

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

Financial Report

Year Ended June 30, 2017

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INDEPENDENT AUDITOR'S REPORT

The Honorable William E. Hilton
Rapides Parish Sheriff
Alexandria, Louisiana

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, schedule of funding progress, schedule of net pension liability, and schedule of employer contributions on pages 40 through 44 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we 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 an assurance.

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

Other information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Rapides Parish Sheriff's basic financial statements. The other supplementary information on pages 47 through 56 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The combining and comparative statements and schedules on pages 47, 48, 54, and 55 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. The prior year comparative information on this information has been derived from the Rapides Parish Sheriff's 2016 financial statements, which was subjected to the auditing procedures applied by us 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 and, in our opinion, was fairly presented in all material respects in relation to the basic financial statements as a whole.

The various schedules and affidavit on pages 49 through 52, and page 56 have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 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.

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

Alexandria, Louisiana
December 14, 2017

BASIC FINANCIAL STATEMENTS

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

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

Statement of Net Position
June 30, 2017

	Governmental Activities
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 2,129,567
Certificates of deposit	6,000,000
Receivables	3,080,264
Accrued interest receivable	4,843
Inventories	64,649
Prepaid expenses	70,268
Total current assets	11,349,591
Noncurrent assets:	
Capital assets, net	11,496,849
TOTAL ASSETS	22,846,440
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	10,302,704
LIABILITIES	
Current liabilities:	
Accounts, salaries, and other payables	289,639
Unearned revenue	23,531
Total current liabilities	313,170
Noncurrent liabilities:	
Compensated absences	1,891,030
Postemployment benefit obligation	15,301,898
Net pension liability	21,673,866
Total noncurrent liabilities	38,866,794
TOTAL LIABILITIES	39,179,964
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	2,890,550
NET POSITION	
Net investment in capital assets	11,496,849
Restricted for drug enforcement	24,817
Unrestricted (deficit)	(20,443,036)
TOTAL NET POSITION (DEFICIT)	\$ (8,921,370)

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

FUND FINANCIAL STATEMENTS (FFS)

MAJOR FUNDS DESCRIPTION

General Fund

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

Special Revenue Fund

Drug Enforcement Fund

To account for the Edward Byrne Memorial Justice Assistance Grant restricted for the activities and transactions related to the Metro Narcotics Task Force.

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

Balance Sheet - Governmental Funds
June 30, 2017

	General Fund	Drug Enforcement Fund	Total Governmental Funds
ASSETS			
Cash	\$ 2,113,803	\$ 15,764	\$ 2,129,567
Certificates of deposit	6,000,000	-	6,000,000
Receivables	3,042,534	37,730	3,080,264
Accrued interest receivable	4,843	-	4,843
Due from other funds	5,246	-	5,246
Inventories	64,649	-	64,649
Total assets	\$11,231,075	\$ 53,494	\$ 11,284,569
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 288,984	\$ -	\$ 288,984
Accrued payroll liabilities	655	-	655
Due to other funds	-	5,246	5,246
Unearned revenue	100	23,431	23,531
Total liabilities	289,739	28,677	318,416
Fund balances:			
Nonspendable - inventories	64,649	-	64,649
Restricted - drug enforcement	-	24,817	24,817
Unassigned	10,876,687	-	10,876,687
Total fund balances	10,941,336	24,817	10,966,153
Total liabilities and fund balances	\$11,231,075	\$ 53,494	\$ 11,284,569

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

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

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

Total fund balances for governmental funds at June 30, 2017	\$ 10,966,153
Total net position reported for governmental activities in the statement of net position is different because:	
<p>Cost incurred which benefit more than one period are recorded as an expenditure in the governmental funds when paid. The portion relating to the next fiscal year is reported as prepaid expenditures in the statement of net position.</p>	
Prepaid expenses	70,268
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:</p>	
Land	\$ 819,145
Construction in progress	301,530
Buildings and improvements other than buildings, net of \$9,351,951 accumulated depreciation	5,980,907
Vehicles, net of \$4,789,463 accumulated depreciation	1,997,109
Radios, net of \$1,730,183 accumulated depreciation	594,492
Boats, net of \$161,104 accumulated depreciation	3,091
Office equipment, net of \$2,131,052 accumulated depreciation	783,137
Camera/video, net of \$512,154 accumulated depreciation	140,150
Weapons, net of \$310,766 accumulated depreciation	174,179
Other, net of \$1,570,558 accumulated depreciation	703,109
	11,496,849
<p>The deferred outflows of expenditures for the Sheriff's Pension and Relief Fund are not a use of current resources and, therefore, are not reported in the funds.</p>	
	10,302,704
<p>Long-term liabilities at June 30, 2017:</p>	
Compensated absences	(1,891,030)
Postemployment benefit obligation	(15,301,898)
Net pension liability	(21,673,866)
<p>The deferred inflows of contributions for the Sheriffs' Pension and Relief Fund are not available resources and, therefore, are not reported in the funds.</p>	
	(2,890,550)
Net position (deficit) at June 30, 2017	\$ (8,921,370)

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

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

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

	General Fund	Drug Enforcement Fund	Total Governmental Funds
Revenues:			
Taxes			
Ad valorem	\$ 13,508,283	\$ -	\$ 13,508,283
Sales	12,890,653	-	12,890,653
Intergovernmental	5,240,183	55,340	5,295,523
Fees, commissions, etc.	12,129,060	49,623	12,178,683
Interest earned	15,292	-	15,292
Other	200,679	-	200,679
Total revenues	43,984,150	104,963	44,089,113
Expenditures:			
Current -			
Public safety:			
Personal services and related benefits	28,018,853	59,980	28,078,833
Operating services	6,293,116	-	6,293,116
Operations and maintenance	7,271,350	36,581	7,307,931
Travel and other charges	112,463	-	112,463
Capital outlay	1,566,453	7,300	1,573,753
Total expenditures	43,262,235	103,861	43,366,096
Excess of revenues over expenditures	721,915	1,102	723,017
Other financing sources (uses):			
Transfers in	-	22,391	22,391
Transfers out	(22,391)	-	(22,391)
Sale of capital assets	15,748	-	15,748
Total other financing sources (uses)	(6,643)	22,391	15,748
Net change in fund balances	715,272	23,493	738,765
Fund balance, beginning	10,226,064	1,324	10,227,388
Fund balance, ending	\$ 10,941,336	\$ 24,817	\$ 10,966,153

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

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

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

Total net changes in fund balances for the year ended June 30, 2017 per statement of revenues, expenditures and changes in fund balances		\$ 738,765
The change in net position reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay which is considered expenditures on statement of revenues, expenditures and changes in fund balance	\$ 1,573,753	
Depreciation expense for the year ended June 30, 2017	(1,836,834)	
Current period dispositions of capital assets, net of accumulated depreciation	<u>(42,475)</u>	(305,556)
Prepaid cost are recognized as an expenditure when paid in the governmental funds. In the statement of activities; however, prepaid expenditures are allocated over the period for which the expenditure is related.		
		1,394
Compensated absences at June 30, 2017 not requiring the use of current economic resources and, therefore, not recorded as a fund expenditure.		
		(123,380)
Post employment benefit obligation at June 30, 2017 not requiring the use of current economic resources and, therefore, not recorded as a fund expenditure.		
		(1,934,216)
Pension expense at June 30, 2017 not requiring the use of current economic resources and, therefore, not recorded as a fund expenditure.		
		(116,151)
Non-employer contributions to the Sheriff's Pension and Relief Fund		
		<u>1,326,526</u>
Total net changes in net position for the year ended June 30, 2017 per statement of activities		<u>\$ (412,618)</u>

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

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

Statement of Fiduciary Assets and Liabilities
June 30, 2017

	<u>Agency Funds</u>
ASSETS	
Cash	\$ 981,350
Due from inmates	<u>8,037</u>
Total assets	<u>\$ 989,387</u>
LIABILITIES	
Due to taxing bodies, inmates, and others	<u>\$ 989,387</u>

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

Rapides Parish Sheriff
Alexandria, Louisiana

Notes to Basic Financial Statements

INTRODUCTION

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

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

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

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

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

(1) Summary of Significant Accounting Policies

A. Reporting Entity

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

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

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

Notes to Basic Financial Statements (Continued)

B. Basis of Presentation

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

Government-Wide Financial Statements (GWFS)

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

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

Fund Financial Statements (FFS)

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

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

Notes to Basic Financial Statements (Continued)

Governmental Funds –

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

Drug Enforcement Fund – This fund is used to account for the Edward Byrne Memorial Justice Assistance Grant restricted for the activities and transactions related to the Metro Narcotics Task Force.

Fiduciary Funds -

Fiduciary fund reporting focuses on net position and changes in net position. The only funds accounted for in this category are agency funds. The agency funds account for assets held by the Sheriff as an agent for various taxing bodies (tax collections) and for deposits held pending court action. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Accordingly, it presents only a statement of fiduciary net assets and does not present a statement of changes in fiduciary net assets. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Sheriff's own programs. Fiduciary funds are presented on an economic resources measurement focus and the modified accrual basis of accounting.

C. Measurement Focus/Basis of Accounting

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

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

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

Notes to Basic Financial Statements (Continued)

Revenues

Ad valorem taxes and the related state revenue sharing are recorded in the year taxes are due and payable. The taxes are generally collected in December, January, and February of the fiscal year.

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

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

Sales Taxes

On October 5, 2002, the voters of Rapides Parish elected to allow the Rapides Parish Law Enforcement District to levy and collect an additional 0.5% sales and use tax. This tax was levied effective January 1, 2003, in perpetuity, for the purposes of funding salaries and related benefits, as well as the purchase, lease, operation, and maintenance of vehicles, furniture and fixtures, and equipment of the Rapides Parish Sheriff's Office as defined in Sections 301-317 of Title 47 of Louisiana Revised Statutes of 1950 (R.S. 47:301-47:317).

Expenditures

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

Unearned Revenues

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

D. Cash and Interest-Bearing Deposits

Cash and interest-bearing deposits include amounts in demand deposits, interest-bearing demand deposits, and time deposits. They are stated at cost, which approximates market.

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

Notes to Basic Financial Statements (Continued)

E. Investments

Under state law, the Sheriff may deposit funds with a fiscal agent organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The Sheriff may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana Law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a nonprofit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool.

F. Receivables

Receivables are charged against income as they become uncollectible. In the opinion of management, all receivables at year-end were considered collectible, and an allowance for doubtful accounts was not considered necessary.

G. Internal Balances

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables are classified as "due from other funds" or "due to other funds" on the governmental funds balance sheet. These internal balances are eliminated for reporting in the statement of position.

H. Inventories

Inventories consist of (1) items sold at the commissaries, (2) supplies for the detention centers, (3) office supplies, and (4) shop tire inventory. Inventories are valued at the lower of cost or market, using the first-in/first-out (FIFO) method.

I. Prepaid Expenses

In the Government-Wide Financial Statements, insurance premiums and maintenance agreements paid prior to year-end for coverage included in the next fiscal year are reported as prepaid expenses since the expense benefits the next fiscal year. In the Fund Financial Statements, these premiums are recorded as expenditures when paid.

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

Notes to Basic Financial Statements (Continued)

J. Capital Assets

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

Capital assets are recorded in the Statement of Net Position and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes.

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

Buildings and improvements	5-30 years
Vehicles	5-15 years
Radios	7-10 years
Boats	5-10 years
Office equipment and software	5-15 years
Camera/video	4-10 years
Weapons	5-10 years
Other	3-30 years

K. Compensated Absences

Employees of the Sheriff's office earn from 120 to 180 hours of annual leave each year, depending on their length of service. Those employees who do not take all of their annual leave prior to December 31st may carry over no more than 40 hours to the next calendar year. Employees earn from 84 to 120 hours of sick leave per year, depending on length of service. Unused sick leave may be carried forward each year; however, it is not compensable upon termination of employment. At June 30, 2017, employees have accumulated and vested \$1,891,030 of benefits. This amount is included in noncurrent liabilities in the statement of net position.

L. Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. At June 30, 2017, the Sheriff's deferred outflows of resources and deferred inflows of resources are attributable to pension plans.

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

Notes to Basic Financial Statements (Continued)

M. Equity Classifications

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

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

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

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed – amounts that can be used only for specific purposes determined by a formal decision of the Sheriff, which is the highest level of decision-making authority.
- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes determined by the Sheriff.
- e. Unassigned – all other spendable amounts.

RAPIDES PARISH SHERIFF
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Notes to Basic Financial Statements (Continued)

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

N. Estimates

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

(2) Cash and Interest-Bearing Deposits

Under state law, the Sheriff may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Sheriff may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2017, the Sheriff has cash and interest-bearing deposits (book balances) totaling \$9,110,917, as follows:

	Governmental Activities	Fiduciary Funds	Total
Noninterest-bearing deposits	\$2,129,567	\$ 390,512	\$2,520,079
Interest-bearing deposits	6,000,000	590,838	6,590,838
	\$8,129,567	\$ 981,350	\$9,110,917

Custodial credit risk is the risk that, in the event of a bank failure, the Sheriff's deposits might not be recovered. The Sheriff does not have a policy for custodial credit risk; however, under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. These deposits are stated at cost, which approximates market.

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

Notes to Basic Financial Statements (Continued)

Deposit balances (bank balances) at June 30, 2017 are secured as follows:

Bank balances	<u>\$ 10,438,266</u>
Federal deposit insurance	\$ 1,065,543
Pledged securities	<u>9,372,723</u>
Total	<u>\$ 10,438,266</u>

Deposits in the amount of \$9,372,723 were exposed to custodial credit risk. The securities pledged for these deposits are held by the bank, or its trust department or agent, but not in the Sheriff's name. Even though the pledged securities are not held in the name of the Sheriff, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Sheriff that the fiscal agent has failed to pay deposited funds upon demand.

(3) Ad Valorem Taxes

The Sheriff is the ex-officio tax collector of the parish and is responsible for the collection and distribution of ad valorem property taxes. Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the parish government in June and are actually billed to taxpayers by the Sheriff in November. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Tax Assessor of Rapides Parish and are collected by the Sheriff. The taxes are remitted to the appropriate taxing bodies net of deductions for assessor's compensation and pension fund contributions.

Ad valorem taxes are budgeted and recorded in the year levied and billed. For the year ended June 30, 2017, law enforcement taxes applicable to the Sheriff's General Fund, were levied at the rate of 17.46 mills on property with net assessed valuations (after homestead exemption) totaling \$795,946,851.

Total law enforcement taxes levied during 2017 were \$13,897,239.

(4) Receivables and Due From Other Governmental Agencies

Receivables and amounts due from other governmental agencies at June 30, 2017 consist of the following:

	Governmental Activities	Fiduciary Funds
Fees, charges, and commissions for services	\$ 1,740,763	\$ -
Sales taxes	1,188,445	-
Ad valorem taxes	18,109	-
Grants	118,334	-
Other	<u>14,613</u>	<u>-</u>
	<u>\$ 3,080,264</u>	<u>\$ -</u>

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

Notes to Basic Financial Statements (Continued)

(5) Inventories

Inventories at June 30, 2017 consist of the following:

Warehouse inventory	\$ 10,085
Auto parts	39,349
Office supplies	<u>15,215</u>
Total	<u>\$ 64,649</u>

(6) Capital Assets

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

	Balance 07/01/16	Additions	Deletions	Balance 06/30/17
Governmental activities:				
Capital assets not being depreciated:				
Land and improvements	\$ 819,145	\$ -	\$ -	\$ 819,145
Construction in progress	-	301,530	-	301,530
Other capital assets:				
Buildings and improvements	15,327,761	5,097	-	15,332,858
Vehicles	6,408,057	589,951	211,436	6,786,572
Radios	2,341,743	25,945	43,013	2,324,675
Boats	164,195	-	-	164,195
Office equipment and software	2,654,823	314,475	55,109	2,914,189
Camera/video	624,726	27,578	-	652,304
Weapons	425,739	83,846	24,640	484,945
Other	<u>2,116,027</u>	<u>225,331</u>	<u>67,691</u>	<u>2,273,667</u>
Totals	<u>30,882,216</u>	<u>1,573,753</u>	<u>401,889</u>	<u>32,054,080</u>
Less: accumulated depreciation				
Buildings and improvements	8,840,857	511,094	-	9,351,951
Vehicles	4,257,674	714,771	182,982	4,789,463
Radios	1,666,761	105,608	42,186	1,730,183
Boats	155,657	5,447	-	161,104
Office equipment and software	1,909,677	275,323	53,948	2,131,052
Camera/video	473,343	38,811	-	512,154
Weapons	282,359	48,524	20,117	310,766
Other	<u>1,493,483</u>	<u>137,256</u>	<u>60,181</u>	<u>1,570,558</u>
Total accumulated depreciation	<u>19,079,811</u>	<u>1,836,834</u>	<u>359,414</u>	<u>20,557,231</u>
Governmental activities, capital assets, net	<u>\$ 11,802,405</u>	<u>\$(263,081)</u>	<u>\$ 42,475</u>	<u>\$ 11,496,849</u>

Construction in progress consisted of renovations to the work release facilities at June 30, 2017.

Depreciation expense in the amount of \$ 1,836,834 was charged to public safety.

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

Notes to Basic Financial Statements (Continued)

(7) Payables and Due to Other Governmental Agencies

Payables and amounts due to other governmental agencies at June 30, 2017 consist of the following:

Accounts payable	\$ 288,984
Payroll withholdings	<u>655</u>
Total	<u>\$ 289,639</u>

(8) Compensated Absences

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

	Compensated Absences
Balance July 1, 2016	\$ 1,767,650
Additions	270,979
Reductions	<u>(147,599)</u>
Balance June 30, 2017	<u>\$ 1,891,030</u>

(9) Postemployment Healthcare and Life Insurance Benefits

In adopting the requirements of GASB Codification Section P50, *Accounting and Financial Reporting by Employers for Post employment Benefits other than Pensions* (GASB Codification Section P50) during the year ended June 30, 2009, the Sheriff began to recognize the cost of postemployment healthcare in the year when employee services are received, to report the accumulated liability from prior years, and to provide information useful in assessing potential demands on the Sheriff's future cash flows. Because the Sheriff is adopting the requirements of GASB Codification Section P50 prospectively, recognition of the liability accumulated from prior years will be phased in over 30 years, commencing with the 2009 liability.

Plan Description: The Rapides Parish Sheriff's medical, dental, and life insurance benefits are provided to employees upon actual retirement based on at least the following provisions: 30 years of service at any age; age 55 and 15 years of service; or, age 50 and 20 years of service (with an actuarially reduced pension benefit).

Although employees may retire after age 55 and 12 years of service, medical/dental and life insurance benefits are not provided until at least 15 years of service at retirement. Employees hired on and after January 1, 2012 have the same retirement eligibility requirements except that they must be at least age 55 with 30 years of service or age 62 with 12 years of service.

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

Notes to Basic Financial Statements (Continued)

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 the first \$10,000 of life insurance after retirement with the retiree paying the remainder, but both "costs" are based on the blended rate. Since GASB 45 requires the use of "unblended" rates, we have used the 94GAR mortality table 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. Thus, the implicit subsidy by the employer has been determined by applying the unblended rate to the full coverage, and subtracting the retiree's premium of the blended rate applied to the excess over \$10,000. Based on historical patterns, we have assumed that 20% of retirees decline the option of paying for the coverage beyond \$10,000. 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 2008, the Rapides Parish Sheriff recognized the cost of providing post-employment medical and life insurance benefits (the Rapides 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, the Rapides Parish Sheriff's portion of health care and life insurance funding cost for retired employees totaled \$1,093,624.

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

Normal cost	\$1,133,934
30-year UAL amortization amount	<u>2,132,254</u>
Annual required contribution (ARC)	<u>\$3,266,188</u>

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

Notes to Basic Financial Statements (Continued)

Net Postemployment Benefit Obligation (Asset): The table below shows the Rapides Parish Sheriff's Net Other Post-employment Benefit (OPEB) Obligation for fiscal year ending June 30, 2017:

Annual required contribution	\$ 3,266,188
Interest on net OPEB obligation	534,706
Adjustment to annual required contribution	<u>(773,054)</u>
Annual OPEB cost (expense)	3,027,840
Contributions made	-
Current year retiree premium	<u>(1,093,624)</u>
Increase in net OPEB obligation	1,934,216
Net OPEB obligation - beginning of year	<u>13,367,682</u>
Net OPEB obligation - end of year	<u>\$ 15,301,898</u>

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

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2015	\$ 2,831,410	31.00%	\$ 11,399,176
6/30/2016	\$ 2,916,570	32.51%	\$ 13,367,682
6/30/2017	\$ 3,027,840	36.12%	\$ 15,301,898

Funded Status and Funding Progress: In 2017, the Rapides Parish Sheriff made no contributions to its post employment benefits plan. The plan is not funded, has no assets, and hence has a funded ratio of zero. Based on the July 1, 2016 actuarial valuation, the most recent valuation, the Actuarial Accrued Liability (AAL) at the end of the year June 30, 2017 was \$38,346,097 which is defined as that portion, as determined by a particular actuarial cost method (the Rapides 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.

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

Notes to Basic Financial Statements (Continued)

Actuarial accrued liability (AAL)	\$38,346,097
Actuarial valuations of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$38,346,097</u>
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	\$23,913,069
UAAL as a percentage of covered payroll	160.36%

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

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 18.5%.

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

Notes to Basic Financial Statements (Continued)

Postemployment Benefit Plan Eligibility Requirements: Based on historical experience, it has been assumed that entitlement to benefits will commence four and one-half (4.5) years after the earliest eligibility to retire with a full pension benefit (i.e., not actuarially reduced) and also with at least fifteen years of service (so as to be eligible for medical/dental and life insurance) as described under the heading "Plan Description". Medical benefits are provided to employees upon actual retirement.

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

Healthcare Cost Trend Rate: The expected rate of increase in medical cost is based on a graded schedule beginning with 8% annually, down to an ultimate annual rate of 5.0% 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 medical rates provided are "blended" rates for active and retired before Medicare eligibility, so we have estimated the "unblended" rates for retirees before Medicare as 130% of the blended rate, as required by GASB Codification Section P50 for valuation purposes. In addition, there is an annually re-calculated "tier assessment" which is also applied to medical benefit costs. Dependent coverage is not provided.

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.

Postretirement 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.

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

Notes to Basic Financial Statements (Continued)

(10) Pension Plan

Employees of the Sheriff are provided with pensions through a cost-sharing multiple-employer defined benefit pension plan established in accordance with the provisions of Louisiana Revised Statute 11:2171 to provide retirement, disability and survivor benefits to employees of sheriff's offices throughout the State of Louisiana, employees of the Louisiana Sheriffs' Association and the Sheriff's Pension and Relief Fund's office. The Fund issues a publicly available financial report that may be obtained by writing to the Louisiana Sheriffs' Pension and Relief Fund, 1225 Nicholson Drive, Baton Rouge, Louisiana 70802, or by calling (225) 219-0500.

For purposes of measuring the Net Pension Liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Sheriffs' Pension and Relief Fund (Fund) and additions to/deductions from the Fund's fiduciary net position have been determined on the same basis as they are reported by the Fund. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Plan Description:

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

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

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

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

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

Notes to Basic Financial Statements (Continued)

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

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

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

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

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

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

Notes to Basic Financial Statements (Continued)

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

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

Contributions: Contributions for all members are established by the Board of Trustees. The employee contribution rate for the year ended June 30, 2016 was 10.25%. Contributions are deducted from the member's salary and remitted monthly. Gross employer contributions are determined by actuarial valuation and are subject to change each year in accordance with R.S. 11:103. For the year ended June 30, 2016, the employers contributed 13.75% of the members' salaries with an additional 0.0% allocated from the Funding Deposit Account. In accordance with state statute, the Fund receives ad valorem taxes, insurance premium taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations. Non-employer contributions are recognized as revenue in the amount of \$1,326,526 and excluded from pension expense for the year ended June 30, 2016.

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 \$21,673,866 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2016 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Sheriff's proportion of the Net Pension Liability was based on a projection of the Sheriff's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2016, the Sheriff's proportion was 3.414877%, which was a decrease of 0.031281% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the Sheriff recognized pension expense of \$3,182,504 less employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$2,312.

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

Notes to Basic Financial Statements (Continued)

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

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

The mortality rate assumptions were set after reviewing an experience study performed over the period July 1, 2010 through June 30, 2016. 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.

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

Valuation Date	June 30, 2016
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	7 years
Investment Rate of Return	7.6%, net of investment expense
Discount Rate	7.5%
Projected Salary Increases	5.5% (2.875% Inflation, 2.625% Merit)
Mortality	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 Fund and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

Notes to Basic Financial Statements (Continued)

Discount Rate: The discount rate used to measure the total pension liability was 7.5%, which was a decrease of 0.1% from the prior year valuation. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the Fund's actuary. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building block method 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 rate of return by the target asset allocation percentage and adding expected inflation.

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

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

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the Employer's proportionate share of the Net Pension Liability using the discount rate of 7.5%, as well as what the Employer's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (6.5%) or one percentage-point higher (8.5%) than the current rate:

	1.0% Decrease	Current	1.0% Increase
	6.5%	Discount Rate 7.5%	8.5%
Employer's proportionate share of the net pension liability	\$36,771,922	\$21,673,866	\$9,212,211

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

Notes to Basic Financial Statements (Continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$2,273,349
Change of assumptions	1,770,688	-
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	39,748	617,201
Net differences between projected and actual earnings on plan investments	5,428,225	-
Contributions subsequent to the measurement date	3,064,043	-
Total	\$10,302,704	\$2,890,550

Deferred outflows of resources of \$3,064,043 related to pensions resulting from the Sheriff's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	
2017	\$ 455,118
2018	455,118
2019	2,036,253
2020	1,360,418
2021	20,604
2022	20,600
	\$4,348,111

At June 30, 2017, the Sheriff had no payables to the pension plan for contractually required contributions for the month of June 2017.

(11) Deferred Compensation Plan

Certain employees of the Sheriff participate in the Rapides Parish Sheriff's Office Deferred Compensation Plan (Plan) adopted under the provisions of Internal Revenue Code Section 457, which is administered by the Hartford Life Insurance Company. The Sheriff does not have managerial or financial responsibility for the plan assets. As of June 30, 2017, the plan assets totaled \$2,295,354, which is owned by the Plan participants.

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

Notes to Basic Financial Statements (Continued)

(12) Changes in Agency Fund Balances

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

	Sheriff's Civil Fund	Tax Collector Fund	Cash Bond Fund	Fines and Costs Fund	Jail Inmate Fund	Work Release Inmate Fund
June 30, 2016	\$ 238,426	\$ 14,357	\$362,741	\$ 124,353	\$ 71,676	\$ 387,247
Additions	4,451,335	95,897,266	236,182	2,072,438	1,193,036	3,215,090
Reductions	<u>(4,496,129)</u>	<u>(95,835,526)</u>	<u>(380,605)</u>	<u>(2,027,740)</u>	<u>(1,200,167)</u>	<u>(3,334,593)</u>
June 30, 2017	<u>\$ 193,632</u>	<u>\$ 76,097</u>	<u>\$218,318</u>	<u>\$ 169,051</u>	<u>\$ 64,545</u>	<u>\$ 267,744</u>

(13) Taxes Paid Under Protest

The unsettled balances due to taxing bodies and others in the agency funds at June 30, 2017 include \$14,593 of taxes paid under protest plus interest earned to date on the investment of these funds. These funds are held pending resolution of the protest and are accounted for in the Tax Collector Agency Fund.

(14) Litigation and Claims

At June 30, 2017, the Sheriff is involved in several lawsuits claiming damages. In the opinion of the Sheriff's legal counsel, resolution of these lawsuits would not create a liability to the Sheriff in excess of insurance coverage.

(15) Ex-officio Tax Collector

The amount of cash on hand at year end was \$76,097. The unsettled balances of the Tax Collector Fund at June 30, 2017 consist of the following:

Ad valorem taxes	\$ 22,459
Settlements on prior year taxes	6,145
Protest taxes	14,593
Undistributed interest	28,886
Due from General Fund	(500)
Redemptions and refunds to taxpayers	452
Tax Notices and costs	1,875
Interest on current year taxes	<u>2,187</u>
Total	<u>\$ 76,097</u>

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

Notes to Basic Financial Statements (Continued)

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

Rapides Parish School Board	\$38,797,586
Rapides Parish Police Jury	26,329,652
Rapides Parish Sheriff	13,718,351
Rapides Parish Library	5,562,853
Red River Levee District	2,041,082
Red River Waterway Commission	1,838,537
Rapides Parish Assessor	1,649,975
Ward 9 Recreation District	710,957
Ward 10 Recreation District	607,829
Gravity Drainage District	335,780
Water District 11A	121,311
Fire District 12	311,724
LA Forestry Commission	33,721
LA Tax Commission	62,546
Total	<u>\$92,121,904</u>

For the fiscal year ended June 30, 2017, the taxes assessed and uncollected were due to movable property and the amounts are as follows:

	Louisiana			
	Tax			
	Commission			
	<u>Decreases</u>	<u>Adjudications</u>	<u>Bankruptcies</u>	<u>Unpaid</u>
Rapides Parish School Board	\$ 486,099	\$ 28,287	\$ 28,303	\$ 120,609
Rapides Parish Police Jury	381,313	13,368	17,032	81,980
Rapides Parish Sheriff	153,511	10,301	8,922	42,591
Rapides Parish Library	62,248	4,177	3,618	17,270
Red River Levee District	15,362	1,744	716	6,315
Red River Waterway Commission	20,574	1,380	1,196	5,708
Rapides Parish Assessor	18,464	1,239	1,073	5,123
Ward 9 Recreation District	5,105	598	3,045	2,206
Ward 10 Recreation District	12,609	441	-	1,903
Gravity Drainage District	2,154	399	201	1,039
Water District 11A	2,266	45	2,752	387
Fire District 12	2,835	24	-	964
LA Forestry Commission	146	-	117	96
LA Tax Commission	-	-	-	192
Total	<u>\$ 1,162,686</u>	<u>\$ 62,003</u>	<u>\$ 66,975</u>	<u>\$ 286,383</u>

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

Notes to Basic Financial Statements (Continued)

(16) Operating Leases

The Sheriff is committed for more than a single year under leases for office equipment and building or office space. The leases are considered for accounting purposes to be operating leases.

Lease expenditures for the year ended June 30, 2017 amounted to \$132,040, and consisted solely of minimum lease payments.

Future minimum lease payments for non-cancellable leases are as follows:

Fiscal year ending	
<u>June 30,</u>	
2018	\$ 115,500
2019	107,640
2020	<u>58,270</u>
Total	<u>\$ 281,410</u>

(17) Risk Management

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

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

In accordance with Act 706 of the 2014 Regular Legislative Session – LA R.S. 24:513(A)(3), the schedule of compensation, benefits, and other payments to William E. Hilton, Sheriff, for the year ended June 30, 2017 follows:

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 159,540
Benefits - insurance	9,273
Benefits - retirement	40,448
Benefits - Medicare	2,496
Travel reimbursements	<u>9,062</u>
Total	<u>\$ 220,819</u>

(19) Tax Abatement

Louisiana's State Constitution Chapter VII Section 21 authorizes the State Board of Commerce and Industry to create a ten (10) year ad valorem tax abatement program for new manufacturing establishments in the State. Under the terms of this program, qualified businesses may apply for an exemption of local ad valorem taxes on capital improvements and equipment related to manufacturing for the first ten years of its operation; after which time the property will be added to the local tax roll and taxed at the value and millage in force at that time. The future value to this exempt property could be subject to significant fluctuations from today's value; however, the Sheriff could receive a substantial increase in ad valorem tax revenues once the exemption on this property expires. Because these taxes are not assessed, no adjustments have been made to the Sheriff's financial statements to record the exempt amounts. At June 30, 2017, the Sheriff's ad valorem revenues were reduced by \$4,924,116 as a result of these abatements.

REQUIRED SUPPLEMENTARY INFORMATION

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2017

	Budget		Actual	Variance - Favorable (Unfavorable)
	Original	Final		
Revenues:				
Taxes				
Ad valorem	\$ 13,200,000	\$ 13,500,000	\$ 13,508,283	\$ 8,283
Sales	13,100,000	12,700,000	12,890,653	190,653
Intergovernmental revenues -				
Federal	273,600	530,500	481,188	(49,312)
State	2,993,400	2,983,600	2,989,697	6,097
Local	1,745,200	1,769,900	1,769,298	(602)
Fees charges and commissions for services -				
Fees	731,500	804,500	852,304	47,804
Feeding and maintaining prisoners	9,897,000	9,947,300	9,974,670	27,370
Commissions	1,071,200	1,276,200	1,302,086	25,886
Interest income	7,000	10,400	15,292	4,892
Other income	177,500	188,000	200,679	12,679
Total revenues	<u>43,196,400</u>	<u>43,710,400</u>	<u>43,984,150</u>	<u>273,750</u>
Expenditures:				
Current -				
Public safety:				
Personal services and related benefits	28,225,130	28,185,557	28,018,853	166,704
Operating services	6,197,869	6,315,857	6,293,116	22,741
Operations and maintenance	7,515,150	7,524,500	7,271,350	253,150
Travel and other charges	102,800	111,000	112,463	(1,463)
Capital outlay	1,123,851	1,566,786	1,566,453	333
Total expenditures	<u>43,164,800</u>	<u>43,703,700</u>	<u>43,262,235</u>	<u>441,465</u>
Excess of revenues over expenditures	<u>31,600</u>	<u>6,700</u>	<u>721,915</u>	<u>715,215</u>
Other financing sources (uses):				
Transfer to Drug Enforcement Fund	(41,600)	(22,400)	(22,391)	9
Sales of capital assets	10,000	15,700	15,748	48
Total other financing sources (uses)	<u>(31,600)</u>	<u>(6,700)</u>	<u>(6,643)</u>	<u>57</u>
Excess of revenues and other sources over expenditures and other uses	-	-	715,272	715,272
Fund balance, beginning	<u>10,226,064</u>	<u>10,226,064</u>	<u>10,226,064</u>	<u>-</u>
Fund balance, ending	<u>\$ 10,226,064</u>	<u>\$ 10,226,064</u>	<u>\$ 10,941,336</u>	<u>\$ 715,272</u>

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

Special Revenue Fund - Drug Enforcement Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2017

	Budget		Actual	Variance - Favorable (Unfavorable)
	Original	Final		
Revenues:				
Intergovernmental				
Federal	\$ 59,068	\$ 53,068	\$ 53,430	\$ 362
Local	2,632	2,632	1,910	(722)
Commission on forfeited assets	<u>1,000</u>	<u>46,500</u>	<u>49,623</u>	<u>3,123</u>
Total revenues	<u>62,700</u>	<u>102,200</u>	<u>104,963</u>	<u>2,763</u>
Expenditures:				
Current -				
Salaries and related benefits	73,100	60,100	59,980	120
Utilities	1,800	2,700	2,738	(38)
Telephone	2,100	1,700	2,161	(461)
Informants and undercover operations	27,300	21,000	21,000	-
Supplies	-	7,100	6,628	472
Training	-	4,000	4,054	(54)
Capital Outlay	<u>-</u>	<u>7,300</u>	<u>7,300</u>	<u>-</u>
Total expenditures	<u>104,300</u>	<u>103,900</u>	<u>103,861</u>	<u>39</u>
Excess (deficiency) of revenues over expenditures	(41,600)	(1,700)	1,102	2,802
Other financing source:				
Transfer from General Fund	<u>41,600</u>	<u>22,400</u>	<u>22,391</u>	<u>(9)</u>
Excess of revenues and other sources over expenditures	-	20,700	23,493	2,793
Fund balance, beginning	<u>1,324</u>	<u>1,324</u>	<u>1,324</u>	<u>-</u>
Fund balance, ending	<u>\$ 1,324</u>	<u>\$ 22,024</u>	<u>\$ 24,817</u>	<u>\$ 2,793</u>

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

Schedule of Funding Progress
For the Year Ended June 30, 2017

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities (AAL)	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
July 1, 2012	\$ -	\$27,282,977	\$27,282,977	0.0%	\$23,300,313	117.1%
July 1, 2014	\$ -	\$33,829,020	\$33,829,020	0.0%	\$23,720,648	142.6%
July 1, 2016	\$ -	\$38,346,097	\$38,346,097	0.0%	\$23,913,069	160.4%

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

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

Year ended June 30,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2017	3.414877%	\$ 21,673,866	\$ 23,321,971	92.9%	82.10%
2016	3.446158%	\$ 15,361,309	\$ 22,848,582	67.2%	86.61%
2015	3.564519%	\$ 14,115,514	\$ 22,885,270	61.8%	87.34%

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

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

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

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

Year ended June 30,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2017	\$ 3,064,043	\$ 3,064,043	\$ -	\$ 23,124,853	13.25%
2016	\$ 3,206,771	\$ 3,206,771	\$ -	\$ 23,321,971	13.75%
2015	\$ 3,255,923	\$ 3,255,923	\$ -	\$ 22,848,582	14.25%

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

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

Notes to the Required Supplementary Information

(1) Budgets and Budgetary Accounting

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

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

(2) Pension Plans

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

OTHER SUPPLEMENTARY INFORMATION

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

Comparative Statement of Net Position
June 30, 2017 and 2016

	Governmental Activities	
	2017	2016
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,129,567	\$ 1,727,079
Certificates of deposit	6,000,000	6,000,000
Receivables	3,080,264	2,784,515
Accrued interest receivable	4,843	4,752
Inventories	64,649	63,635
Prepaid expenses	70,268	68,874
Total current assets	11,349,591	10,648,855
Noncurrent assets:		
Capital assets, net	11,496,849	11,802,405
TOTAL ASSETS	22,846,440	22,451,260
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	10,302,704	4,091,070
LIABILITIES		
Current liabilities:		
Accounts, salaries, and other payables	289,639	352,493
Unearned revenue	23,531	100
Total current liabilities	313,170	352,593
Noncurrent liabilities:		
Compensated absences	1,891,030	1,767,650
Postemployment benefit obligation	15,301,898	13,367,682
Net pension liability	21,673,866	15,361,309
Total noncurrent liabilities	38,866,794	30,496,641
TOTAL LIABILITIES	39,179,964	30,849,234
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions	2,890,550	4,201,848
NET POSITION		
Net investment in capital assets	11,496,849	11,802,405
Restricted for drug enforcement	24,817	1,324
Unrestricted (deficit)	(20,443,036)	(20,312,481)
TOTAL NET POSITION (DEFICIT)	\$ (8,921,370)	\$ (8,508,752)

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

General Fund and Drug Enforcement Fund
Comparative Balance Sheet
June 30, 2017 and 2016

	General Fund		Drug Enforcement Fund	
	2017	2016	2017	2016
ASSETS				
Cash and cash equivalents	\$ 2,113,803	\$ 1,720,674	\$ 15,764	\$ 6,405
Certificates of deposit	6,000,000	6,000,000	-	-
Receivables	3,042,534	2,784,515	37,730	-
Accrued interest receivable	4,843	4,752	-	-
Due from other funds	5,246	5,081	-	-
Inventories	64,649	63,635	-	-
Total assets	<u>\$11,231,075</u>	<u>\$10,578,657</u>	<u>\$ 53,494</u>	<u>\$ 6,405</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 288,984	\$ 352,092	\$ -	\$ -
Accrued payroll liabilities	655	401	-	-
Due to other funds	-	-	5,246	5,081
Unearned revenue	100	100	23,431	-
Total liabilities	<u>289,739</u>	<u>352,593</u>	<u>28,677</u>	<u>5,081</u>
Fund balances:				
Nonspendable - inventories	64,649	63,635	-	-
Restricted - drug enforcement	-	-	24,817	1,324
Unassigned	10,876,687	10,162,429	-	-
Total fund balances	<u>10,941,336</u>	<u>10,226,064</u>	<u>24,817</u>	<u>1,324</u>
Total liabilities and fund balances	<u>\$11,231,075</u>	<u>\$10,578,657</u>	<u>\$ 53,494</u>	<u>\$ 6,405</u>

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

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

	2017			Variance - Favorable (Unfavorable)	2016 Actual
	Budget		Actual		
	Original	Final			
Revenues:					
Taxes					
Ad valorem	\$ 13,200,000	\$ 13,500,000	\$ 13,508,283	\$ 8,283	\$ 12,722,703
Sales	13,100,000	12,700,000	12,890,653	190,653	12,855,166
Intergovernmental revenues -					
Federal	273,600	530,500	481,188	(49,312)	345,836
State	2,993,400	2,983,600	2,989,697	6,097	2,936,204
Local	1,745,200	1,769,900	1,769,298	(602)	1,692,900
Fees charges and commissions for services -					
Fees	731,500	804,500	852,304	47,804	802,611
Feeding and maintaining prisoners	9,897,000	9,947,300	9,974,670	27,370	10,084,537
Commissions	1,071,200	1,276,200	1,302,086	25,886	1,104,910
Interest income	7,000	10,400	15,292	4,892	13,255
Other income	177,500	188,000	200,679	12,679	266,416
Total revenues	<u>43,196,400</u>	<u>43,710,400</u>	<u>43,984,150</u>	<u>273,750</u>	<u>42,824,538</u>
Expenditures:					
Current -					
Public safety:					
Personal services and related benefits	28,225,130	28,185,557	28,018,853	166,704	28,406,940
Operating services	6,197,869	6,315,857	6,293,116	22,741	5,800,065
Operations and maintenance	7,515,150	7,524,500	7,271,350	253,150	7,503,604
Travel and other charges	102,800	111,000	112,463	(1,463)	131,489
Capital outlay	1,123,851	1,566,786	1,566,453	333	1,281,156
Total expenditures	<u>43,164,800</u>	<u>43,703,700</u>	<u>43,262,235</u>	<u>441,465</u>	<u>43,123,254</u>
Excess (deficiency) of revenues over expenditures	<u>31,600</u>	<u>6,700</u>	<u>721,915</u>	<u>715,215</u>	<u>(298,716)</u>
Other financing sources (uses):					
Transfer to Drug Enforcement Fund	(41,600)	(22,400)	(22,391)	9	(41,660)
Sale of capital assets	10,000	15,700	15,748	48	27,040
Total other financing sources (uses)	<u>(31,600)</u>	<u>(6,700)</u>	<u>(6,643)</u>	<u>57</u>	<u>(14,620)</u>
Net change in fund balance	-	-	715,272	715,272	(313,336)
Fund balance, beginning	<u>10,226,064</u>	<u>10,226,064</u>	<u>10,226,064</u>	-	<u>10,539,400</u>
Fund balance, ending	<u>\$ 10,226,064</u>	<u>\$ 10,226,064</u>	<u>\$ 10,941,336</u>	<u>\$ 715,272</u>	<u>\$ 10,226,064</u>

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

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

	2017				
	Budget		Actual	Variance - Favorable (Unfavorable)	2016 Actual
	Original	Final			
Current:					
Public safety -					
Personal services and related benefits:					
Salaries	\$24,725,079	\$24,727,749	\$24,577,004	\$ 150,745	\$24,817,890
Payroll taxes	395,522	381,550	377,806	3,744	382,277
Pension	<u>3,104,529</u>	<u>3,076,258</u>	<u>3,064,043</u>	<u>12,215</u>	<u>3,206,773</u>
Total personal services and related benefits	<u>28,225,130</u>	<u>28,185,557</u>	<u>28,018,853</u>	<u>166,704</u>	<u>28,406,940</u>
Operating services:					
Hospitalization insurance	5,198,056	5,102,709	5,081,854	20,855	4,608,174
Life insurance	315,137	308,757	307,644	1,113	314,991
Auto insurance	274,300	287,000	286,653	347	278,731
Deputy liability	404,376	432,391	432,393	(2)	409,311
Claims expense	-	175,000	177,636	(2,636)	181,445
Other liability insurance	<u>6,000</u>	<u>10,000</u>	<u>6,936</u>	<u>3,064</u>	<u>7,413</u>
Total operating services	<u>6,197,869</u>	<u>6,315,857</u>	<u>6,293,116</u>	<u>22,741</u>	<u>5,800,065</u>
Operations and maintenance:					
Auto fuel and oil	736,800	574,800	563,776	11,024	529,388
Auto maintenance	284,600	267,700	228,957	38,743	348,723
Deputy uniforms, supplies, etc.	190,800	229,100	211,933	17,167	179,315
Office supplies and expenses	436,000	434,000	429,972	4,028	458,721
Telephone and utilities	951,700	1,037,200	1,078,847	(41,647)	967,973
Maintenance contracts and rentals	1,106,650	1,365,500	1,184,292	181,208	1,207,282
Prisoner feeding and maintenance	3,141,500	2,948,000	2,883,180	64,820	3,105,963
Professional fees	145,500	92,000	109,361	(17,361)	130,505
Other	<u>521,600</u>	<u>576,200</u>	<u>581,032</u>	<u>(4,832)</u>	<u>575,734</u>
Total operations and maintenance	<u>7,515,150</u>	<u>7,524,500</u>	<u>7,271,350</u>	<u>253,150</u>	<u>7,503,604</u>
Travel and other charges	<u>102,800</u>	<u>111,000</u>	<u>112,463</u>	<u>(1,463)</u>	<u>131,489</u>
Capital outlay	<u>1,123,851</u>	<u>1,566,786</u>	<u>1,566,453</u>	<u>333</u>	<u>1,281,156</u>
Total expenditures	<u>\$43,164,800</u>	<u>\$43,703,700</u>	<u>\$43,262,235</u>	<u>\$ 441,465</u>	<u>\$43,123,254</u>

RAPIDES PARISH SHERIFF
Alexandria, Louisiana
General Fund

Schedule of Departmental Expenditures
For the Years Ended June 30, 2017 and 2016

	Personal Services and Related Benefits		Operating Services		Operations and Maintenance		Travel and Other Charges		Capital Outlay		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Expenditures:												
Current -												
Executive	\$ 1,627,563	\$ 1,353,474	\$ 1,313,023	\$ 1,095,035	\$ 468,340	\$ 462,351	\$ 15,961	\$ 15,313	\$ 138,091	\$ 119,769	\$ 3,562,978	\$ 3,045,942
Finance	318,468	349,728	53,120	55,604	21,814	21,239	762	374	-	556	394,164	427,501
Human resources	102,521	101,433	19,071	17,602	58,461	58,617	512	695	2,715	1,028	183,280	179,375
Support services	443,465	632,852	75,230	102,354	212,737	211,163	6,335	6,860	127,465	85,574	865,232	1,038,803
Bonds and fines	219,384	217,262	48,123	44,424	20,123	26,277	-	-	5,200	3,399	292,830	291,362
Civil	599,314	565,339	111,262	102,557	79,557	80,533	42	-	37,203	17,346	827,378	765,775
Tax	188,844	187,347	38,756	36,492	132,653	134,730	-	-	-	5,520	360,253	364,089
Enforcement	6,065,158	6,277,766	1,178,084	1,111,408	1,156,147	1,461,875	17,669	21,815	513,485	528,870	8,930,543	9,401,734
Investigative	2,162,964	2,254,468	389,056	369,212	246,551	241,487	31,200	45,980	113,921	97,258	2,943,692	3,008,405
Drug enforcement	1,062,107	1,055,036	196,989	181,026	171,413	136,924	10,417	10,715	63,600	61,964	1,504,526	1,445,665
School resource officers	3,506,000	3,569,783	622,891	583,860	33,143	32,758	4,352	8,041	15,189	1,900	4,181,575	4,196,342
Courthouse security	678,338	660,102	108,529	99,681	8,175	6,943	902	2,269	1,504	910	797,448	769,905
Corrections administrative	1,102,947	943,766	183,710	147,186	261,060	144,122	2,604	4,572	79,192	12,825	1,629,513	1,252,471
Corrections (DC-1)	2,778,523	2,722,526	511,509	463,847	792,619	816,215	6,613	5,251	28,943	68,179	4,118,207	4,076,018
Corrections (DC-3)	2,521,457	2,618,372	514,010	488,613	1,535,186	1,469,610	9,089	5,173	45,308	29,850	4,625,050	4,611,618
House arrest	56,743	195,413	10,564	34,768	31,221	90,753	624	789	-	-	99,152	321,723
Work release facility	3,856,128	3,922,324	771,343	716,584	1,783,798	1,842,418	5,381	3,602	367,981	86,418	6,784,631	6,571,346
Maintenance/road crew	650,123	702,416	132,140	134,277	225,200	235,053	-	-	26,656	159,790	1,034,119	1,231,536
Warehouse	78,806	77,533	15,706	15,535	33,152	30,536	-	40	-	-	127,664	123,644
Total expenditures	<u>\$ 28,018,853</u>	<u>\$ 28,406,940</u>	<u>\$ 6,293,116</u>	<u>\$ 5,800,065</u>	<u>\$ 7,271,350</u>	<u>\$ 7,503,604</u>	<u>\$ 112,463</u>	<u>\$ 131,489</u>	<u>\$ 1,566,453</u>	<u>\$ 1,281,156</u>	<u>\$ 43,262,235</u>	<u>\$ 43,123,254</u>

RAPIDES PARISH SHERIFF
Alexandria Louisiana

Special Revenue Fund - Drug Enforcement Fund
Budgetary Comparison Schedule -
For the Year Ended June 30, 2017
With Comparative Actual Balances for Year Ended June 30, 2016

	2017			Variance - Favorable (Unfavorable)	2016 Actual
	Budget		Actual		
	Original	Final			
Revenues:					
Intergovernmental					
Federal	\$ 59,068	\$ 53,068	\$53,430	\$ 362	\$ 35,730
Local	2,632	2,632	1,910	(722)	4,898
Commission on forfeited assets	1,000	46,500	49,623	3,123	-
Total revenues	<u>62,700</u>	<u>102,200</u>	<u>104,963</u>	<u>2,763</u>	<u>40,628</u>
Expenditures:					
Current -					
Salaries and related benefits	73,100	60,100	59,980	120	59,663
Utilities	1,800	2,700	2,738	(38)	-
Telephone	2,100	1,700	2,161	(461)	-
Informants and undercover operations	27,300	21,000	21,000	-	21,600
Supplies	-	7,100	6,628	472	-
Training	-	4,000	4,054	(54)	-
Capital outlay	-	7,300	7,300	-	-
Total expenditures	<u>104,300</u>	<u>103,900</u>	<u>103,861</u>	<u>39</u>	<u>81,263</u>
Excess (deficiency) of revenues over expenditures	(41,600)	(1,700)	1,102	2,802	(40,635)
Other financing source:					
Transfer from General Fund	41,600	22,400	22,391	(9)	41,660
Excess of revenues and other sources over expenditures	-	20,700	23,493	2,793	1,025
Fund balance, beginning	<u>1,324</u>	<u>1,324</u>	<u>1,324</u>	<u>-</u>	<u>299</u>
Fund balance, ending	<u>\$ 1,324</u>	<u>\$ 22,024</u>	<u>\$ 24,817</u>	<u>\$ 2,793</u>	<u>\$ 1,324</u>

AGENCY FUNDS

Sheriff's Civil Fund -

To account for cash received from sheriff's sales, garnishment of wages, and services provided to other governmental units. Also, certain amounts are held pursuant to judicial orders pending finalization of legal suits.

Tax Collector Fund -

Article V, Section 27 of the Louisiana Constitution of 1974, provides that the Sheriff will serve as the collector of state and parish taxes and fees. The Tax Collector Fund is used to collect and distribute these taxes and fees to the appropriate taxing bodies.

Cash Bond Fund -

To account for cash bonds received for prisoners' release pending trial.

Fines and Costs Fund -

To account for fines and costs on traffic and other legal violations received by the Sheriff to be distributed in accordance with specific laws and regulations.

Jail Inmate Fund -

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

Work Release Inmate Fund -

To account for cash held for each prisoner in the Work Release Facility.

RAPIDES PARISH SHERIFF

Alexandria, Louisiana

Agency Funds

Combining Balance Sheet

June 30, 2017

With Comparative Totals for June 30, 2016

	Sheriff's Civil Fund	Tax Collector Fund	Cash Bond Fund	Fines and Costs Fund	Jail Inmate Fund	Work Release Inmate Fund	Total	
							2017	2016
ASSETS								
Cash	\$ 193,632	\$ 76,097	\$ 218,318	\$ 169,051	\$ 58,568	\$ 265,684	\$ 981,350	\$ 1,192,024
Due from inmates and others	-	-	-	-	5,977	2,060	8,037	6,776
Total assets	<u>\$ 193,632</u>	<u>\$ 76,097</u>	<u>\$ 218,318</u>	<u>\$ 169,051</u>	<u>\$ 64,545</u>	<u>\$ 267,744</u>	<u>\$ 989,387</u>	<u>\$ 1,198,800</u>
LIABILITIES								
Due to taxing bodies and others	\$ -	\$ 76,097	\$ -	\$ -	\$ -	\$ -	\$ 76,097	\$ 14,357
Due to inmates	-	-	-	-	64,545	267,744	332,289	458,752
Due to others	193,632	-	218,318	169,051	-	-	581,001	725,691
Total liabilities	<u>\$ 193,632</u>	<u>\$ 76,097</u>	<u>\$ 218,318</u>	<u>\$ 169,051</u>	<u>\$ 64,545</u>	<u>\$ 267,744</u>	<u>\$ 989,387</u>	<u>\$ 1,198,800</u>

RAPIDES PARISH SHERIFF
Alexandria, Louisiana

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

	Sheriff's Civil Fund	Tax Collector Fund	Cash Bond Fund	Fines and Costs Fund	Jail Inmate Fund	Work Release Inmate Fund	Total	
							2017	2016
Balances, beginning of year	\$ 238,426	\$ 14,357	\$ 362,741	\$ 124,353	\$ 71,676	\$ 387,247	\$ 1,198,800	\$ 1,016,231
Additions:								
Deposits -								
Sheriff's sales, etc.	4,451,335	-	-	-	-	-	4,451,335	3,052,365
Bonds, fines, and costs	-	-	235,995	2,072,438	-	-	2,308,433	1,895,788
Other deposits	-	-	-	-	1,008,931	3,213,483	4,222,414	4,542,503
Taxes, fees, etc. paid to tax collector	-	95,897,266	-	-	-	-	95,897,266	90,129,336
Other additions	-	-	187	-	184,105	1,607	185,899	164,876
Total additions	<u>4,451,335</u>	<u>95,897,266</u>	<u>236,182</u>	<u>2,072,438</u>	<u>1,193,036</u>	<u>3,215,090</u>	<u>107,065,347</u>	<u>99,784,868</u>
Total	<u>4,689,761</u>	<u>95,911,623</u>	<u>598,923</u>	<u>2,196,791</u>	<u>1,264,712</u>	<u>3,602,337</u>	<u>108,264,147</u>	<u>100,801,099</u>
Reductions:								
Taxes, fees, etc. distributed to taxing bodies and others	-	95,835,526	-	-	-	-	95,835,526	90,157,421
Deposits settled to -								
Sheriff's General Fund	972,294	-	-	268,223	860,771	2,128,638	4,229,926	4,252,328
Rapides Parish Police Jury	-	-	-	684,006	-	-	684,006	474,579
District attorney	-	-	-	368,318	-	-	368,318	268,926
Indigent defender	-	-	-	286,781	-	-	286,781	229,597
Clerk of Court	141,152	-	-	-	-	-	141,152	126,175
Litigants	3,196,147	-	-	-	-	-	3,196,147	1,846,949
Other settlements	5,579	-	-	420,412	-	-	425,991	538,868
Other reductions	<u>180,957</u>	<u>-</u>	<u>380,605</u>	<u>-</u>	<u>339,396</u>	<u>1,205,955</u>	<u>2,106,913</u>	<u>1,707,456</u>
Total reductions	<u>4,496,129</u>	<u>95,835,526</u>	<u>380,605</u>	<u>2,027,740</u>	<u>1,200,167</u>	<u>3,334,593</u>	<u>107,274,760</u>	<u>99,602,299</u>
Balances, end of year	\$ 193,632	\$ 76,097	\$ 218,318	\$ 169,051	\$ 64,545	\$ 267,744	\$ 989,387	\$ 1,198,800

STATE OF LOUISIANA, PARISH OF RAPIDES

AFFIDAVIT

William Earl Hilton, Sheriff of Rapides Parish

BEFORE ME, the undersigned authority, personally came and appeared, William Earl Hilton, the Sheriff of Rapides Parish, State of Louisiana, who after being duly sworn, deposed and said:

The following information is true and correct:

\$76,096.05 is the amount of cash on hand in the tax collector account on June 30, 2017;

He further deposed and said:

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

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

William Earl Hilton
Sheriff of Rapides Parish

SWORN to and subscribed before me, Notary, this 23rd day of August 2017, in my office in Alexandria, Louisiana.

Debra L. McBeth (Signature)

Debra L. McBeth (Print), # 68553

Notary Public

at death (Commission)

INTERNAL CONTROL, COMPLIANCE, AND OTHER MATTERS

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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Conrad O. Chapman, CPA* 2006

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

The Honorable William E. Hilton
Rapides Parish Sheriff
Alexandria, 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, each major fund, and the aggregate remaining fund information of the Rapides Parish Sheriff (the Sheriff) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements and have issued our report thereon dated December 14, 2017.

Internal Control over Financial Reporting

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

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. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

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

Alexandria, Louisiana
December 14, 2017

Rapides Parish Sheriff
Alexandria, Louisiana

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

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Contact Person	Anticipated Completion Date
CURRENT YEAR (6/30/17) --						
There were no audit findings to report.						
PRIOR YEAR (6/30/16) --						
2016-001	6/30/2016	During a period from approximately August 2015 through February 2016, an employee of Rapides Parish Sheriff, House Arrest Deputy Mary Fisher, misappropriated house arrest funds paid in cash by offenders. Potential misappropriation of house arrest payments were reported by two house arrest program offenders. A reconciliation of Rapides Parish Sheriff bank statements and house arrest collection payments reports, as well as Ms. Fisher's personal accounts showed a total misappropriation of \$2,820. Ms. Fisher's employment was terminated on February 23, 2016. The theft occurred and was not detected timely since management did not properly monitor the employee's activities and there were inadequate controls over house arrest collections. The theft was reported to the District Attorney where the case was rejected for Grand Jury consideration. The theft was not reported in writing to the Louisiana Legislative Auditor as required by R.S. 24:523. As of the date of the auditors' report, restitution has been made in the amount of \$1,140, leaving an unpaid balance of \$1,680.	Yes	Management is in the process of phasing out the House Arrest Program. No new house arrest offenders were accepted after the conclusion of the investigation. Management has also implemented additional procedures to strengthen controls over house arrest collections. These procedures include monthly reconciliations of bank statements to house arrest payment reports and additional oversight regarding offender activities to ensure all cash collections are properly deposited and reported.	Mark Thibeaux, Chief Financial Officer	6/30/2017
2016-002	6/30/2016	On March 7, 2016, it was discovered that money was missing from the criminal informant fund account. A reconciliation of the general ledger entries, completed informant payment receipts, and General Fund cash deposits disclosed \$400 of missing funds. The theft is believed to have begun in approximately October 2015. These funds were under the control of Captain James Rauls in the Criminal Investigative Division. Captain Rauls reimbursed the fund with a personal check in the amount of \$400. The theft occurred and was not detected timely due to inadequate internal controls which would include reconciliations and cash counts by an employee other than Captain Rauls. Captain Rauls received a letter of suspension without pay, a letter of demotion, and a transfer out of the Criminal Investigative Division. The theft was not reported to the District Attorney or Louisiana Legislative Auditor as required by R.S. 24:523.	Yes	Upon discovery of the missing funds, all criminal informant funds were audited by management. Additionally, two supervisors are assigned management of the criminal informant fund in order to reduce the likelihood that a single employee can misappropriate the funds.	Mark Thibeaux, Chief Financial Officer	6/30/2017

RAPIDES PARISH SHERIFF

Alexandria, Louisiana

Independent Accountant's Report
On Applying Agreed-Upon Procedures

Year Ended June 30, 2017

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Honorable William E. Hilton,
Rapides Parish Sheriff, and the
Louisiana Legislative Auditor

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

The procedures and associated findings are as follows:

Written Policies and Procedures

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

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

The Sheriff did not have written policies and procedures to 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.

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

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

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

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

The Sheriff did not have written policies and procedures to 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.

The Sheriff did not have written policies and procedures to 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.

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

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

The Sheriff did not have written policies and procedures to 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.

The Sheriff has written policies and procedures that address the functions noted above.

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

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

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

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

Board (or Finance Committee, if applicable)

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

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

The Sheriff does not have a board or finance committee. Therefore, this procedure 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).

This procedure is not applicable to the Sheriff.

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

This procedure is not applicable to the Sheriff.

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

This procedure is not applicable to the Sheriff.

Bank Reconciliations

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

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

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

- a) Bank reconciliations have been prepared;

Obtained bank statements and reconciliations for all months in the fiscal period, noting that reconciliations have been prepared for all months.

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

Obtained bank statements and reconciliations for all months in the fiscal period noting evidence of management review not present for all months for each of the six accounts selected.

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

Obtained bank statements and reconciliations for all months in the fiscal period noting management's documentation of research for items that have been outstanding for more than 6 months was present on all accounts examined.

Collections

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

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

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

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

All staff members responsible for collecting cash are bonded. At one of five cash locations selected for testing, an employee who collects cash is also responsible for depositing cash at the bank. Staff members at this location responsible for collecting cash also share a drawer with another person. At one of five cash locations selected for testing, the employee who collects cash is responsible for making the deposit at the bank and preparing the bank reconciliation.

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

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

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

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

The highest (dollar) week of cash collections for each location was obtained along with collection documentation, deposit slips, and bank statements.

One location had the following exceptions noted in the week of collections selected for testing: One day of cash collections was held for seven days prior to making a bank deposit; one day of collections was held for six days prior to making a bank deposit; one day of cash collections was held for five days prior to making a bank deposit; and one day of cash collections was held for four days prior to making a bank deposit.

One location had the following exceptions noted in the week of collections selected for testing: One day of cash collections was held for nineteen to twenty-two days prior to making a bank deposit and one day of collections was held for twenty days prior to making a bank deposit.

One location had the following exceptions noted in the week of collections selected for testing: Three days of collections were each held for three days prior to making a bank deposit; two days of cash collections were each held for four days prior to making a bank deposit; and one day of cash collections was held for two days prior to making a bank deposit.

- 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.

Three of five locations selected for testing had cash collections that were not completely supported by sequentially numbered receipts or similar 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.

In all locations, there is no process specifically defined to determine the completeness of all collections by a person who is not responsible for collections.

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

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

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

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

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

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

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

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

- 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.

There were no exceptions noted as a result of applying this procedure

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

The entity does not have written documentation that addresses the function 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.

The entity does not have written documentation that addresses the function 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 of management indicated that unused check stock is maintained in a locked location. It was noted that some persons with signatory authority have system access to print checks, but that these checks require two original signatures. All other checks requiring a single signature are maintained by a person who is not authorized as a check signer on these accounts.

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.

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

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

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

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

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

10 cards were randomly selected from the listing.

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.]

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

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

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

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

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

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

No exceptions were noted as a result of testing of credit card transactions.

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

No exceptions were noted as a result of the testing of credit card transactions.

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

No exceptions were noted as a result of the testing of credit card transactions.

- 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 were noted as a result of the testing of transaction details. There were no transactions noted that would have been subject to Louisiana Public Bid Law.

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

No exceptions were noted as a result of the testing of credit card transactions.

Travel and Expense Reimbursement

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

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

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

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

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

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

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

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

Contracts

20. Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management's representation that the listing or general ledger is complete.
Listing of all contracts in effect and management's representation that the listing is complete was obtained.
21. Using the listing above, select the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:
- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.
No exceptions were noted as a result of applying this procedure.
 - b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:
 - If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder)
There were no instances of noncompliance noted as a result of applying this procedure.
 - If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.
There were no instances of noncompliance noted as a result of applying this procedure.

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

One of five contract selected for testing was for computer software. The contract contained an amendment in the amount of \$275,309 for a software update. The original contract provided terms for the amendment.

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

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

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

This procedure is not applicable to the Sheriff.

Payroll and Personnel

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Ethics (excluding nonprofits)

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

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

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

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

Debt Service (excluding nonprofits)

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

There was no debt issued during the fiscal period.

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

There was no outstanding debt during the fiscal period.

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.

There were no tax millages relating to debt service.

Other

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

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

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

The entity has the required notice posted on its premises, but does not have the required notice posted on its website.

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

No exceptions were observed or identified regarding management's representations in the procedures above.

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

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

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

Alexandria, Louisiana
December 14, 2017