

**POINTE COUPEE PARISH SHERIFF
NEW ROADS, LOUISIANA**

ANNUAL FINANCIAL REPORT

AS OF AND FOR THE YEAR ENDED JUNE 30, 2017

**POINTE COUPEE PARISH SHERIFF
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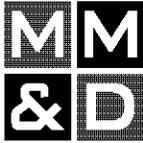
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Major, Morrison & David

Certified Public Accountants

QUALITY • INTEGRITY • DEPENDABILITY

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INDEPENDENT AUDITORS' REPORT

Honorable Beauregard Torres, III
Pointe Coupee Parish Sheriff
P.O. Box 248
New Roads, Louisiana 70760

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 Pointe Coupee Parish 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 from material misstatement.

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

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

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 Pointe Coupee 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 management's discussion and analysis and budgetary comparison information on pages 4 through 9 and on pages 43 through 46, be presented to supplement the basic financial statements. Such information, including health care and pension information on page 47 through 50, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Sheriff's basic financial statements. The accompanying supplemental information schedules and other information as listed in the foregoing table of contents are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The accompanying supplemental information schedules and other information as listed in the foregoing table of contents 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 taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2017 on our consideration of the Pointe Coupee Parish 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 Pointe Coupee Parish Sheriff's internal control over financial reporting and compliance.



Major, Morrison & David
New Roads, Louisiana
November 13, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS

POINTE COUPEE PARISH SHERIFF
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017

Within this section of the Pointe Coupee Parish Sheriff (the Sheriff) annual financial report, the Sheriff's management provides this narrative discussion and analysis of the financial activities of the Sheriff for the fiscal year ended June 30, 2017. The Sheriff's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

FINANCIAL HIGHLIGHTS

The Sheriff's assets exceeded its liabilities by \$13,845,910 (net position) for the fiscal year reported.

Total assets are comprised of the following:

1. Capital assets, net of related debt, of \$2,571,288 includes property and equipment, net of accumulated depreciation, and reduced for outstanding debt.
2. Unrestricted net position of \$11,123,282 represent the portion available to maintain the Sheriff's continuing obligations to citizens and creditors.

The Sheriff's governmental funds reported total ending fund balance of \$14,933,485 this year. This compares to the prior year ending fund balance of \$10,956,553, showing an increase of \$3,976,932. General fund balance of \$14,932,279 shows a \$3,976,081 increase from the prior year.

At the end of the current fiscal year, unassigned fund balance for the General Fund was \$14,782,145. Due to increases in ad valorem tax revenues, feeding and housing prisoners, and decreases in expenditures, but remaining within budget constraints, the Sheriff's office was able to improve operating performance, increase cash flow, and improve fund balance for this current fiscal year end. The financial highlights are explained in more detail in the "financial analysis" section of this document.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

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

The first of these government-wide statements is the Statement of Net Position. This is the government-wide statement of position presenting information that includes all of the Sheriff's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Sheriff as a whole is improving or deteriorating. Evaluation of the overall health of the Sheriff's finances would extend to other nonfinancial factors such as diversification of the taxpayer base, in addition to the financial information provided in this report.

The second government-wide statement is the Statement of Activities, which reports how the Sheriff's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the Sheriff's distinct activities or functions on revenues provided by the Sheriff's taxpayers.

POINTE COUPEE PARISH SHERIFF

**MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

The government-wide financial statements present governmental activities of the Sheriff that are principally supported by property taxes. The sole purpose of these governmental activities is public safety. The government-wide financial statements are presented on pages 11 and 12 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Sheriff uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Sheriff's most significant funds rather than the Sheriff as a whole.

The Sheriff has two kinds of funds:

Governmental funds are reported in the fund financial statements and encompass the same function reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the Sheriff's governmental funds, including object classifications. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives. The basic governmental fund financial statements are presented on pages 13 through 16 of this report.

Fiduciary funds are reported in the fund financial statements and report taxes collected for other taxing bodies, deposits held pending a court action and the individual prison inmate accounts. The Sheriff only reports agency funds. The basic agency fund financial statement is presented on page 17 of this report.

Notes to the basic financial statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 19 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Sheriff's budget presentations, management's discussion and analysis, pension liability with the Sheriff's Pension & Relief Fund, and employee health care plan. Budgetary comparison statements are included as "required supplementary information" for the general fund and special revenue funds. These statements and schedules demonstrate compliance with the Sheriff's adopted and final revised budgets. Required supplementary information can be found on pages 43 through 50 of this report.

In addition, other supplemental information providing details on the non-major governmental funds, individual agency funds, tax collector agency fund – affidavit, and schedule of compensation, benefits, and other payments to agency head are presented on pages 52 through 59 of this report.

POINTE COUPEE PARISH SHERIFF

**MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

FINANCIAL ANALYSIS OF THE SHERIFF AS A WHOLE

The Sheriff's net position at fiscal year-end is \$13,845,910. The following table provides a summary of the Sheriff's net position:

Summary of Net Position

	2016		2017	
	<u>Governmental Activities</u>	<u>% Total</u>	<u>Governmental Activities</u>	<u>% Total</u>
Assets:				
Current assets and other assets	\$ 11,514,977	82%	\$ 15,354,024	86%
Capital assets	2,547,502	18%	2,571,288	14%
Total Assets	14,062,479	100%	17,925,312	100%
Deferred outflows of resources	619,742	100%	1,515,835	100%
Liabilities:				
Current liabilities	558,424	13%	420,539	8%
Long-term liabilities	3,659,879	87%	4,721,990	92%
Total liabilities	4,218,303	100%	5,142,529	100%
Deferred inflows of resources	611,735	100%	452,708	100%
Net position:				
Investment in capital assets, net of debt	2,547,502	26%	2,571,288	19%
Restricted	234,967	2%	151,340	1%
Unrestricted	7,069,714	72%	11,123,282	80%
Total net position	\$ 9,852,183	100%	\$ 13,845,910	100%

The Sheriff's current ratio increased during the current year due to the increase in investments and accounts receivable within the current assets category. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 36.51 to 1 reflecting a 15.89% increase over the prior year's operating cycle. The Sheriff continues to maintain a strong current ratio.

The Sheriff reported positive ending balances in net position for the governmental activities. Net position for the sheriff increased overall by \$3,993,727 for the governmental activities in the fiscal year ending June 30, 2017. Note that 19% of the governmental activities' net position is tied up in capital assets. The Sheriff uses these capital assets to provide services to its citizens.

POINTE COUPEE PARISH SHERIFF

**MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

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

Summary of Changes in Net Position

	Governmental Activities 6/30/16	Percent of Total 6/30/16	Governmental Activities 6/30/17	Percent of Total 6/30/17
Revenues:				
Program:				
Charges for services	\$ 2,182,211	22%	\$ 3,822,393	31%
Operating grants	518,377	5%	537,310	4%
Capital grants	51,668	1%	45,560	1%
General:				
Ad valorem taxes	6,837,102	67%	7,492,187	61%
Unrestricted state grants	260,344	3%	264,786	2%
Interest earnings	124,694	1%	28,857	0%
Miscellaneous	167,719	1%	168,616	1%
Total revenues	<u>10,142,115</u>	<u>100%</u>	<u>12,359,709</u>	<u>100%</u>
Program expenses:				
Public safety	<u>8,314,011</u>	<u>100%</u>	<u>8,365,982</u>	<u>100%</u>
Total expenses	<u>8,314,011</u>	<u>100%</u>	<u>8,365,982</u>	<u>100%</u>
Change in net assets	1,828,104		3,993,727	
Beginning net position	<u>8,024,079</u>		<u>9,852,183</u>	
Ending net position	<u>\$ 9,852,183</u>		<u>\$ 13,845,910</u>	

Governmental Revenues

The Sheriff is heavily reliant on property taxes to support its operation. Property taxes provided 61% of the sheriff's total revenues. Program revenues, intergovernmental agreements, sheriff's office fees and commissions, other sheriff's office revenues, and interest on deposits fund 39% of governmental operating expenses. Current year program earnings such as operating grants and local revenues remained stagnant, investment earnings decreased due to market conditions, while ad valorem taxes and feeding and housing prisoners greatly increased compared to the prior year. Decreases in federal grant revenues were expected due to the cut backs in funding from the federal government which did not materialize in the current year. Expenditures increased only slightly from the prior year due to maintaining strict controls over costs and remaining within the approved budgets.

Governmental Functional Expenses

The total function of the Sheriff's office is public safety activities. Of the total public safety costs, depreciation on the capital assets and post employment benefit expenses were \$625,487 and \$188,296, respectively, representing 9.7% of total costs.

POINTE COUPEE PARISH SHERIFF
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017

FINACIAL ANALYSIS OF THE SHERIFF'S FUNDS

Governmental funds:

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$14,933,485. Of this year-end total, \$14,782,145 is unassigned indicating availability for continuing the sheriff's activities. Legally restricted fund balances include \$150,134 for possible liability claims and \$1,206 for grant programs.

The total ending fund balances of governmental funds show an increase of \$3,976,932. Revenues during the year increased mainly due to ad valorem tax revenues and feeding and housing prisoners, while expenditures were up minimally as a result of capital outlay increases. Overall the sheriff continues to operate within the funds generated while still maintaining a surplus allowing him to build on current high reserves.

Major Governmental Funds

The General Fund is the Sheriff's primary operating fund and the largest source of day-to-day service delivery. The General Fund's balance increased by \$3,976,081 for the current year ended June 30, 2017 compared to a \$1,816,817 increase for the year ended June 30, 2016. The current year revenues increased mainly due to higher revenues from ad valorem taxes and feeding and housing prisoners. Expenses increased slightly due to increased capital outlay (equipment and vehicles), with decreases in supplies and operating services. The General Fund's ending fund balance increased over the prior year, reflecting continued improvement to the department's operations through efficiency and cost containment.

The ODP Homeland Security special revenue fund is also considered a major fund of the sheriff due to its importance involving federal funding. This fund accounts for homeland security grant funds provided to the sheriff for specific expenditures to be used for terrorism prevention and similar security improvements. The funds are provided on a cost-reimbursement basis for expenditures approved according to grant guidelines.

Budgetary Highlights

The General Fund's budget was amended during the current year primarily for increased revenues in ad valorem taxes and feeding and housing prisoners. Revenues from feeding and housing prisoners was absorbed for many years by the Sheriff's office, however, the Police Jury is now being billed for the actual costs of operating the detention center.

The actual results in comparison to the final budget reflected a decrease in all expenditure categories than was budgeted with revenues coming in higher than anticipated mainly due to feeding and housing prisoners. These expenditure decreases are highlighted below:

- Salaries and related benefits were less due to smaller increases in personnel overtime, health insurance and pension costs than estimated by \$339,041.
- Capital outlay was less than estimated in the budget by \$11,112 due to lower expenditures on equipment than anticipated.
- General operating expenses and material and supplies were lower than budgeted by \$544,806 due to cost containment and efficiency in department operations.

POINTE COUPEE PARISH SHERIFF

**MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

CAPITAL ASSETS AND DEBT ADMINISTRATION

The Sheriff's investment in capital assets, net of accumulated depreciation and debt as of June 30, 2017, was \$2,571,288. The overall increase was 0.9% for the Sheriff as a whole. See footnote number 7 for additional information about changes in capital assets during the fiscal year and balances at year end. The following table reflects a summary of capital asset activity.

Capital Assets:

	Governmental Activities	
	2016	2017
Depreciable assets:		
Building, equipment & furniture	\$ 2,015,386	\$ 2,114,596
Weapons & law enforcement equipment	3,673,640	3,816,129
Vehicles	2,632,756	2,940,125
Total depreciable assets	8,321,782	8,870,850
Less accumulated depreciation	5,774,280	6,299,562
Book value – depreciable assets	\$ 2,547,502	\$ 2,571,288
Percentage depreciated	69%	71%

The major additions to capital assets include:

Weapons, equipment & communication equipment	\$ 170,359
New computers, fixtures, and building improvements	\$ 111,818
Law enforcement vehicles	\$ 404,850

Long-term debt:

At the end of the fiscal year, the Sheriff had no long-term debt.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Approximately 61% of the sheriff's revenues are derived from ad valorem taxes, with NRG Energy, Inc. providing 20% of the ad valorem taxes in the parish. As the plant ages, assessment values and revenues will continually decline without increased businesses coming into the parish. Ad valorem taxes are expected to remain stable as are most other revenues of the office. Health insurance costs are expected to increase 3% with pension costs declining by .5%. In addition to these costs, three new patrol vehicles are budgeted through a continual replacement policy to contain maintenance costs. Additional monies will be budgeted to fund building improvements to the 911 center, an additional resource officer at the local schools at the request of the education superintendent, and two additional patrolmen to the Criminal Patrol Division. Other than these increased expenditures, all other expenditures should remain consistent with prior year amounts and result in a surplus for the coming year. The sheriff mandates maintaining a balanced budget through efficiency and cost containment as well as exploring plans to increase current revenues.

CONTACTING THE SHERIFF'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Sheriff's finances, comply with finance-related laws and regulations, and demonstrate the Sheriff's commitment to public accountability. If you have questions about this report or would like to request additional information, contact Beauregard Torres, III, Sheriff, Pointe Coupee Parish Sheriff and Tax Collector, 215 East Main Street New Roads, LA, 70760.

BASIC FINANCIAL STATEMENTS

**POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana**

Statement of Net Position

June 30, 2017

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents	\$ 116,795
Investments	13,190,508
Accounts receivable	123,032
Intergovernmental receivables	1,923,689
Prepaid assets	-
Capital assets:	
Land	85,161
Other capital assets, net of depreciation	<u>2,486,127</u>
Total Assets	<u>17,925,312</u>
DEFERRED OUTFLOWS OF RESOURCES	
Resources related to pensions	<u>1,515,835</u>
Total deferred outflows of resources	<u>1,515,835</u>
LIABILITIES	
Accounts payable and accrued expenses	420,539
Non-current liabilities:	
Net pension liability	3,132,301
Other post-employment benefits	<u>1,589,689</u>
Total Liabilities	<u>5,142,529</u>
DEFERRED INFLOWS OF RESOURCES	
Resources related to pensions	<u>452,708</u>
Total deferred inflows of resources	<u>452,708</u>
NET POSITION	
Invested in capital assets, net of related debt	2,571,288
Restricted for:	
Prepaid expenses	-
Claims liability	150,134
Grant programs	1,206
Unrestricted (deficit)	<u>11,123,282</u>
Total net position	<u><u>\$ 13,845,910</u></u>

The accompanying notes are an integral part of this statement.

**POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana**

Statement of Activities

For the Year Ended June 30, 2017

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		Net (Expense) Revenue	
		Charges for Services	Operating Grants and Contributions		Capital Grants and Contributions
Governmental activities:					
General government - Public safety	\$ 8,365,982	\$ 3,822,393	\$ 537,310	\$ 45,560	\$ (3,960,719)
Total governmental activities	<u>\$ 8,365,982</u>	<u>\$ 3,822,393</u>	<u>\$ 537,310</u>	<u>\$ 45,560</u>	<u>\$ (3,960,719)</u>
General revenues:					
Ad valorem taxes					7,492,187
State revenue sharing					161,401
Video poker revenues					103,385
Gain (loss) on sale of equipment					2,880
Miscellaneous					165,736
Unrestricted investment earnings					<u>28,857</u>
Total general revenues					<u>7,954,446</u>
Change in net position					3,993,727
Net position - beginning of the year					<u>9,852,183</u>
Net position - end of the year					<u>\$ 13,845,910</u>

The accompanying notes are an integral part of this statement.

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2017

	<u>GENERAL FUND</u>	<u>ODP HOMELAND SECURITY</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
ASSETS AND OTHER DEBITS				
Assets:				
Cash and cash equivalents	\$ 116,721	\$ 55	\$ 19	\$ 116,795
Investments	13,190,508	-	-	13,190,508
Receivables	2,040,860	4,343	1,518	2,046,721
Due from other funds	1,518	-	1,132	2,650
Prepaid assets	-	-	-	-
Total Assets and Other Debits	<u>\$ 15,349,607</u>	<u>\$ 4,398</u>	<u>\$ 2,669</u>	<u>\$ 15,356,674</u>
LIABILITIES, EQUITY, AND OTHER CREDITS				
Liabilities:				
Accounts and salaries payable	\$ 53,748	\$ 4,343	\$ -	\$ 58,091
Due to other funds	1,132	-	1,518	2,650
Compensated absences payable	212,314	-	-	212,314
Claims liability	150,134	-	-	150,134
Total Liabilities	<u>417,328</u>	<u>4,343</u>	<u>1,518</u>	<u>423,189</u>
Equity and Other Credits:				
Fund balances				
Nonspendable:				
Prepaid expenses	-	-	-	-
Restricted for:				
Federal grants	-	55	1,151	1,206
Claims liability	150,134	-	-	150,134
Unassigned	14,782,145	-	-	14,782,145
Total Equity and Other Credits	<u>14,932,279</u>	<u>55</u>	<u>1,151</u>	<u>14,933,485</u>
TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS	<u>\$ 15,349,607</u>	<u>\$ 4,398</u>	<u>\$ 2,669</u>	<u>\$ 15,356,674</u>

The accompanying notes are an integral part of this statement.

**POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana**

**Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Position**

For the Year Ended June 30, 2017

Total fund balance - governmental funds	\$ 14,933,485
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the Balance Sheet - governmental funds.	2,571,288
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds:	
Other postemployment benefits	(1,589,689)
Net pension liability	(3,132,301)
Deferred outflows of resources related to pensions do not require the use of current financial resources and are therefore not reported in the governmental funds.	1,515,835
Deferred inflows of resources related to pensions do not require the use of current financial resources and are therefore not reported in the governmental funds.	<u>(452,708)</u>
Total net position of governmental activities	<u><u>\$ 13,845,910</u></u>

The accompanying notes are an integral part of this statement.

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
GOVERNMENTAL FUNDS

Statement of Revenues, Expenditures, and
Changes in Fund Balance
For the Year Ended June 30, 2017

	<u>GENERAL FUND</u>	<u>ODP HOMELAND SECURITY</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
REVENUES				
Ad valorem taxes	\$ 7,492,187	\$ -	\$ -	\$ 7,492,187
Intergovernmental revenues:				
Federal grants	30,891	57,908	22,138	110,937
State grants:				
State revenue sharing	161,401	-	-	161,401
State supplemental pay	234,873	-	-	234,873
Miscellaneous	103,385	-	23,679	127,064
Local	660,023	-	2,500	662,523
Fees, charges, and commissions for services:				
Commissions on licenses, etc.	8,796	-	-	8,796
Civil and criminal fees	103,310	-	-	103,310
Court attendance	15,504	-	-	15,504
Feeding, transporting, and keeping prisoners	2,669,758	-	-	2,669,758
Fines and forfeitures	113,265	-	-	113,265
Interest	28,856	-	-	28,856
Miscellaneous	436,645	-	-	436,645
	<u>12,058,894</u>	<u>57,908</u>	<u>48,317</u>	<u>12,165,119</u>
EXPENDITURES				
Public safety:				
Personal services and related benefits	5,854,316	23,352	19,500	5,897,168
Operating services	1,000,129	1,002	415	1,001,546
Materials and supplies	605,888	3,832	21,931	631,651
Capital outlay	642,545	29,722	14,760	687,027
Miscellaneous	11,429	-	-	11,429
	<u>8,114,307</u>	<u>57,908</u>	<u>56,606</u>	<u>8,228,821</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 3,944,587	\$ -	\$ (8,289)	\$ 3,936,298
OTHER FINANCING SOURCES (Uses)				
Sale of equipment	40,634	-	-	40,634
Transfers in	-	-	9,140	9,140
Transfers out	(9,140)	-	-	(9,140)
	<u>31,494</u>	<u>-</u>	<u>9,140</u>	<u>40,634</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	3,976,081	-	851	3,976,932
FUND BALANCE AT BEGINNING OF YEAR	10,956,198	55	300	10,956,553
FUND BALANCE AT END OF YEAR	\$ 14,932,279	\$ 55	\$ 1,151	\$ 14,933,485

The accompanying notes are an integral part of this statement.

**POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana**

**Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the Statement of Activities**

For the Year Ended June 30, 2017

Net change in fund balances - total governmental funds \$ 3,976,932

Amounts reported for governmental activities in the statement of activities are 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. This is the amount which capital outlays exceeded depreciation in the current period.

Capital outlays	687,027
Depreciation expense	(625,487)

Governmental funds report the proceeds from the sale of capital assets as revenues. However, in the statement of activities only gains or losses are reported.

Gain (loss) on the disposal of capital assets	2,880
Proceeds from sale of capital assets	(40,634)

Post employment benefits reported in governmental activities are not current financial resources, and therefore, are not reported in the Balance Sheet - governmental funds. (188,296)

Governmental funds report current year pension contributions as expenditures. However, in the statement of activities it is an actuarially calculated expense. (10,404)

The sheriff's proportionate share of non-employer contributions to the pension plan do not provide current financial resources and are not reported as revenue in the governmental funds. 191,709

Change in net position of governmental activities \$ 3,993,727

The accompanying notes are an integral part of this statement.

**POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana**

**STATEMENT OF FIDUCIARY NET POSITION
June 30, 2017**

	<u>AGENCY FUNDS</u>
ASSETS	
Cash and cash equivalents	\$ 181,722
TOTAL ASSETS	<u>\$ 181,722</u>
LIABILITIES	
Due to taxing bodies and others	\$ 181,722
TOTAL LIABILITIES	<u>\$ 181,722</u>

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
Notes to the Financial Statements
As of and for the Year Ended June 30, 2017

INTRODUCTION

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the 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 investigation 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, sporting licenses, and fines, costs, and bond forfeitures imposed by the district court.

1. SUMMARY OF SIGNIFICANT POLICIES

A. BASIS OF PRESENTATION

The accompanying basic financial statements of the Pointe Coupee Parish Sheriff have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements- and Management's Discussion and Analysis- for State and Local Governments*, issued in June 1999.

B. REPORTING ENTITY

The sheriff is an independently elected official. The Pointe Coupee Parish Police Jury does maintain and operate the parish courthouse in which the sheriff's office is located. However, because the police jury does not provide significant assistance to the sheriff, which makes the sheriff fiscally independent of the police jury, the sheriff was determined not to be a component unit of the Pointe Coupee Parish Police Jury, the financial reporting entity.

The accompanying financial statements present information only on the funds maintained by the sheriff and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. FUND ACCOUNTING

The sheriff uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

Funds of the sheriff are classified into two categories: governmental and fiduciary. Each category, in turn is divided into separate fund types. The fund classifications and a description of each existing fund type follows:

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
Notes to the Financial Statements

Governmental Funds

Governmental funds account for all or most of the sheriff's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources, which may be used to finance future period programs or operations of the sheriff. The following are the sheriff's governmental funds:

General Fund -- The General Fund, as provided by Louisiana Revised Statute 13:1422, is the principal fund of the sheriff's office and accounts for all financial resources, except those required to be accounted for in other funds. The sheriff's primary source of revenue is an ad valorem tax levied by the law enforcement district. Other sources of revenue include commissions on state revenue sharing, state supplemental pay for deputies, civil and criminal fees, fees for court attendance and maintenance of prisoners, et cetera. General operating expenditures are paid from this fund.

Special Revenue Funds -- Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

Fiduciary Funds:

Fiduciary fund reporting focuses on net position and changes in net position. The only funds accounted for in this category by the sheriff are agency funds. The agency funds account for assets held by the sheriff as an agent for various taxing bodies (tax collections) and for deposits held pending court action. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The agency funds are used as depositories for civil suits, cash bonds, taxes, fees, et cetera. Disbursements from these funds are made to various parish agencies, litigants in suits, et cetera, in the manner prescribed by law. Consequently, the agency funds have no measurement focus, but use the modified accrual basis of accounting.

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

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. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*.

Program Revenues – Program revenues included in the Statement of Activities are derived directly from users as a fee for services; program revenues reduce the cost of the function to be financed from the sheriff's general revenues.

Fund Financial Statements (FFS)

The amounts reflected in the General Fund and other funds of the Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance are accounted for using a current financial resources measurement

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
Notes to the Financial Statements

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 balances 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 the sheriff's operations (See the reconciliation statements).

The amounts reflected in the General Fund in the FFS 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 funds use the following practices in recording revenues and expenditures:

Revenues

Federal and state entitlements (which include state supplemental pay for deputies and state revenue sharing) are recorded as unrestricted grants-in-aid when available and measurable. Federal and state grants are recorded when the expenditures have been incurred.

Local intergovernmental reimbursements are recognized monthly when available and measurable.

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December, January, and February of the fiscal year.

Interest earnings on time deposits are recorded when the time deposits are matured and the interest is available. Interest on checking and money market accounts is recorded monthly when the interest is available.

Feeding, transporting, and maintenance of prisoners' revenues are recorded monthly for services rendered during the month.

Substantially all other revenues are recorded when received.

Expenditures

Salaries are recorded as expenditures when earned.

Purchases of various operating supplies are recorded as expenditures in the accounting period in which they are purchased.

Compensated absences are recognized as benefits are earned.

Substantially all other expenditures are recognized when the related fund liability has been incurred.

Other Financing Sources (Uses)

Transfers between funds, which are not expected to be repaid, are accounted for as other financing sources (uses) when the sheriff authorizes the transfer. Proceeds from the sale of equipment are also considered as an other financing source.

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
Notes to the Financial Statements

Deferred Revenues

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

E. BUDGETS

The proposed budget for the general fund and all special revenue funds for fiscal year June 30, 2017 was made available for public inspection on June 2, 2016. The proposed budget, prepared on the modified accrual basis of accounting, was published in the official journal 11 days before the public hearing, which was held at the Pointe Coupee Parish Sheriff's office on June 13, 2016, for comments from taxpayers. The budget is legally adopted and amended, as necessary, by the sheriff.

All expenditure appropriations lapse at year-end. Unexpended appropriations and any excess of revenues over expenditures are carried forward to the subsequent year as beginning fund balance.

Encumbrance accounting is not used. However, formal integration of the budget into the accounting records is employed as a management control device. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

F. ENCUMBRANCES

The Office of the Pointe Coupee Parish Sheriff does not employ encumbrance accounting.

G. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the sheriff may deposit with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States. Tax collections must be deposited in a bank domiciled in the parish where the funds are collected.

H. INVESTMENTS

Investments are limited by R.S. 33:2955 and the sheriff's investment policy. If the original maturities exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

GASB Statement No. 31 requires the sheriff to report investments at fair value in the balance sheet, except as follows:

1. Investments in nonparticipating interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, should be reported using a cost-based measure, provided that the fair value of those contracts is not significantly affected by the impairment of the credit standing of the issuer or other factors.
2. The sheriff may report at amortized cost money market investments and participating interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less, provided that the fair value of those investments is not significantly affected by the impairment of the credit standing of the issuer or by other factors. Money market investments are short-term, highly liquid

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
Notes to the Financial Statements

investment contracts include U.S. Treasury obligations. Interest-earning investment contracts that include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

In accordance with GASB Statement No. 31, the sheriff reports investments at amortized cost, money market investments and participating interest-bearing investment contracts that have a remaining maturity at time of purchase of one year or less, provided that the fair value of those investments is not significantly affected by the impairment of the credit standing of the issuer or by other factors. Money market investments are short-term, highly liquid debt instruments that include U.S. Treasury obligations.

I. PREPAID ITEMS

The Sheriff records prepaid assets for any significant expenditure that can be allocable to future periods in both the government-wide and fund financial statements.

J. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The sheriff maintains a threshold level of \$500 or more for capitalizing capital assets. All fixed assets are valued at historical cost.

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:

<u>Description</u>	<u>Estimated Lives</u>
Vehicles	5 years
Office furniture & equipment	5 – 20 years
Law enforcement weapons & equipment	5 – 10 years
Buildings	40 years

K. COMPENSATED ABSENCES

The sheriff's office has the following policy relating to vacation and sick leave:

Annual Leave

3.5 hours per month for years 0 through 2 years of service.

7.0 hours per month for years 2 through 5 years of service.

10.5 hours per month for years 5 through 10 years of service.

12.0 hours per month after 10 years of service.

A maximum of 144 hours of annual leave may be carried over from one calendar year to the next.

K-time

Compensatory time may be awarded to employees in lieu of cash payments and is work performed in connection with an emergency declared by the sheriff. K-time may accrue up to a maximum of 80 hours and may be carried over from one calendar year to the next.

Sick Leave

All employees are limited to 120 hours of sick leave per year.

POINTE COUPEE PARISH SHERIFF
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Notes to the Financial Statements

The sheriff's recognition and measurement criteria for compensated absences follows GASB Statement No. 16 which provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

- a. The employees' rights to receive compensation are attributable to services already rendered.
- b. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

L. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

The Sheriff follows GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position". This statement provides guidance for reporting deferred outflows, deferred inflows and net position in a statement of financial position and related disclosures and applies to transactions that result in the consumption or acquisition of net assets in one period that are applicable to future periods. The sheriff's deferred outflows/inflows of resources consist of resources related to pensions (see Note 9).

M. PENSIONS

Financial reporting information pertaining to the Sheriff's participation in the Sheriff's Pension and Relief Fund (SPRF) is prepared in accordance with GASB Statement No. 68, "Accounting and Financial Reporting for Pensions", as amended by GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date" and GASB Statement No. 82, "Pension Issues-an amendment of GASB Statements No. 67, No. 68, and No. 73", which have been adopted by the Sheriff for the fiscal year ended June 30, 2015 and currently.

The fiduciary net position, as well as additions to and deductions from the fiduciary net position, of SPRF have been determined on the same basis as they are reported by SPRF. The financial statements were prepared using the accrual basis of accounting, member and employer contributions are recognized when due, pursuant to formal commitments and statutory requirements. Benefits and refunds of employee contributions are recognized when due and payable in accordance with the statutes governing SPRF. Expenses are recognized when the liability is incurred, regardless of when payment is made. Investments are reported at fair value on a trade date basis. The fiduciary net position is reflected in the measurement of the sheriff's proportionate share of the plan's net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense. See note 9 for additional information.

N. OTHER POSTEMPLOYMENT BENEFITS

The sheriff follows GASB Statement No. 45 "Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions", which requires the accrual of other postemployment benefits for retired employees. The sheriff has recorded a liability for other postemployment benefits (see Note 10). In the government-wide financial statements, the other postemployment benefits liability is recorded as an expense and non-current liability and allocated on a functional basis. In the fund financial statements, other postemployment benefit expenditures are recognized in the amount contributed to the plan or expected to be liquidated with expendable available financial resources. Expendable available financial resources generally refer to other postemployment benefit payments due and payable as of the end of the year.

O. RESTRICTED NET POSITION

For government-wide statement of net position, net position is reported as restricted when constraints placed on net position use is either:

- 1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; and

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
Notes to the Financial Statements

2) imposed by law through constitutional provisions or enabling legislation.

P. FUND EQUITY

The sheriff has adopted Governmental Accounting Standards Board (GASB) Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions." This statement establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental fund types. The following describes the different classifications available for fund balances of governmental funds:

Nonspendable – amounts that cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact.

Restricted – amounts for which constraints have been externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or amounts that are imposed by law through constitutional provisions or enabling legislation.

Committed – amounts that can be used only for specific purposes determined by formal action of the sheriff, who is the highest level of decision-making authority for the Pointe Coupee Parish Sheriff's Office. Commitments cannot be used for any other purpose unless the same action/person that established them decides to modify or remove them.

Assigned – amounts that do not meet the criteria to be classified as either restricted or committed but are intended to be used for specific purposes. Amounts can only be assigned by the sheriff.

Unassigned – the residual fund balance in the general fund.

When fund balance resources are available for a specific purpose, the sheriff considers the most restrictive funds to be used first. However, the sheriff reserves the right to spend unassigned resources first and to defer the use of more restrictive funds.

Q. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires 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 and expenses during the reporting period. Actual results could differ from those estimates.

2. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The following funds had actual expenditures over budgeted appropriations for the year ended June 30, 2017:

<u>Fund</u>	<u>Original</u> <u>Budget</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>	<u>Unfavorable</u> <u>Variance</u>
None	\$ -	\$ -	\$ -	\$ -

3. LEVIED TAXES

The following is a summary of authorized and levied ad valorem taxes:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Property Tax	15.39	15.39	Indefinite

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
Notes to the Financial Statements

The following are the principal taxpayers for the parish:

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation</u>	<u>Percentage of Total Assessed</u>	<u>Ad Valorem Tax Revenue for Sheriff</u>
La. Generating, LLC	Electric	\$ 101,042,260	19.10%	\$ 1,555,040
American Commercial Lines	Transport	64,926,890	12.28%	999,225
Ingram Barge Company	Transport	39,021,200	7.38%	600,536
Entergy Gulf States	Electric	25,041,580	4.73%	385,390
Acadian Gas Pipeline	Pipelines	22,120,470	4.18%	340,434
Union Pacific Corp	Railroad	15,834,750	3.00%	243,697
Hilcorp Energy Company	Oil & Gas	13,622,230	2.58%	209,646
Heartland Barge Management	Transport	7,877,860	1.49%	121,240
Total		<u>\$ 289,487,240</u>	<u>54.74%</u>	<u>\$ 4,455,208</u>

4. DEPOSITS AND INVESTMENTS

A. Cash and Cash Equivalents

Cash and Cash equivalents include bank accounts and short-term investments. See Note 1(G) for additional cash disclosure note information.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure the Sheriff's deposits may not be returned. Deposits are exposed to custodial credit risk if they are either (a) uninsured and uncollateralized, or (b) uninsured and collateralized with securities held by the pledging financial institution or its trust department/agent but not in the name of the Sheriff. The Sheriff's cash and investment policy, as well as state law, require that deposits be fully secured by federal deposit insurance or the pledge of securities owned by the bank. The fair value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the bank. The following chart represents bank balances for the sheriff as of June 30, 2017. Deposits are listed in terms of whether they are exposed to custodial credit risk.

Bank Balances

	<u>Uninsured & Uncollateralized</u>	<u>Uninsured & collateralized With securities held by Pledging Institution or it's Trust Department/Agent but not in the Entity's Name</u>	<u>Total Bank Balances – All Deposits</u>	<u>Total Carrying Value – All Deposits</u>
Cash & Cash Equivalents	\$ -	\$ -	\$ 678,056	\$ 298,517

Total bank balances and total carrying amount of deposits includes cash in the agency funds at year-end of \$181,722 and cash on hand of \$200.

B. Investments

Investments are stated at fair value. See also Note 1 (H) for additional investment disclosure information.

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
Notes to the Financial Statements

Credit Risk - Investments

Investments permitted by state statute include obligations issued, insured or guaranteed by the U.S. government including certificates or other ownership interest in such obligations and/or investments in registered mutual or trust funds consisting solely of U.S. government securities. The Sheriff's investment program is limited to purchases of bank certificate of deposits, U.S. treasury and government agency obligations as well as investments in the Louisiana Asset Management Pool, Inc. (LAMP). LAMP is a nonprofit corporation formed by an initiative of the State Treasurer, and organized under the laws of the State of Louisiana which operates a 2a-7 like local government investment pool. LAMP is rated AAAM by Standard & Poor's.

Custodial Credit Risk - Investments

Custodial credit risk for investments is the risk that in the event of the failure of the counterparty to a transaction, the Sheriff will not be able to recover the value of the investment. Investments are exposed to custodial risk if the securities are (a) uninsured and unregistered and held by the counterparty or (b) uninsured, unregistered and held by the counterparty's trust department or agent but not in the name of the Sheriff. The following chart presents the investment position of the Sheriff as of June 30, 2017. The various types of investments are listed and presented by whether they are exposed to custodial credit risk.

	<u>Investments</u>			
	Uninsured, Unregistered, And Held by the Counterparty	Uninsured, Unregistered & Held by the Counterparty's Trust Department or Agent But not in the Entity's Name	All Investments – Reported Amount	All Investments – Fair Value
US Treasury Notes/Bonds	\$ -	\$ -	\$ 7,845,992	\$ 7,845,992
Certificates of Deposit	-	-	1,453,713	1,453,713
Investments Not Categorized: LAMP	-	-	3,890,803	3,890,803
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,190,508</u>	<u>\$ 13,190,508</u>

Interest Rate Risk - Investments

Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of investments. Investments can be highly sensitive to changes in interest rates due to their terms or characteristics. The Sheriff's investment policy with regards to interest rate risk is to match cash flow requirements with cash flows from investments. This matching allows for securities to be held to maturity thereby avoiding realizing losses due to liquidation of securities prior to maturity, especially in a rising interest rate environment. Investing in longer term maturities that contain a "step up" in coupon interest rates will also contribute to the reduction of interest rate risk. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 60 days, and consists of no securities with a maturity in excess of 397 days. The WAM for LAMP's total investments is 86 as of June 30, 2017. Investments classified by maturity dates at June 30, 2017 are summarized below:

<u>Investment</u>	<u>Fair Value</u>	<u>0-1 Years Before Maturity</u>	<u>1-5 Years Before Maturity</u>	<u>6+ Years Before Maturity</u>
US Treasury Notes/Bonds	\$ 7,845,992	\$ 233,236	\$ 7,612,756	\$ -
Certificates of Deposit	1,453,713	700,901	752,812	-
LAMP	3,890,803	3,890,803	-	-
Total	<u>\$ 13,190,508</u>	<u>\$ 4,824,940</u>	<u>\$ 8,365,568</u>	<u>\$ -</u>

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
Notes to the Financial Statements

Fair Value Measurements

The Sheriff adopted GASB Statement No. 72, *Fair Value Measurement and Application*, during the prior fiscal year ending June 30, 2016. This statement establishes a hierarchy of inputs to valuation techniques used to measure fair value. The sheriff measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles using a market approach technique. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities in active markets that the entity has the ability to access
- Level 2: Inputs (other than quoted prices included within level 1) that are observable of the asset or liability, either directly or indirectly
- Level 3: Unobservable inputs significant to the fair value measurement

At June 30, 2017, the sheriff had the following recurring fair value measurements:

<u>Investments by fair value level</u>	6/30/2017	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Debt Securities:				
U.S. Treasuries	\$4,749,614	4,749,614		
U.S. Agencies	3,096,378	3,096,378		
Negotiable Certificates of Deposit	1,453,713	1,453,713		
Not Categorized by fair value level:				
LAMP (2a-7 investment pool)	<u>3,890,803</u>			
Total Investments	<u>\$13,190,508</u>			

5. INTERFUND RECEIVABLES/PAYABLES

The following is a summary of interfund receivables/payables, resulting from advance of funds until grant monies are received, between funds at June 30, 2017:

	Due From Other Funds	Due to Other Funds
General Fund:		
Dept of Justice Fund	\$ 1,518	\$ 1,132
Other Grant Fund		
Other Grant Fund:		
General Fund		
Dept. of Justice Fund:		
General Fund	<u>1,132</u>	<u>1,518</u>
Total Receivables	<u>\$ 2,650</u>	<u>\$ 2,650</u>

6. RECEIVABLES

The following is a summary of receivables at June 30, 2017:

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<u>Class of Receivables</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Total</u>
Intergovernmental:			
Federal	\$ 4,997	\$ 5,861	\$ 10,858
State	160,158	-	160,158
Local	1,779,065	-	1,779,065
Accounts	96,640	-	96,640
 Total Receivables	 <u>\$ 2,040,860</u>	 <u>\$ 5,861</u>	 <u>\$ 2,046,721</u>

The sheriff uses the allowance method whereby uncollectible amounts due from taxes and charges are recognized as bad debts through the use of an allowance account or are charged off at the time information becomes available which indicates the particular receivable is not collectible. As of June 30, 2017, no receivables were determined to be uncollectible. Of the local receivables listed above, \$1,766,320 consists of charges to the Pointe Coupee Parish Police Jury for feeding and housing parish prisoners at the Detention Center. The position taken by the sheriff that the cost of feeding and housing parish prisoners is the responsibility of the police jury according to state law and is currently in dispute by the policy jury. If unresolved, it could result in potential litigation and possible adjustments for uncollectible amounts in subsequent fiscal year(s).

7. CAPITAL ASSETS

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

	<u>Furniture & Fixtures</u>	<u>Vehicles</u>	<u>Weapons & Equipment</u>	<u>Land & Buildings</u>	<u>Total</u>
Cost of capital assets, June 30, 2016	\$ 889,385	\$ 2,632,756	\$ 3,673,640	\$ 1,126,001	\$ 8,321,782
Additions	10,061	404,850	182,967	89,149	687,027
Deletions	-	97,481	40,478	-	137,959
Cost of capital assets, June 30, 2017	<u>899,446</u>	<u>2,940,125</u>	<u>3,816,129</u>	<u>1,215,150</u>	<u>8,870,850</u>
Accumulated depreciation, June 30, 2016	710,046	1,806,115	2,874,065	384,054	5,774,280
Additions	54,515	333,276	206,509	31,187	625,487
Deletions	-	82,029	18,176	-	100,205
Accumulated depreciation, June 30, 2017	<u>764,561</u>	<u>2,057,362</u>	<u>3,062,398</u>	<u>415,241</u>	<u>6,299,562</u>
Capital assets net of accumulated depreciation, at June 30, 2017	<u>\$ 134,885</u>	<u>\$ 882,763</u>	<u>\$ 753,731</u>	<u>\$ 799,909</u>	<u>\$ 2,571,288</u>

Depreciation expense of \$625,487 for the year ended June 30, 2017 was charged to the general governmental activities.

8. ACCOUNTS AND SALARIES PAYABLE

The payables of \$420,539 at June 30, 2017, are as follows:

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	General Fund	Special Revenue Funds	Total
Accounts payable	\$ 28,347	\$ 4,343	\$ 32,690
Salaries & Withholdings	25,401	-	25,401
Compensated absences	212,314	-	212,314
Other	150,134	-	150,134
Total	\$ 416,196	\$ 4,343	\$ 420,539

9. PENSION PLAN

Plan Description. Substantially all full-time employees of the Pointe Coupee Parish Sheriff's office are members of the Louisiana Sheriffs Pension and Relief Fund (SPRF), a cost-sharing, multiple-employer defined benefit pension plan administered by SPRF, a public corporation created in accordance with the provisions of Louisiana Revised Statute 11:2171 to provide retirement, disability, and survivor benefits to sheriff and deputy sheriff members throughout the State of Louisiana. The SPRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the SPRF, 1225 Nicholson Drive, Baton Rouge, Louisiana 70802 or by calling (225) 219-0500.

Funding Policy. Plan members are required by state statute to contribute 10.25 percent of their annual covered salary and the Pointe Coupee Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 13.25 percent of annual covered payroll. Contributions to the System also include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and funds as required and available from insurance premium taxes, which are recognized as employer contributions and considered support from non-employer contributing entities. The contribution requirements of plan members and the Pointe Coupee Parish Sheriff are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Pointe Coupee Parish Sheriff's contributions to the System for the years ending June 30, 2017, 2016, and 2015, were \$450,279, \$463,442, and \$478,700, respectively, equal to the required contributions for each year.

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

Retirement Benefits: For members who become eligible for membership on or before December 31, 2011: Members with twelve years of creditable service may retire at age fifty-five; members with thirty years of service may retire regardless of age. The retirement allowance is equal to three and one-third percent of the member's average final compensation multiplied by his years of creditable service, not to exceed (after reduction for optional payment form) 100% of average final compensation. Active, contributing members with at least ten years of creditable service may retire at age sixty. The accrued normal retirement benefit is reduced actuarially for each month or fraction thereof that retirement begins prior to the member's earliest normal retirement date assuming continuous service. For members whose first employment making them eligible for membership in the system began on or after January 1, 2012: Members with twelve years of creditable service may retire at age sixty-two; members with twenty years of service may retire at age sixty; members with thirty years of creditable service may retire at age fifty-five. The benefit accrual rate for such members with less than thirty years of service is three percent; for members with thirty or more years of service the accrual rate is three and one-third percent. The retirement allowance is equal to the benefit accrual rate times the member's average final compensation multiplied by his years of creditable service, not to exceed (after reduction for optional payment form) 100% of average final compensation. Members with twenty or more years of service may retire with a reduced retirement at age fifty. For a member whose first employment making him eligible for membership in the system began on or before June 30, 2006, final average compensation is based on the average monthly earnings during the highest thirty-six consecutive months or joined months if service was interrupted. The earnings to be considered for each twelve-month period within the thirty-six month period shall not exceed 125% of the preceding twelve-month period. For a member whose first employment making him eligible for membership in the system began after June 30, 2006 and before July 1, 2013, final average compensation is based on the average monthly earnings during the highest sixty consecutive months or joined months if

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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 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 Benefits: The Fund does not 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.

Back Deferred Retirement Option Plan (Back-DROP): 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 member's accrued retirement benefit at the time of termination of employment due to disability, or 2) the retirement benefit which would be payable assuming continued service to the earliest normal retirement age. Members who become partially disabled receive 75% of the amount payable for total disability.

Survivor 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 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.

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

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

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set two years prior to the year effective. In accordance with state statute, the Fund receives ad valorem taxes, insurance premium taxes, and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations. The amount of non-employer contributions recognized as revenue in the government-wide governmental activities statement of activities was \$191,709 and excluded from pension expense for the year ended June 30, 2017.

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 \$3,132,301 for its proportionate share of 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 sheriffs, actuarially determined. At June 30, 2016, the sheriff's proportion was 0.493517%, which was a decrease of 0.013152% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the sheriff recognized pension expense of \$460,683. At June 30, 2017, the sheriff recognized deferred outflows of resources and deferred inflows of resources related to pensions from the following:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 328,544
Changes of assumptions	255,899	-
Net difference between projected and actual earnings on pension plan investments	784,485	-
Changes in proportion and differences between sheriff contributions and proportionate share of contributions	25,172	124,164
Sheriff contributions subsequent to the measurement date	<u>450,279</u>	<u>-</u>
Total	<u>\$ 1,515,835</u>	<u>\$ 452,708</u>

The \$450,279 reported as deferred outflows of resources relating to pensions resulting from the sheriff 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 and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2018	\$ 66,854
2019	66,854
2020	295,359
2021	190,808
2022	(3,513)
Thereafter	<u>(3,514)</u>
Total	<u>\$612,848</u>

Actuarial assumptions. The total pension liability in the June 30, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method:	Entry Age Normal Method
Investment Rate of Return:	7.6%, net of investment expense
Projected Salary increases:	5.5% (2.875% inflation, 2.625% merit)
Mortality Rates:	RP-2000 Employee Mortality Table (set-back 1 year)/ RP-2000 Disabled Lives Mortality Table/

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Expected Remaining Service lives:	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Table for active members, healthy annuitants and beneficiaries 7 years
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 of potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

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

The long term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class included the pension plan's target asset allocation as of June 30, 2016 are summarized in the following table:

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

Discount Rate. The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that conditions 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 the Public Retirement Systems' Actuarial Committee 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.

Sensitivity to Changes in Discount Rate. The following presents the sheriff's proportionate share of the net pension liability calculated using the discount rate of 7.5%, as well as what the sheriff's net pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate as of June 30, 2016:

	1% Decrease <u>6.5%</u>	Discount Rate <u>7.5%</u>	1% Increase <u>8.5%</u>
Sheriff's proportionate share of the net pension liability	\$5,314,267	\$3,132,301	1,331,346

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10. OTHER POSTEMPLOYMENT BENEFITS

Plan Description. The Pointe Coupee Parish Sheriff's Office's medical/dental and life insurance benefits are provided to employees upon actual retirement.

The employer pays 100% of the medical coverage for the retiree (not dependents). Employees are covered by a retirement system whose retirement eligibility (D.R.O.P. entry) provisions as follows: age 55 and 15 years of service.

Life insurance coverage is continued to retirees by election and the employer pays for 100% of the cost. However, the rates are based on the blended active/retired rate and there is thus an implied subsidy. Since GASB Codification Section P50 requires the use of "unblended" rates, we have used the 94GAR mortality table described above to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. Based on past experience, we have assumed that 75% of retirees continue the higher insurance amounts into retirement. Insurance coverage amounts are reduced to 75% of the original amount at age 65 and to 50% of the original amount at age 70. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance.

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

Fund Policy. Until 2009, the Pointe Coupee Parish Sheriff's Office recognized the cost of providing post-employment medical and life insurance benefits (the Pointe Coupee Parish Sheriff's Office's portion of the retiree medical and life 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 Pointe Coupee Parish Sheriff's Office's portion of health care and life insurance funding cost for retired employees totaled \$362,870. Effective July 1, 2009, the Pointe Coupee Parish Sheriff's Office implemented Government Accounting Standards Board Codification Section P50, *Accounting and Financial Reporting by Employers for Post Employment Benefits Other than Pensions* (GASB Codification Section P50). This amount was applied toward the Net OPEB Obligation as shown in the following table.

Annual Required Contribution. Pointe Coupee Parish Sheriff's Office'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:

	Medical & Life
Normal Cost	\$ 180,319
30-year UAL amortization amount	<u>395,833</u>
Annual required contribution (ARC)	\$ 576,153

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

	Medical & Life
Beginning Net OPEB Obligation (Asset) 7/1/2016	\$ 1,401,393
Annual required contribution	576,153
Interest on Net OPEB Obligation (Asset)	56,056
ARC Adjustment	<u>(81,043)</u>
OPEB Cost	551,166
Contribution	-0-

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Current year retiree premium		(362,870)
Change in Net OPEB Obligation		188,296
Ending Net OPEB Obligation (Asset) 6/30/2017	\$	1,589,689

The following table shows Pointe Coupee Parish Sheriff's Office's annual post employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded post employment benefits (PEB) liability (asset):

Post Employment Benefit	Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual Cost Contributed	Net OPEB Obligation (Asset)
Medical & Life	June 30, 2017	551,166	65.84%	\$1,589,689

Funded Status and Funding Progress. In 2017, the Pointe Coupee Parish Sheriff's Office made no contributions to its post employment benefits plan. The plan is not funded, has no assets, and hence has a funded ratio of zero. Based on the July 1, 2015 actuarial valuation, the most recent valuation, the Actuarial Accrued Liability (AAL) at the end of the fiscal year June 30, 2017 was \$7,118,718, which is defined as that portion, as determined by a particular actuarial cost method (the Pointe Coupee Parish Sheriff's Office 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.

	Medical & Life
Actuarial Accrued Liability (AAL)	\$ 7,118,718
Actuarial Value of Plan Assets (AVP)	-0-
Unfunded Act. Accrued Liability (UAAL)	7,118,718
Funded Ratio (AVP/AAL)	0%
Covered Payroll (active plan members)	3,398,330
UAAL as a percentage of covered payroll	209.47%

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 Pointe Coupee Parish Sheriff's Office and its employee plan members) at the time of the valuation and on the pattern of sharing costs between Pointe Coupee Parish Sheriff's Office 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 Pointe Coupee Parish Sheriff's Office 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 Actuarial Standards of Practice Number 6 (ASOP 6), as provided in paragraph number 125 of GASB Codification Section P50 will be used.

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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 10%.

Post employment Benefit Plan Eligibility Requirements. We have assumed that employees retire four years after the earliest eligibility to retire as described in the section above entitled "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.

Health Care Cost Trend Rate. The expected rate of increase in medical cost is based on a graded schedule beginning with 8% annually, down to an ultimate annual rate of 5.0% 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, was used. This is a recently published mortality table which has been used in determining the value of accrued benefits in defined benefit pension plans. Projected future mortality improvement has not been used since it is our opinion that this table contains sufficiently conservative margin for the population involved in this valuation.

Method of Determining Value of Benefits. The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The employer pays 100% of the cost of the medical and dental benefits for the retiree only (not dependents). The medical rates provided are "blended" rates for active and retired prior to Medicare eligibility. We have therefore estimated the "unblended" rates as required by GASB Codification Section P50 for valuation purposes to be 130% of the blended rates prior to Medicare eligibility.

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

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

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

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

	OPEB Costs and Contributions		
	FY 2015	FY 2016	FY 2017
OPEB Cost	\$ 527,768	\$ 532,510	\$ 551,166
Contribution	-	-	-
Retiree premium	334,333	335,991	362,870
Total contribution and premium	<u>334,333</u>	<u>335,991</u>	<u>362,870</u>
Change in net OPEB obligation	\$ <u>193,435</u>	\$ <u>196,519</u>	\$ <u>188,296</u>
% of contribution to cost	0.00%	0.00%	0.00%
% of contribution plus premium to cost	63.35%	63.10%	65.84%

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11. COMPENSATED ABSENCES

At June 30, 2017 employees of the sheriff have accumulated and vested \$212,314 of employee leave benefits, which was computed in accordance with GASB Codification C60. This entire amount is recorded as an obligation of the General Fund.

12. LEASES

The sheriff has operating leases of the following nature:

Lease of airport hanger	@ \$800 per month.
Lease of postage meter	@ \$522 per quarter.
Lease of storage shed (2)	@ \$70 per month.

All operating lease agreements are cancelable upon 30 days advance notice by either party. Rental expenditures of \$13,368 for the year ended June 30, 2017 were paid from the general fund.

13. CHANGES IN AGENCY FUND BALANCES

See supplemental information Schedule of Changes in Balances Due to Taxing Bodies and Others.

**14. EXPENDITURES OF THE SHERIFF'S OFFICE
PAID BY THE PARISH POLICE JURY**

Certain operating expenditures of the sheriff's office are paid by the parish police jury and are not included in the accompanying financial statements. These expenditures are summarized as follows:

Description
1. Utilities – Main Office Courthouse & Civil Office
2. Building Maintenance – Main Office Courthouse, Civil & Detective Office
3. Feeding and Transporting of Parish Prisoners (partially)

15. INTERFUND TRANSFERS

The following interfund transfers, the result of local grant matches, were incurred during the year ended June 30, 2017:

Fund	Transfer In From	Transfer Out To
General Fund – Dept. of Justice	\$ -	\$ 9,140
Dept. of Justice - General Fund	9,140	-
Total	\$ 9,140	\$ 9,140

16. RISK MANAGEMENT

The Pointe Coupee Parish Sheriff is exposed to risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Sheriff purchases commercial insurance with a self-insured retention. The Sheriff accounts for and finances its uninsured risks of loss (self-insured retention) through the General Fund.

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New Roads, Louisiana
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The general fund is subject to a self-insured retention per occurrence for up to a maximum of \$50,000 for automobile claims, general liability and law enforcement claims, with the maximum cumulative amount of self-insured retention being \$200,000 per year in aggregate (aggregate does not apply to auto physical damage, employment related practices, healthcare or property losses). A reserve of \$150,134 was established and is reported as a restriction of the General Fund fund balance. The claims liability of \$150,134 reported in the general fund at June 30, 2017 is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

	Beginning of Fiscal Year Liability	Current Year Claims & Changes in Estimates	Claim Payments	Balance at Fiscal Year End
2015-2016	229,340	80,027	74,755	234,612
2016-2017	234,612	(13,200)	71,278	150,134

17. LITIGATION AND CLAIMS

At June 30, 2017, the sheriff is involved in four lawsuits. The sheriff's legal counsel feels the cases will be resolved in the sheriff's favor or covered by their insurance carrier. However, the ultimate resolution of these lawsuits cannot be presently determined and no provision for any liability that may result from such claims has been made in the financial statements. The cost of litigation and claims incurred during the fiscal year was \$47,107. This entire amount has been recorded as current-year expenditures in the General Fund.

18. ON-BEHALF PAYMENTS

A portion of the salaries of the sheriff's deputies are paid through a supplement from the state. These payments provide the deputies of the sheriff's office with an additional \$500 per month, which is added to their base salary. For the year ended June 30, 2017, \$234,873 was received from the state and is included in revenues under state supplemental pay and in expenses under personal service and related benefits on the combined statement of revenue, expenditures, and changes in fund balance.

19. TAXES PAID UNDER PROTEST

The unsettled balances due to taxing bodies and others in the agency funds at June 30, 2017, as reflected on the Combined Balance Sheet, include \$2,542 of taxes paid under protest, plus interest earned to date on the investment of these funds, totaling \$122. These funds are held pending resolution of the protests and are accounted for in the Tax Collector Agency Fund.

20. FEDERAL FINANCIAL ASSISTANCE

The sheriff participates in the following federal financial assistance programs:

Federal Grantor/ Pass-Through Grantor/ <u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass Through Grantor's Number</u>	<u>Expenditures</u>
United States Department of Justice			
Passed through the Louisiana Commission on Law Enforcement:			
Violence Against Women Formula Grants (ARRA) (Domestic Violence Program)	16.588	3088	9,200

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
Notes to the Financial Statements

Federal Grantor/ Pass-Through Grantor/ <u>Program Title</u>	Federal CFDA Number	Pass Through Grantor's Number	Expenditures
Byrne Memorial Justice Assistance Program (Information System Upgrade)	16.738	2482 3087	850 6,015
Direct Grants:			
Bullet Proof Vest Program	16.607	N/A	6073
Total United States Department of Justice			<u>22,138</u>
United States Department of Homeland Security			
Passed through La. Governor's Office – Office of Homeland Security & Emergency Preparedness:			
Emergency Management Performance Grants (EMPG Funding)	97.042	EMT2016EP0003S01 EMT2017EP00001S01	23,286 1,999
Homeland Security Grant Program (SHSP)	97.067	EMW2015SS00043S01 EMW2016SS00018S01	4,343 28,280
Disaster Grant – Public Assistance (Storms & Flooding)	97.036	FEMA4277-PA-LA	30,891
Total United States Department of Homeland Security			<u>88,799</u>
Total Program Expenditures			<u>\$ 110,937</u>

21. EX-OFFICIO TAX COLLECTOR

The amount of cash on hand at fiscal year end was \$5,468. The unsettled balance of the tax collector fund at June 30, 2017 consisted of collection of current and prior year taxes not settled by the end of the current fiscal year. The tax collector has collected and disbursed the following taxes and fees for the year ended June 30, 2017, by taxing body as follows:

AD VALOREM TAXES		AMOUNT	TAX ORDER CHANGES & WAIVERS	TOTAL TAXES COLLECTIBLE	TAXES COLLECTED	AMOUNT NOT COLLECTED
TAXING AREA/TAX DESCRIPTION	MILLAGE	ASSESSED				
POINTE COUPEE PARISH:						
Parish General Fund	3.42	1,486,830.69	\$ (4,254.65)	\$ 1,482,576.04	\$ 1,482,576.04	\$ -
Parish Assessor's Salary & Expense Fund	2.45	1,194,629.87	(3,560.91)	1,191,068.96	1,191,068.96	-
Parish Tax in City of New Roads	1.71	79,343.89	(335.85)	79,008.04	79,008.04	-
Parish Tax in Town of Livonia	3.42	22,070.86	(44.36)	22,026.50	22,026.50	-
Parish Library	4.03	1,965,024.24	(5,857.41)	1,959,166.83	1,959,166.83	-
Parish Law Enforcement	15.39	7,504,137.46	(22,367.94)	7,481,769.52	7,481,769.52	-
Parish Fire District 1 & Special Fire Distr. 1	6.50	601,660.34	(274.97)	601,385.37	601,385.37	-
Parish Fire District 2	5.16	160,146.07	(1,739.24)	158,406.83	158,406.83	-
Parish Fire District 3	5.97	438,248.63	(1,275.96)	436,972.67	436,972.67	-
Parish Fire District 4	10.91	812,400.96	(4,472.72)	807,928.24	807,928.24	-
Parish Fire District 5	5.00	1,064,625.13	(2,251.72)	1,062,373.41	1,062,373.41	-

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
Notes to the Financial Statements

Parish Sewer District 1	27.40	90,597.70	(1,453.17)	89,144.53	89,144.53	-
Parish Sewer District 3-A	24.24	5,659.27	(68.60)	5,590.67	5,590.67	-
Parish Water District	5.80	141,337.14	(225.57)	141,111.57	141,111.57	-
Total for the Parish	121.40	15,566,712.25	(48,183.07)	15,518,529.18	15,518,529.18	-
POINTE COUPEE PARISH SCHOOL DISTRICT:						
Parish Wide School	4.54	2,213,698.33	(6,598.49)	2,207,099.84	2,207,099.84	-
Special Parish Wide School	11.96	5,831,669.31	(17,382.64)	5,814,286.67	5,814,286.67	-
Tenth Ward School District	2.90	147,244.51	(565.33)	146,679.18	146,679.18	-
Total for Pointe Coupee Parish School District	19.40	8,192,612.15	(24,546.46)	8,168,065.69	8,168,065.69	-
OTHER:						
Atchafalaya Levee District	4.04	1,956,957.13	(5,871.71)	1,951,085.42	1,951,085.42	-
Fordoche Corporation	11.08	42,382.68	(262.91)	42,119.77	42,119.77	-
Livonia Corporation	4.83	44,327.58	(62.65)	44,264.93	44,264.93	-
Morganza Corporation	6.33	30,923.65	(1,405.44)	29,518.21	29,518.21	-
New Roads Corporation	5.94	318,809.55	(1,005.14)	317,804.41	317,804.41	-
State Forestry Tax	80.00	10,184.73	(19.48)	10,165.25	10,165.25	-
LTC Assessment District 1	0.40	81,770.92	-	81,770.92	81,770.92	-
LTC Assessment District 2	0.15	524.04	-	524.04	524.04	-
Total Other	112.77	2,485,880.28	(8,627.33)	2,477,252.95	2,477,252.95	-
TOTAL AD-VALOREM TAXES	253.57	\$26,245,204.68	(81,356.86)	\$26,163,847.82	\$26,163,847.82	\$ -

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

TAXING AREA\TAX DESCRIPTION	AMOUNT COLLECTED	AMOUNT DISBURSED
Parish General Fund	\$ 21,952	\$ 21,952
Parish Library	30,494	30,494
Parish Tax in Livonia	1,912	1,912
Parish Tax in New Roads	2,552	2,552
Parish Wide School	38,455	38,455
Special Parish Wide School	101,303	101,303
Parish Sheriff	161,401	161,401
Parish Assessment District	20,755	20,755
Atchafalaya Levee District	34,220	34,220
Parish Sewage District #1-1A	1,817	1,817
Parish Fire District #1	4,518	4,518
Parish Fire District #2	1,887	1,887
Parish Fire District #3	6,781	6,781
Parish Fire District #4	6,993	6,993
Parish Fire District #5	11,047	11,047
Parish Assessor Retirement System	761	761
Parish Clerk Retirement System	761	761
Parish District Attorney Retirement System	609	609
Parish Municipal Employee Retirement System	761	761
Parish Parochial Employee Retirement System	761	761
Parish Registrar of Voters Retirement System	191	191
Parish Sheriff Retirement System	1,522	1,522
Parish Teachers Retirement System	3,044	3,044
Total State Revenue Sharing Taxes	\$ 454,497	\$ 454,497

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
Notes to the Financial Statements

22. SUBSEQUENT EVENTS

Management has performed an evaluation of the Sheriff's activities through November 13, 2017, and has concluded that there are no significant subsequent events requiring recognition or disclosure through the date and time these financial statements were available to be issued on November 13, 2017.

REQUIRED SUPPLEMENTARY INFORMATION

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
GENERAL FUND

BUDGETARY COMPARISON SCHEDULE

For the Year Ended June 30, 2017

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
REVENUES				
Ad valorem taxes	\$ 7,000,000	\$ 7,499,200	\$ 7,492,187	\$ (7,013)
Intergovernmental revenues:				
Federal grants	-	30,891	30,891	-
State grants:				
State revenue sharing	150,000	160,000	161,401	1,401
State supplemental pay	264,000	237,500	234,873	(2,627)
Miscellaneous	90,000	90,000	103,385	13,385
Local	674,100	658,003	660,023	2,020
Fees, charges, and commissions for services:				
Commissions on licenses, etc.	12,000	8,000	8,796	796
Civil and criminal fees	88,000	96,000	103,310	7,310
Court attendance	15,000	15,000	15,504	504
Feeding, transporting, and keeping prisoners	665,000	2,478,000	2,669,758	191,758
Fines and forfeitures	110,000	95,000	113,265	18,265
Interest	40,000	21,000	28,856	7,856
Miscellaneous	352,100	396,100	436,645	40,545
	<u>9,460,200</u>	<u>11,784,694</u>	<u>12,058,894</u>	<u>274,200</u>
EXPENDITURES				
Public safety:				
Salaries and related benefits	6,194,750	6,193,357	5,854,316	339,041
General Operations	1,371,150	1,385,914	1,000,129	385,785
Materials and supplies	731,500	764,909	605,888	159,021
Capital outlay	446,000	653,657	642,545	11,112
Other expenses	22,100	22,125	11,429	10,696
	<u>8,765,500</u>	<u>9,019,962</u>	<u>8,114,307</u>	<u>905,655</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	694,700	2,764,732	3,944,587	1,179,855
OTHER FINANCING SOURCES (Uses)				
Sale of equipment	-	39,634	40,634	1,000
Transfers In	-	-	-	-
Transfers out	(5,535)	(9,139)	(9,140)	(1)
	<u>(5,535)</u>	<u>30,495</u>	<u>31,494</u>	<u>999</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	689,165	2,795,227	3,976,081	1,180,854
FUND BALANCE AT BEGINNING OF YEAR	<u>7,471,318</u>	<u>10,956,198</u>	<u>10,956,198</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ 8,160,483</u>	<u>\$ 13,751,425</u>	<u>\$ 14,932,279</u>	<u>\$ 1,180,854</u>

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
ODP HOMELAND SECURITY

BUDGETARY COMPARISON SCHEDULE

For the Year Ended June 30, 2017

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
Intergovernmental revenues:				
Federal grants	\$ 55,000	\$ 57,909	\$ 57,908	\$ (1)
Interest	-	-	-	-
Total revenues	<u>55,000</u>	<u>57,909</u>	<u>57,908</u>	<u>(1)</u>
EXPENDITURES				
Public safety:				
Salaries and related benefits	22,000	23,353	23,352	1
General Operations	3,000	1,002	1,002	-
Materials and supplies	-	4,507	3,832	675
Capital outlay	30,000	29,047	29,722	(675)
Total expenditures	<u>55,000</u>	<u>57,909</u>	<u>57,908</u>	<u>1</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	-	-	-
OTHER FINANCING SOURCES (Uses)				
Transfers In	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	-	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	<u>56</u>	<u>55</u>	<u>55</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ 56</u>	<u>\$ 55</u>	<u>\$ 55</u>	<u>\$ -</u>

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
DEPARTMENT OF JUSTICE GRANTS

BUDGETARY COMPARISON SCHEDULE

For the Year Ended June 30, 2017

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
REVENUES				
Intergovernmental revenues:				
Federal grants	\$ 17,550	\$ 22,138	\$ 22,138	\$ -
State grants:				
State revenue sharing	-	-	-	-
State supplemental pay	-	-	-	-
Miscellaneous	-	-	-	-
Local	-	-	-	-
Fees, charges, and commissions for services:				
Commissions on licenses, etc.	-	-	-	-
Civil and criminal fees	-	-	-	-
Court attendance	-	-	-	-
Feeding, transporting, and keeping prisoners	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
	<u>17,550</u>	<u>22,138</u>	<u>22,138</u>	<u>-</u>
Total revenues				
	<u>17,550</u>	<u>22,138</u>	<u>22,138</u>	<u>-</u>
EXPENDITURES				
Public safety:				
Salaries and related benefits	-	-	-	-
General Operations	-	-	-	-
Materials and supplies	15,400	15,667	15,667	-
Travel and other charges	-	-	-	-
Capital outlay	7,685	14,760	14,760	-
	<u>23,085</u>	<u>30,427</u>	<u>30,427</u>	<u>-</u>
Total expenditures				
	<u>23,085</u>	<u>30,427</u>	<u>30,427</u>	<u>-</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(5,535)	(8,289)	(8,289)	-
OTHER FINANCING SOURCES (Uses)				
Transfers In	5,535	9,140	9,140	-
Transfers out	-	-	-	-
	<u>5,535</u>	<u>9,140</u>	<u>9,140</u>	<u>-</u>
Total other financing sources (uses)				
	<u>5,535</u>	<u>9,140</u>	<u>9,140</u>	<u>-</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	-	851	851	-
FUND BALANCE AT BEGINNING OF YEAR	37	290	290	-
FUND BALANCE AT END OF YEAR	<u>\$ 37</u>	<u>\$ 1,141</u>	<u>\$ 1,141</u>	<u>\$ -</u>

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
OTHER GRANTS

BUDGETARY COMPARISON SCHEDULE

For the Year Ended June 30, 2017

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
Intergovernmental revenues:				
Federal grants	\$ -	\$ -	\$ -	\$ -
State grants:				
Miscellaneous	-	23,679	23,679	-
Local	-	2,500	2,500	-
	<u>-</u>	<u>26,179</u>	<u>26,179</u>	<u>-</u>
Total revenues	-	26,179	26,179	-
EXPENDITURES				
Public safety:				
Salaries and related benefits	-	19,500	19,500	-
General Operations	-	415	415	-
Materials and supplies	-	6,264	6,264	-
Capital outlay	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	-	26,179	26,179	-
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	-	-	-
OTHER FINANCING SOURCES (Uses)				
Transfers In	-	-	-	-
Transfers out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	-	-	-	-
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	-	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	10	10	-
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ 10</u>	<u>\$ 10</u>	<u>\$ -</u>

**POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana**

**EMPLOYEE HEALTH CARE PLAN
JUNE 30, 2017**

Schedule of Funding Progress

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded Actuarial Accrued Liability (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
July 1, 2009	\$0	\$3,639,314	\$3,639,314	0%	\$3,110,316	117.01%
July 1, 2010	\$0	\$3,936,282	\$3,936,282	0%	\$3,187,459	123.49%
July 1, 2011	\$0	\$4,093,733	\$4,093,733	0%	\$3,200,223	127.92%
July 1, 2012	\$0	\$5,938,828	\$5,938,828	0%	\$3,183,558	186.55%
July 1, 2013	\$0	\$6,176,382	\$6,176,382	0%	\$3,350,496	184.34%
July 1, 2014	\$0	\$6,423,437	\$6,423,437	0%	\$3,359,283	191.21%
July 1, 2015	\$0	\$6,844,921	\$6,844,921	0%	\$3,370,485	203.08%
July 1, 2016	\$0	\$7,118,718	\$7,118,718	0%	\$3,398,330	209.47%

**POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana**

**SCHEDULE OF SHERIFF'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
SHERIFF'S PENSION & RELIEF FUND
JUNE 30, 2017**

Fiscal Year Ended June 30:	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Sheriff's proportion of the net pension liability (asset)	.493517%	.506669%	.523074%	.515127%	Unavailable	Unavailable	Unavailable	Unavailable	Unavailable	Unavailable
Sheriff's proportionate share of the net pension liability (asset)	\$3,132,301	\$2,258,486	\$2,071,376	\$3,452,352	Unavailable	Unavailable	Unavailable	Unavailable	Unavailable	Unavailable
Sheriff's covered-employee payroll	\$3,370,485	\$3,359,283	\$3,350,496	\$3,183,558	\$3,200,223	\$3,187,459	\$3,110,316	\$2,902,186	\$2,608,118	\$2,552,891
Sheriff's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	92.93%	67.23%	61.82%	108.44%	Unavailable	Unavailable	Unavailable	Unavailable	Unavailable	Unavailable
Plan fiduciary net position as a percentage of the total pension liability	82.10%	86.61%	87.34%	77.22%	Unavailable	Unavailable	Unavailable	Unavailable	Unavailable	Unavailable

**POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana**

**SCHEDULE OF SHERIFF'S CONTRIBUTIONS
SHERIFF'S PENSION & RELIEF FUND
JUNE 30, 2017**

Fiscal Year Ended June 30:	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Contractually required contribution	\$450,279	\$463,442	\$478,700	\$465,382	\$421,822	\$400,028	\$382,495	\$342,135	\$319,241	\$286,893
Contributions in relation to the contractually required contribution	<u>(450,279)</u>	<u>(463,442)</u>	<u>(478,700)</u>	<u>(465,382)</u>	<u>(421,822)</u>	<u>(400,028)</u>	<u>(382,495)</u>	<u>(342,135)</u>	<u>(319,241)</u>	<u>(286,893)</u>
Contribution deficiency (excess)	<u>\$ -</u>									
Sheriff's covered-employee payroll	\$3,398,330	\$3,370,485	\$3,359,283	\$3,350,496	\$3,183,558	\$3,200,223	\$3,187,459	\$3,110,316	\$2,902,186	\$2,608,118
Contribution as a percentage of covered-employee payroll	13.25%	13.75%	14.25%	13.89%	13.25%	12.50%	12.00%	11.00%	11.00%	11.00%

**POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana**

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

Sheriff's Pension & Relief Fund

Changes in Assumptions or Other Inputs. Changes in 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.

Changes in Proportion. Changes in the employer's proportionate shares of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in employer's pension expense (benefit) 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 pensions through the pension plan.

SUPPLEMENTAL INFORMATION SCHEDULES

**POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana**

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

DEPARTMENT OF JUSTICE GRANTS:

EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM (JAG)

This program is used to provide local governments with discretionary grant funds for all components of the criminal justice system from multijurisdictional drug and gang forces to crime prevention and domestic violence programs, courts, corrections, treatment, and justice information sharing initiatives.

BULLETPROOF VEST PARTNERSHIP PROGRAM

This program is used to provide funds for the purchase of armored vests for local law enforcement officers.

CRIME VICTIM ASSISTANCE AND VIOLENCE AGAINST WOMEN FORMULA GRANT PROGRAM

These funds are used to account for the United States Department of Justice grants awarded to the Pointe Coupee Parish Sheriff as sub-grants passed through the Louisiana Commission on Law Enforcement. Expenditures of these funds are for direct services to crime victims, to develop and strengthen law enforcement and prosecution strategies to combat violent crimes against women and to reduce and prevent illegal drug activity, crime and violence and improve the functioning of the criminal justice system. These grants consist of federal funds and a local match.

OTHER GRANTS:

DARE GRANT

DARE (Drug Abuse Resistance Education), a state grant program, is a police officer led series of classroom lessons taught from kindergarten through 12th grade regarding drug prevention education and teaching good decision making skills to help students avoid high risk behavior to ensure they grow up healthy, safe and secure.

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana

Combining Balance Sheet - Nonmajor Governmental Funds

June 30, 2017

	<u>SPECIAL REVENUE FUNDS</u>		<u>TOTAL</u>
	<u>DEPT</u>	<u>OTHER</u>	<u>NONMAJOR</u>
	<u>OF</u>	<u>GRANTS</u>	<u>GOVERNMENTAL</u>
	<u>JUSTICE</u>	<u>GRANTS</u>	<u>FUNDS</u>
ASSETS AND OTHER DEBITS			
Assets:			
Cash and cash equivalents	\$ 9	\$ 10	\$ 19
Receivables	1,518	-	1,518
Due from other funds	1,132	-	1,132
	<u>2,659</u>	<u>10</u>	<u>2,669</u>
Total Assets	<u>2,659</u>	<u>10</u>	<u>2,669</u>
LIABILITIES AND FUND EQUITY			
Liabilities:			
Due to other funds	\$ 1,518	\$ -	\$ 1,518
	<u>1,518</u>	<u>-</u>	<u>1,518</u>
Total Liabilities	<u>1,518</u>	<u>-</u>	<u>1,518</u>
Equity and Other Credits:			
Fund balances			
Restricted for:			
Federal grants	1,141	10	1,151
Unassigned	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS	<u>\$ 2,659</u>	<u>\$ 10</u>	<u>\$ 2,669</u>

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana

**Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance-
Nonmajor Governmental Funds**

For the Year Ended June 30, 2017

	<u>SPECIAL REVENUE FUNDS</u>		<u>TOTAL NONMAJOR GOVERNMENTAL FUNDS</u>
	<u>DEPT OF JUSTICE</u>	<u>OTHER GRANTS</u>	
REVENUES			
Intergovernmental revenues:			
Federal grants	\$ 22,138	-	\$ 22,138
State grants:			
Miscellaneous	-	23,679	23,679
Local	-	2,500	2,500
Interest	-	-	-
Miscellaneous	-	-	-
	<hr/>	<hr/>	<hr/>
Total revenues	22,138	26,179	48,317
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
Public safety:			
Personal services and related benefits	-	19,500	19,500
General operations	-	415	415
Supplies	15,667	6,264	21,931
Capital outlays	14,760	-	14,760
	<hr/>	<hr/>	<hr/>
Total expenditures	30,427	26,179	56,606
	<hr/>	<hr/>	<hr/>
EXCESS(Deficiency) OF REVENUES OVER EXPENDITURES	(8,289)	-	(8,289)
	<hr/>	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)			
Transfers in	9,140	-	9,140
Transfers (out)	-	-	-
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	9,140	-	9,140
	<hr/>	<hr/>	<hr/>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	851	-	851
	<hr/>	<hr/>	<hr/>
FUND BALANCE AT BEGINNING OF YEAR	290	10	300
	<hr/>	<hr/>	<hr/>
FUND BALANCE AT END OF YEAR	\$ 1,141	\$ 10	\$ 1,151
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana

FIDUCIARY FUND TYPE - AGENCY FUNDS

SHERIFF'S FUND

The Sheriff's Fund accounts for funds held in civil suits, sheriff's sales, and garnishments. It also accounts for collections of bonds, fines and costs, and payment of these collections to the recipients in accordance with applicable laws.

TAX COLLECTOR FUND

Article V, Section 27 of the Louisiana Constitution of 1984, 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.

FINE FUND

The fine fund is used to account for funds collected for judicial penalties as imposed by judges.

COMMISSARY FUND

This fund was established to provide commissary services to prisoners. The net proceeds of commissary sales are used for inmate welfare, other inmate related expenditures, and any other general fund expenditure.

INMATE TRUST FUND

This fund was established as a holding account for prisoner deposits. Money orders or cash are received from the prisoners and deposited into this account and held in the account until requested.

BAIL BOND FUND

This fund accounts for the collection of a 2% of every 100 dollar bond premium fee to be distributed among the sheriff, district attorney, indigent defender board, and judicial court fund.

WITNESS SUBPOENA FUND

This fund accounts for the collection of fees charged to the parish government for the payment to law enforcement deputies for attendance at trials.

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
FIDUCIARY FUNDS - AGENCY FUNDS

Combining Balance Sheet, June 30, 2017

	<u>SHERIFF'S FUND</u>	<u>TAX COLLECTOR FUND</u>	<u>FINES FUND</u>	<u>COMMIS- SARY FUND</u>	<u>INMATE FUND</u>	<u>BAIL BOND & WITNESS SUBPOENA FUNDS</u>	<u>TOTAL</u>
ASSETS							
Cash and cash equivalents	\$ 114,858	\$ 5,468	\$ 202	\$ 28,851	\$ 17,106	\$ 15,237	\$ 181,722
TOTAL ASSETS	<u>\$ 114,858</u>	<u>\$ 5,468</u>	<u>\$ 202</u>	<u>\$ 28,851</u>	<u>\$ 17,106</u>	<u>\$ 15,237</u>	<u>\$ 181,722</u>
LIABILITIES							
Due to taxing bodies & others	114,858	5,468	202	28,851	17,106	15,237	181,722
TOTAL LIABILITIES	<u>\$ 114,858</u>	<u>\$ 5,468</u>	<u>\$ 202</u>	<u>\$ 28,851</u>	<u>\$ 17,106</u>	<u>\$ 15,237</u>	<u>\$ 181,722</u>

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
FIDUCIARY FUNDS - AGENCY FUNDS

**Schedule of Changes in Balance Due
to Taxing Bodies and Others
For the Year Ended June 30, 2017**

	SHERIFF'S FUND	TAX COLLECTOR FUND	FINES FUND	COMMIS- SARY FUND	INMATE FUND	BAIL BOND & WITNESS SUBPOENA FUNDS	TOTAL
BALANCES AT BEGINNING OF YEAR	\$ 25,616	\$ 71,783	\$ 202	\$ 34,991	\$ 20,611	\$ 14,709	\$ 167,912
ADDITIONS							
Deposits:							
Sheriff's Sales	134,829						134,829
Bonds	107,605						107,605
Fines and Costs			308,947				308,947
Garnishments	76,061						76,061
Other deposits	-			136,159	151,511	65,494	353,164
Taxes, etc. paid to tax collector		26,784,330					26,784,330
Total additions	318,495	26,784,330	308,947	136,159	151,511	65,494	27,764,936
Total	344,111	26,856,113	309,149	171,150	172,122	80,203	27,932,848
REDUCTIONS							
Taxes, fees, etc., distributed to taxing bodies and others		26,850,645					26,850,645
Deposits settled to:							
Sheriff's General Fund	-		25,296			13,504	38,800
Police jury			56,261				56,261
District Attorney			36,244			13,504	49,748
Clerk of Court	-		23,845				23,845
Indigent defender board			63,110			13,504	76,614
Attorneys, appraisers, etc.	75,324						75,324
Other settlements	153,929		104,191		155,016	24,454	437,590
Other reductions:							
Purchases - merchandise				142,299			142,299
Total reductions	229,253	26,850,645	308,947	142,299	155,016	64,966	27,751,126
BALANCES AT END OF YEAR	<u>\$ 114,858</u>	<u>\$ 5,468</u>	<u>\$ 202</u>	<u>\$ 28,851</u>	<u>\$ 17,106</u>	<u>\$ 15,237</u>	<u>\$ 181,722</u>

POINTE COUPEE PARISH SHERIFF
(As Ex-Officio Parish Tax Collector)
New Roads, Louisiana

TAX COLLECTOR AGENCY FUND
Affidavit

For the Year Ended June 30, 2017

AFFIDAVIT (Required by R.S. 24:513(B))
STATE OF LOUISIANA
PARISH OF POINTE COUPEE

Beauregard Torres III, Sheriff of Pointe Coupee Parish

BEFORE ME, the undersigned authority, personally came and appeared, Beauregard Torres III, the sheriff of Pointe Coupee Parish, State of Louisiana, who after being duly sworn, deposed and said:

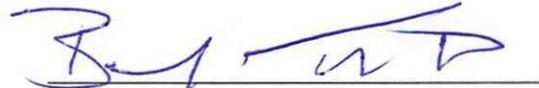
The following information is true and correct:

\$5,468.39 is the amount of cash on hand in the tax collector account on June 30, 2017;

He further deposed and said:

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

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



Signature
Sheriff of Pointe Coupee Parish

SWORN to and subscribed before me, Notary, this 14 day of November 2017, in my office in New Roads, Louisiana.

Stacy Devittier (Signature)
Stacey Devittier (Print), # 20785
Notary Public
at death (Commission)

**POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana**

**Schedule of Compensation, Benefits, and
Other Payments to Agency Head**

For the Year Ended June 30, 2017

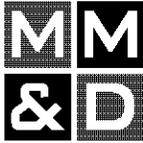
Agency Head: Beauregard Torres, III, Sheriff

<u>PURPOSE</u>	<u>AMOUNT</u>
Salary	\$ 159,540
Benefits - insurance	11,195
Benefits - retirement	21,139
Dues	13,500
Travel - fuel	1,696
Registration fees	50
Conference travel	625
Special meals	199
Total	<u>\$ 207,944</u>

**OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

**Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

A report on compliance with laws and regulations and on internal controls over financial reporting and other matters as required by *Government Auditing Standards*, issued by the Comptroller General of the United States. This report is based solely on the audit of the financial statements and includes, where appropriate, any deficiencies and/or material weaknesses in internal control or compliance matters that would be material to the presented financial statements.



Major, Morrison & David

Certified Public Accountants

QUALITY • INTEGRITY • DEPENDABILITY

John L. Morrison III, CPA, CGMA, PC

Mark A. David, CPA, PC

John S. Disotell III, CPA, PC

Van P. Major, CPA (1951-2005)

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

Honorable Beauregard Torres, III
Pointe Coupee Parish Sheriff
P.O. Box 248
New Roads, Louisiana 70760

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 Pointe Coupee Parish Sheriff, New Roads, Louisiana, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements and have issued our report thereon dated November 13, 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 purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Sheriff's internal control. Accordingly, we do not express an opinion on the effectiveness of the Sheriff's internal control.

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, and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses as item 2017-1 that we consider to be material weaknesses.

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*.

Pointe Coupee Parish Sheriff, Louisiana Response to Findings

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

Purpose of this Report

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



Major, Morrison & David
New Roads, Louisiana
November 13, 2017

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana
Schedule of Findings and Responses
For the Year Ended June 30, 2017

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness (es) identified? X yes no

Deficiency(s) in internal control identified not considered to be material weaknesses? yes X none reported

Noncompliance material to financial statements noted? yes X no

SECTION II - FINANCIAL STATEMENT FINDINGS

Finding 2017-1:

Criteria: In order to maintain adequate internal controls and prevent the possibility of fraud or misappropriations, scheduling and coordinating of extra duty details should be approved and reviewed on a regular basis by either the Executive Officer Lt. or the Operations Lt. that coordinate the particular detail. In the event that the coordinator also works that extra duty detail, the Captain of that division must approve and review the particular detail.

Condition: Adrian Slaughter, former Captain of the Criminal Patrol Division of the Sheriff's Office, worked as a contracted employee (off-duty security detail) for the local hospital and received monetary compensation for his services, while at the same time reported to be on duty at the Sheriff's Office where he again received financial compensation. The former captain did not claim leave time from the Sheriff's Office for 106.5 hours that he actually worked at the hospital; therefore, he was paid by the Sheriff's Office for 106.5 hours of work that was not performed. This resulted in \$3,442.96 of misappropriated funds for work that was not performed occurring from July 17, 2015 through January 27, 2017. The La. Attorney General's Office, 18th Judicial District Attorney's Office, and the Louisiana Legislative Auditor were notified as required by LA R.S. 24:523(A) upon discovery and confirmation of the misappropriation. An investigation was undertaken by the Attorney General's Office and completed in March of 2017 at which time former Captain Adrian Slaughter was charged with 16 counts of public payroll fraud and 1 count of malfeasance in office. The former captain was terminated from employment with the Sheriff's Office on March 23, 2017. The District Attorney recused himself from the case which will be prosecuted by the Attorney General's Office. Currently no restitution has been made, but it is the Sheriff's Offices understanding that the Attorney General, at the request of the Legislative Auditor, is authorized to recover misappropriated funds from the responsible party by civil suit pursuant to LA R.S. 24:523(C). The Sheriff's Office has requested that the Attorney General's Office include restitution in any plea deal if one is offered in the future. See Fraud/Misappropriation Exhibit on pages 67-68.

Effect: The overriding of the review controls by the Captain of the Criminal Patrol Division allowed for reassignment of off duty details and allowed him to perform off duty details without appropriate signoffs by the Executive Officer Lt. or the Operations Lt. which resulted in the misappropriation of funds for overlapping claim of time worked and public payroll fraud.

Cause: Although the scheduling for the patrol shifts and the scheduling for the off-duty security detail at the hospital both took place in the Criminal Patrol Division of the Sheriff's Office, and the two schedules were monitored to ensure no overlap in time worked, the Captain continuously moved assignments around so that it was difficult for his lieutenants, who were in charge of scheduling the patrol shifts and the hospital off-duty detail, to determine who worked what days and times. Because of these movements, the sheriff's office internal controls did not allow for the detection of the fraud or misappropriation in a timely manner.

Recommendation: We recommend the Sheriff's Office improve upon current controls regarding off-duty details by implementing additional review, signoff, and documentation procedures in order to prevent the overriding of detail assignments by superior officers once details have been assigned by the executive and operations officers.

Management's Response: Management has implemented additional review/oversight procedures (Sheriff's Office Policy General Order 103(V)(C) and (VI)(A) and (B) on Extra Duty or Secondary Employment) in its policy for all of its off-duty details which has internal controls in place to detect fraud or misappropriation whether it is committed by a deputy or a higher-ranking deputy within the division in charge of that particular detail. Documentation improvements include preparing an Off-Duty Event Report and Summary and Certification report to be turned into the Civil Division verifying that there was no conflict or overlap in time worked for the Sheriff's Office and that worked on the extra-duty detail during that particular period of time prior to payment of compensation.

SECTION III- FEDERAL AWARD FINDING

There were no findings.

**POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana**

**Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2017**

<u>Ref. No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken</u>	<u>Planned Corrective Action/Partial Corrective Action Taken</u>
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Section I – Internal Control and Compliance Material to the Financial Statements:

No prior year findings.

Section II – Internal Control and Compliance Material to Federal Awards:

No findings.

Section III – Management Letter

No management letter issued.

**POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana**

**Corrective Action Plan for
Current Year Audit Findings
For the Year Ended June 30, 2017**

<u>Ref. No.</u>	<u>Description of Finding</u>	<u>Corrective Action Planned</u>	<u>Name of Contact Person</u>	<u>Anticipated Completed</u>
Section I – Internal Control and Compliance Material to the Financial Statements:				
2017-1	Insufficient controls regarding review and approval of off-duty assignments resulting in control overrides and led to misappropriations/public payroll fraud.	Management implemented additional review/oversight procedures in its current off-duty detail assignments with tighter controls in order to detect fraud or misappropriations in a more timely manner.	B. Torres S. Devillier	April 2017

Section II – Internal Control and Compliance Material to Federal Awards:

Not applicable.

Section III – Management Letter

Discussion of finding 2017-1.

POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana

Fraud/Misappropriation Exhibit
For the Year Ended June 30, 2017

#	ELEMENT OF FINDING	RESPONSE
1	A general statement describing the fraud or misappropriation that occurred.	A deputy worked as a contracted employee (off-duty security detail) for the local hospital & received monetary compensation for his services, while at the same time reported to be on duty at the Pointe Coupee Sheriff's Office (PCSO) where he again received financial compensation.
2	A description of the funds or assets that were the subject of the fraud or misappropriation (ex., utility receipts, petty cash, computer equipment).	The deputy did not claim leave time from PCSO for 106.5 hours that he actually worked at the hospital; therefore, he was paid by PCSO for 106.5 hours of work that was not performed.
3	The amount of funds or approximate value of assets involved.	\$3,442.96 was misappropriated by the deputy for 106.5 hours of work that was not performed.
4	The department or office in which the fraud or misappropriation occurred.	The misappropriation occurred by a deputy working in the Criminal Patrol Division of PCSO.
5	The period of time over which the fraud or misappropriation occurred.	The misappropriation occurred from July 17, 2015 through January 27, 2017, approximately one and one-half years.
6	The title/agency affiliation of the person who committed or is believed to have committed the act of fraud or misappropriation.	The Captain of the Criminal Patrol Division of PCSO committed the acts of misappropriation.
7	The name of the person who committed or is believed to have committed the act of fraud or misappropriation, if formal charges have been brought against the person and/or the matter has been adjudicated.	Adrian Slaughter, former Captain of the Criminal Patrol Division of PCSO committed the acts of misappropriation. Formal charges have been brought against Adrian Slaughter by the Office of Louisiana Attorney General, Louisiana Department of Justice.
8	Is the person who committed or is believed to have committed the act of fraud still employed by the agency?	No, Adrian Slaughter was terminated from employment with PCSO on March 23, 2017.
9	If the person who committed or is believed to have committed the act of fraud is still employed by the agency, do they have access to assets that may be subject to fraud or misappropriation?	Not applicable.
10	Has the agency notified the appropriate law enforcement body about the fraud or misappropriation?	Yes, the Attorney General's Office and the 18 th Judicial District Attorney's Office were notified once the misappropriation was discovered and confirmed.
11	What is the status of the investigation at the date of the auditor's/accountant's report?	The investigation was complete in March of 2017.
12	If the investigation is complete and the person believed to have committed the act of fraud or misappropriation has been identified, has the agency filed charges against that person?	Yes, Adrian Slaughter has been charged with 16 counts of Public Payroll Fraud and 1 count of Malfeasance in Office.
13	What is the status of any related adjudication at the date of the auditor's/accountant's report?	18 th Judicial District Attorney Richard Ward, Jr. is recusing himself from this case which will be prosecuted by the Attorney General's Office.

**POINTE COUPEE PARISH SHERIFF
New Roads, Louisiana**

**Fraud/Misappropriation Exhibit
For the Year Ended June 30, 2017**

14	Has restitution been made or has an insurance claim been filed?	No, it is the understanding that the Attorney General, at the request of the Legislative Auditor, is authorized to recover misappropriated funds from the responsible party by civil suit pursuant to LA R.S. 24:523 (c) . We have also requested that the Attorney General’s Office include restitution in any plea deal if one is offered in the future.
15	Has the agency notified the Louisiana Legislative Auditor and the District Attorney in writing, as required by Louisiana Revised Statute 24:523 (Applicable to local governments only)	The Legislative Auditor and the District Attorney of the 18 th Judicial District were both notified of the misappropriation of public funds as is required by LA R.S. 24:523 (a).
16	Did the agency’s internal controls allow the detection of the fraud or misappropriation in a timely manner?	No, the agency’s internal controls did not allow for the detection of the fraud or misappropriation in a timely manner.
17	If the answer to the last question is “no,” describe the control deficiency/significant deficiency/material weakness that allowed the fraud or misappropriation to occur and not be detected in a timely manner.	Although the scheduling for the patrol shifts and the scheduling for the off-duty security detail at the hospital both took place in the Criminal Patrol Division of PCSO and the two schedules were monitored to ensure no overlap in time worked, the Captain continuously moved assignments around so that it was difficult for his lieutenants, who were in charge of scheduling the patrol shifts and the hospital off-duty detail, to determine who worked what days and times.
18	Management’s plan to ensure that the fraud or misappropriation does not occur in the future	Management has implemented additional review/oversight procedures (PCSO policy General Order 103(V)(C) and (VI)(A) and (B) on Extra Duty or Secondary Employment) in its policy for all of its off-duty details which has internal controls in place to detect fraud or misappropriation whether it is committed by a deputy or a higher ranking deputy within the division in charge of that particular detail.

**INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES**

**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Honorable Beauregard Torres, III
Pointe Coupee Parish Sheriff
P.O. Box 248
New Roads, La. 70760

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

Written Policies and Procedures

1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget
Written policies and procedures were obtained and address the functions noted above.
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
Written policies and procedures were obtained and address the functions noted above.
 - c) **Disbursements**, including processing, reviewing, and approving
Written policies and procedures were obtained and address the functions noted above.
 - d) **Receipts**, including receiving, recording, and preparing deposits
Written policies and procedures were obtained and address the functions noted above.
 - e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
Written policies and procedures were obtained and address the functions noted above.
 - f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process
Written policies and procedures were obtained and address the functions noted above.

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

Written policies and procedures were obtained and address the functions noted above.

- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers

Written policies and procedures were obtained and address the functions noted above.

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

Written policies and procedures were obtained and address the functions noted above.

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

Written policies and procedures were obtained and 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.
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).
Not applicable
 - If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.
 - 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.

Not applicable

Bank Reconciliations

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

- a) Bank reconciliations have been prepared;

Obtained bank statements and reconciliations for all months in the fiscal period for all selected accounts noting that reconciliations had 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

The bank reconciliations prepared for all accounts examined had evidence of management review.

- 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.

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.

Written documentation was obtained and addresses the functions noted above.

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

Written documentation was obtained and addresses the functions noted above.

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

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

Collections documentation was obtained and deposits were made within one day of collection, except for cash bonds collected at detention center which was deposited within the week.

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

Daily cash collections are completely supported by collection documentation.

7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and agency fund additions (e.g. periodic confirmation with

outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation) by a person who is not responsible for collections.

Written policies and procedures were obtained and address the functions noted above.

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.

Obtained a listing of entity disbursements (and complete general ledger) and management's representation that the listing is complete.

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

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

Examined supporting documentation for each of the 25 disbursements selected and found that purchases were initiated using a purchase requisition and purchase order system.

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

Examined supporting documentation for each of the 25 disbursements selected and found appropriate approval of purchases orders and requisitions.

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

Examined supporting documentation for each of the 25 disbursements selected and found all payments were processed with proper approval, receiving report, and approved invoice.

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

Written policies and procedures were obtained and address the functions noted above.

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

Written policies and procedures were obtained and address the functions noted above.

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

Inquiry of management and observation noted no exceptions.

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

Signature stamp is only used occasionally and is maintained under their control and used only with the knowledge and consent of the signer. Any signed checks are maintained under the control of the authorized user until mailed.

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.

Obtained from management complete listing of active credit cards and fuel cards along with representation that the listing is complete.

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.

Selected all credit cards used during the fiscal period (less than 10 used).

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.]

Obtained monthly statement or combined statement for the month with the largest dollar activity and noted supporting documentation, review, and approval in writing by someone other than the cardholder.

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

On the monthly statements or combined statements selected, no finance charges or late fees were assessed.

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)

Supporting documentation was obtained with no exceptions.

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

Supporting documentation was obtained with no exceptions.

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

Supporting documentation was obtained with no exceptions.

- 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.

Each transaction's detail was compared to the Sheriff's purchasing/disbursement policies and the Louisiana Public Bid Law with no exceptions.

- 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.

Each transaction's documentation of the business/public purpose was compared to the requirements of Article 7, Section 14 of the Louisiana Constitution with no exceptions.

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.

Obtained from management a listing of travel and expense reimbursements by person and management's representation that the listing is complete.

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.

Obtained the sheriff's written policies related to travel and expense reimbursements. No amounts listed exceeded GSA rates.

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

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

Expenses were paid in accordance to written policies.

- 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.]

Expenses were supported with no exceptions.

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

Documentation of the business/public purposes was supported with no exceptions.

- Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)

Other documentation as needed was supported with no exceptions.

- 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.

Documentation of the business/public purpose was compared to Article 7, Section 14 of the Louisiana Constitution with no exceptions.

- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Expenses and related documentation were reviewed and approved in writing by someone other than the person receiving reimbursement with no exceptions.

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.

Obtained listing of all contracts in effect (and general ledger) and management's representation that the listing is complete.

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.

Formal written contracts were examined supporting the services arrangements and the amounts paid with no exceptions.

- 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)

Obtained supporting contract documentation and noted no noncompliance with legal requirements.

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

Obtained supporting contract documentation and noted solicitations for quotes as a best practice.

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

No contracts selected were amended.

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

Selected the largest payment from each contract along with supporting documentation and compared to the contract terms reflecting compliance with the terms and conditions of the contract with no exceptions.

- 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).

Proper approval was obtained on the contracts within the management of the sheriff's office.

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:

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

- 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.

Compensation paid to each employee was reviewed with no exceptions noted.

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

Changes were made one time during the current fiscal period for raises granted by the sheriff and were approved in writing and in accordance with written policy.

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.)

Randomly selected 25 employees/officials along with documentation of attendance and leave records with no exceptions noted.

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

Of the randomly selected 25 employees/officials, documentation of attendance and leave records were approved in writing by the required supervisors.

- 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.

Written leave records were maintained on the selected employees who earn leave with no exceptions.

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.

Obtained from management a listing of employees that were terminated during the fiscal period along with management's representation that the listing is complete. The largest two termination payments made during the fiscal period were examined and paid in accordance with written policies and approved by management with no exceptions.

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.

Obtained supporting documentation relating to payroll taxes, retirement contributions and reporting forms during the fiscal period, which were submitted to the proper agencies by the required deadlines with no exceptions.

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.

Examined the five randomly selected employees ethics compliance documentation maintained in personnel files with no exceptions.

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 has asserted that they 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.

Not applicable.

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.

Not applicable.

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

Not applicable.

Other

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.

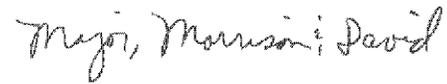
Management did have an instance of misappropriation of public funds- a case of payroll fraud. Supporting documentation was reviewed, and the sheriff reported the misappropriation of funds to the Louisiana Attorney General, District Attorney for the 18th Judicial District, and The Louisiana Legislative Auditor.

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 required notice was posted on the sheriff’s premises and website.

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 Pointe Coupee 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.



Major, Morrison & David
New Roads, Louisiana
November 13, 2017

POINTE COUPEE PARISH SHERIFF, LOUISIANA
New Roads, Louisiana

Management's Response to Statewide Agreed-Upon Procedures
For the Year Ended June 30, 2017

Management Response to Item:

- 6c. Management will double efforts regarding the collection of cash bonds at the detention center in order to make deposits within one day regardless of the amounts of the bonds collected.