u>
ASSETS	
Cash	\$ 14,086
Due from other governmental entities	10,456
Prepaid assets	<u>3,280</u>
TOTAL ASSETS	<u>27,822</u>
LIABILITIES	
Accounts payable	<u>4,883</u>
TOTAL LIABILITIES	<u>4,883</u>
NET POSITION	
Unrestricted	<u>22,939</u>
TOTAL NET POSITION	<u>\$ 22,939</u>

See accompanying notes and accountants' compilation report.

Webster Parish Coroner
Minden, Louisiana

Statement of Activities
For the Year Ended December 31, 2018

<u>Function/Programs</u>	<u>Expenses</u>	<u>Charges for services</u>	<u>Program revenues Operating grants and contributions</u>	Net (expense) revenue and change in <u>net position</u> Governmental <u>activities</u>
Governmental activity:				
Health and welfare	\$ (181,806)	\$ 104,474	\$ 71,850	\$ (5,482)
Change in net position				(5,482)
Net position - beginning				<u>28,421</u>
Net position - end				<u>\$ 22,939</u>

See accompanying notes and accountants' compilation report.

Webster Parish Coroner
Minden, Louisiana

Balance Sheet - Governmental Fund
December 31, 2018

	General <u>Fund</u>
ASSETS	
Cash	\$ 14,086
Due from other governmental entities	<u>10,456</u>
TOTAL ASSETS	<u>\$ 24,542</u>
LIABILITIES	
Accounts payable	\$ <u>4,883</u>
TOTAL LIABILITIES	<u>4,883</u>
FUND BALANCE	
Unassigned	<u>19,659</u>
TOTAL FUND BALANCE	<u>19,659</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 24,542</u>

See accompanying notes and accountants' compilation report.

Webster Parish Coroner
Minden, Louisiana

Reconciliation of the Governmental Fund
Balance Sheet to the Statement of Net Position
December 31, 2018

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

Fund balance - Governmental Fund (Statement C)	\$ 19,659
Other assets used in governmental activities that are not financial resources and, therefore, are not reported in the governmental funds	
Prepaid assets	<u>3,280</u>
Net Position of Governmental Activities (Statement A)	<u>\$ 22,939</u>

See accompanying notes and accountants' compilation report.

Webster Parish Coroner
Minden, Louisiana

Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Fund
For the Year Ended December 31, 2018

REVENUES	
Charges for services	\$ 104,474
Intergovernmental:	
Webster Parish Police Jury	68,913
Webster Parish Sheriff	<u>2,936</u>
TOTAL REVENUES	<u>176,323</u>
EXPENDITURES	
Health and welfare:	
Contract labor and reimbursements	172,536
Professional services	4,800
Mileage reimbursements	5,763
Training	200
Office expense	1,436
Professional dues	<u>350</u>
TOTAL EXPENDITURES	<u>185,085</u>
Excess (deficiency) of revenues over expenditures	(8,762)
Fund balance - beginning	<u>28,421</u>
Fund balance - ending	<u>\$ 19,659</u>

See accompanying notes and accountants' compilation report.

Webster Parish Coroner
Minden, Louisiana

Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balance of the Governmental Funds
to the Statement of Activities
For the Year Ended December 31, 2018

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

Changes in Fund Balance - Governmental Fund (Statement E)	\$ (8,762)
Other expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:	
Prepaid assets	<u>3,280</u>
Changes in Net Position of Governmental Activities (Statement B)	<u>\$ (5,482)</u>

See accompanying notes and accountants' compilation report.

Webster Parish Coroner
Notes to the Financial Statements
December 31, 2018

INTRODUCTION

The authority for the Webster Parish Coroner's Office (Coroner) is provided under Article V, Section 29 of the Louisiana Constitution of 1974.

The Webster Parish Coroner is elected by the voters of Webster Parish for a term of four years. The Webster Parish Coroner determines the manner and cause of death for those cases that fall within its jurisdiction. The Coroner's Office orders autopsies and issues death certificates. It also evaluates the mentally ill and the chemically dependent and determines the appropriate action for these persons.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

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

B. REPORTING ENTITY

For financial reporting purposes, in conformance with GASB codification Section 2100, the Webster Parish Coroner's office financial statements include all governmental activities and funds that are controlled by the Coroner as an independently elected parish official. As an independently elected parish official, the Coroner is solely responsible for the operations of his office. Accordingly, the Coroner's office is a separate governmental reporting entity.

Certain units of the local government over which the Coroner's office exercises no oversight responsibility, such as the Webster Parish Police Jury, Webster Parish School Board, other independently elected 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 that of the Webster Parish Coroner.

The Webster Coroner has reviewed its activities and determined that there are no potential component units that should be included in its financial statements.

C. BASIC FINANCIAL STATEMENTS

Government-wide statements

The government-wide financial statements include the Statement of Net Position and the Statement of Activities. The government-wide statements report information on all of the financial activities of the Webster Parish Coroner, except for fiduciary activities. The governmental activities are supported by service fees and operating grants from the Webster Parish Police Jury.

Webster Parish Coroner
Notes to the Financial Statements
December 31, 2018

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 charges for services, which are revenues from the public who 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.

Program revenues Program revenues included in the Statement of Activities derive directly from parties outside the Coroner's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Coroner's general revenues.

Revenues are derived primarily from charges for services and operating grants from the Webster Parish Police Jury.

Allocation of indirect expense - Webster Coroner reports all direct expenses by function in the Statement of Activities. Indirect expenses not allocated to functions are reported separately in the Statement of Activities.

Fiduciary funds are excluded from the government-wide financial statements.

Fund financial statements

Separate financial statements are provided for governmental funds. The major individual governmental fund, which is the General fund, is reported in the fund financial statements.

The Coroner reports the following major governmental fund:

General Fund - The General Fund is the Coroner's primary operating fund. This fund accounts for all financial transactions and resources.

D. BASIS OF ACCOUNTING

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Webster Parish Coroner
Notes to the Financial Statements
December 31, 2018

E. BUDGETS

The budget of the Coroner was prepared on the cash basis of accounting. The authority to amend the budget lies with the Coroner. Appropriations lapse at year-end.

The revenues and expenditures shown on page 7 are reconciled with the amounts reflected on the budgetary comparison schedule on page 16 as follows:

Excess of revenues over expenditures, GAAP basis	\$ (8,762)
Adjustments:	
(Increase) in accounts receivable	(2,654)
Increase in accounts payable	<u>1,135</u>
Excess of revenues over expenditures, budget- cash basis	\$ (<u>10,281</u>)

Excess of expenditures over appropriations in individual funds

The following individual funds had actual expenditures over budgeted expenditures for the year ended December 31, 2018.

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
General Fund	\$ 159,623	\$ 183,951	\$ (24,328)

F. CASH AND CASH EQUIVALENTS

Cash includes cash and demand deposits.

Under state law, the Coroner may invest in United States bonds, treasury notes, or certificates of deposit. These are classified as investments if their original maturities exceed 90 days; however, if original maturities are 90 days or less, they are classified as cash equivalents.

The Coroner is authorized under state law to deposit funds in within a fiscal agent bank organized under Louisiana law or any other state of the United States, or under the laws of the United States. Under state laws, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. State law R.S. 39:1225 provides that the amount of the security shall at all times be equal to 100% of the amount on deposit to the credit of each depositing authority except that portion of the deposit's insurance by the United States.

G. ACCOUNTS RECEIVABLE

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. No allowance for uncollectible accounts receivable is established since receivables are estimated to be collected.

Webster Parish Coroner
Notes to the Financial Statements
December 31, 2018

H. PREPAID ITEMS

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

I. CAPITAL ASSETS

Capital assets, which include property, plant and equipment, are reported as governmental activities 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 acquisition value at the date of donation. The Coroner maintains a threshold level of \$5,000 or more for capitalizing capital assets. Major outlays for capital assets and improvements are capitalized as projects are constructed.

The costs of normal maintenance and repairs that do not add value to an asset or materially extend an asset's useful life are not capitalized. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Furniture and fixtures	5 – 15 years
Vehicles	5 – 10 years
Equipment	5 – 15 years

As of December 31, 2018, there were no capital assets exceeding the threshold level of \$5,000.

J. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditure) until then. The Coroner has no items that qualify for reporting in this category.

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The Coroner has no items that qualify for reporting in this category.

K. COMPENSATED ABSENCES

The Coroner has no employees, therefore, does not maintain a formal vacation and sick leave policy.

L. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumption that affect

Webster Parish Coroner
Notes to the Financial Statements
December 31, 2018

certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

M. RESTRICTED NET POSITION

Government-wide Statements: Equity is classified as net position and displayed in three components:

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

When both restricted and unrestricted resources are available for use, it is the Coroner’s policy to use restricted resources first, then unrestricted resources when expenses are incurred for a purpose for which both restricted and unrestricted net position are available.

As of December 31, 2018, and for the year then ended, the Coroner did not have or receive restricted resources.

N. FUND EQUITY IN FUND BALANCE STATEMENTS

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government’s highest level of decision-making authority. The Coroner is the highest level of decision-making authority and commitment may be established, modified, or rescinded only as approved by the Coroner.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as either restricted or committed. The Coroner is authorized to assign amounts to a specific purpose. The Coroner’s policy does not address assignment of fund balance.

Amounts in the unassigned fund balance classification have not been restricted, committed or assigned to specific purposes within the General Fund.

The Coroner reduces restricted amounts, followed by committed amounts, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used. The Coroner

Webster Parish Coroner
Notes to the Financial Statements
December 31, 2018

considers restricted amounts to have been spent when expenditure has been incurred for purposes for which both restricted and unrestricted fund balance is available.

2. CASH AND CASH EQUIVALENTS

At December 31, 2018, the Coroner had demand deposits of \$14,086.

These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 2018, the Coroner bank balances of \$15,249 are secured by federal deposit insurance.

3. DUE FROM OTHER GOVERNMENTS

Amounts due from other governments as of December 31, 2018 was \$10,456. No allowance for doubtful accounts was established as the full amount is expected to be collected.

4. LITIGATION AND CLAIMS

The Coroner was not involved in any litigation as of December 31, 2018, nor was it aware of any unasserted claims.

5. SUBSEQUENT EVENTS

Subsequent events have been evaluated through June 27, 2019. This date represents the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

Webster Parish Coroner
Minden, Louisiana

Governmental Fund Type - General Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		Actual (Cash basis)	Variance
	<u>Original</u>	<u>Final</u>		Positive (Negative)
REVENUES				
Charges for services	\$ 131,710	\$ 131,710	\$ 101,820	\$ (29,890)
Intergovernmental:				
Webster Parish Police Jury	52,000	52,000	71,850	19,850
Webster Parish Sheriff	3,630	3,630	-	(3,630)
Other income	610	610	-	(610)
TOTAL REVENUES	<u>187,950</u>	<u>187,950</u>	<u>173,670</u>	<u>(14,280)</u>
EXPENDITURES				
Health and welfare:				
Contract labor and reimbursements	116,203	116,203	171,636	(55,433)
Professional services	35,975	35,975	4,600	31,375
Mileage reimbursements	3,152	3,152	5,680	(2,528)
Training	3,045	3,045	200	2,845
Office expense	1,248	1,248	1,485	(237)
Professional dues	-	-	350	(350)
TOTAL EXPENDITURES	<u>159,623</u>	<u>159,623</u>	<u>183,951</u>	<u>(24,328)</u>
Excess (deficiency) of revenues over expenditures	28,327	28,327	(10,281)	(38,608)
Fund balance - beginning	-	-	24,367	24,367
Fund balance - ending	<u>\$ 28,327</u>	<u>\$ 28,327</u>	<u>\$ 14,086</u>	<u>\$ (14,241)</u>

SUPPLEMENTARY INFORMATION

Webster Parish Coroner

Schedule of Compensation, Benefits and Other Payments to Agency Head
For the Year Ended December 31, 2018

Purpose	Dr. Gerald Max Stell
<i>Amounts paid by the Webster Parish Police Jury directly to the Webster Parish Coroner:</i>	
Salary	\$ 6,000

OTHER INFORMATION

Webster Parish Coroner

Minden, Louisiana

Schedule of Current Year Findings
For the Year Ended December 31, 2018

2018-01 Lack of segregation of duties.

Condition: Due to the size of the office and the limited personnel, the Coroner's office does not have adequate segregation of duties regarding its accounting and reporting system to maintain a complete system of internal control. One person is responsible for invoicing services, collecting payments, preparing deposits, recording activity, receiving and reconciling bank statements.

Recommendation: The Coroner's office should implement checks and balances to mitigate this issue. Although it may not be practical to segregate duties due to limited personnel, the Coroner should continue to be involved with oversight of the accounting function to minimize the risks from the lack of segregation of duties.

Management's response: Management is aware of the problem with segregation of duties but believes it is not cost beneficial to hire more staff to help with these functions. The Coroner will continue to be involved with daily oversight.

Webster Parish Coroner

Minden, Louisiana

Schedule of Prior Year Findings
For the Year Ended December 31, 2018

A. INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

2017-01 Lack of segregation of duties.

Status: Unresolved – see 2018-01

2017-02 Failure to adopt budget.

Status: Resolved

2017-03 Controls over disbursements.

Status: Resolved