

AVOUELLES PARISH SHERIFF

Marksville, Louisiana

Financial Report

Year Ended June 30, 2017

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report	1-3
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)	
Statement of net position	6
Statement of activities	7
FUND FINANCIAL STATEMENTS (FFS)	
Balance sheet - governmental funds	10
Reconciliation of the governmental funds balance sheet to the statement of net position	11
Statement of revenues, expenditures, and changes in fund balances - governmental funds	12
Reconciliation of the statement of revenues, expenditures, and changes in fund balances of governmental funds to the statement of activities	13
Statement of net position - proprietary fund	14
Statement of revenues, expenses, and changes in net position - proprietary fund	15
Statement of cash flows - proprietary fund	16
Statement of fiduciary net position - agency funds	17
Notes to basic financial statements	18-44
REQUIRED SUPPLEMENTARY INFORMATION	
General Fund: budgetary comparison schedule	46
Special Revenue Fund: budgetary comparison schedule - 1994 Sales Tax Fund	47
Schedule of funding progress	48
Schedule of employer's contributions	49
Schedule of employer's share of net pension liability	50
Notes to required supplementary information	51
OTHER SUPPLEMENTARY INFORMATION	
General Fund: schedule of expenditures - amended budget (GAAP basis) and actual	53-54
Affidavit	55
INTERNAL CONTROL, COMPLIANCE AND OTHER MATTERS	
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	57-58
Schedule of current and prior year audit findings and management's corrective action plan	59

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

OFFICES

C. Burton Kolder, CPA*
Russell F. Champagne, CPA*
Victor R. Slaven, CPA*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Brad E. Kolder, CPA, JD*
Stephen J. Anderson, CPA*
Penny Angelle Scruggins, CPA
Christine C. Doucet, CPA
Wanda F. Arcement, CPA, CVA
Bryan K. Joubert, CPA
Matthew E. Margaglio, CPA

Casey L. Ardoin, CPA
Alan M. Taylor, CPA
Albert R. Leger, CPA, PFS, CSA*
Marshall W. Guidry, CPA
Stephen R. Moore, Jr., CPA, PFS, CFP®, ChFC®*
James R. Roy, CPA
Robert J. Metz, CPA
Kelly M. Doucet, CPA
Mandy B. Self, CPA
Paul L. Delcambre, Jr., CPA
Jane R. Hebert, CPA
Deirdre L. Stock, CPA
Karen V. Fontenot, CPA
Tabby A. LeMay, CPA
Shayne M. Breaux, CPA

183 South Beadle Rd
Lafayette, LA 70508
Phone (337) 232-4141
Fax (337) 232-8660

450 East Main Street
New Iberia, LA 70560
Phone (337) 367-9204
Fax (337) 367-9208

113 East Bndge St
Breaux Bndge, LA 70517
Phone (337) 332-4020
Fax (337) 332-2867

200 South Main Street
Abbeville, LA 70510
Phone (337) 893-7944
Fax (337) 893-7946

1234 David Dr Ste 203
Morgan City, LA 70380
Phone (985) 384-2020
Fax (985) 384-3020

1013 Main Street
Franklin, LA 70538
Phone (337) 828-0272
Fax (337) 828-0290

434 East Main Street
Ville Platte, LA 70586
Phone (337) 363-2792
Fax (337) 363-3049

133 East Waddil St
Marksville, LA 71351
Phone (318) 253-9252
Fax (318) 253-8681

332 West Sixth Avenue
Oberlin, LA 70655
Phone (337) 639-4737
Fax (337) 639-4568

1428 Metro Dnve
Alexandria, LA 71301
Phone (318) 442-4421
Fax (318) 442-9833

WEB SITE
WWW.KCSRCPAS.COM

Retired
Conrad O. Chapman, CPA* 2006

INDEPENDENT AUDITOR'S REPORT

* A Professional Accounting Corporation

The Honorable Douglas Anderson
Avoyelles Parish Sheriff
Marksville, Louisiana

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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, the business-type activities, each major fund, and the aggregate remaining fund information of the Avoyelles Parish Sheriff as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, schedule of funding progress, schedule of employer's contributions, schedule of employers' share of net position liability and applicable notes to RSI on pages 46 through 51 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Avoyelles Parish Sheriff's basic financial statements. The other supplementary information on pages 53 through 55 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The other information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 6, 2017, on our consideration of the Avoyelles 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 the 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 Avoyelles Parish Sheriff's internal control over financial reporting and compliance.

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

Alexandria, Louisiana
November 6, 2017

BASIC FINANCIAL STATEMENTS

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

AVOUELLES PARISH SHERIFF
Marksville, Louisiana

Statement of Net Position
June 30, 2017

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and interest-bearing deposits	\$ 473,100	\$ 51,904	\$ 525,004
Receivables	25,339	-	25,339
Due from other governmental units	801,138	-	801,138
Inventory	3,860	48,682	52,542
Other assets	42,607	-	42,607
Total current assets	1,346,044	100,586	1,446,630
Noncurrent assets:			
Restricted assets:			
Cash with paying agent	142,040	-	142,040
Other restricted cash	128,803	-	128,803
Capital assets:			
Land	174,400	-	174,400
Capital assets, net	3,367,558	76,839	3,444,397
Total noncurrent assets	3,812,801	76,839	3,889,640
Total assets	5,158,845	177,425	5,336,270
DEFERRED OUTFLOWS OF RESOURCES	1,556,949	21,699	1,578,648
LIABILITIES			
Current liabilities:			
Accounts and other accrued liabilities	455,877	25,945	481,822
Interest payable	6,415	-	6,415
Bonds payable	179,000	-	179,000
Note payable	438,282	-	438,282
Total current liabilities	1,079,574	25,945	1,105,519
Noncurrent liabilities:			
Bonds payable	265,000	-	265,000
Net pension liability	3,339,977	42,410	3,382,387
OPEP obligation payable	5,501,115	-	5,501,115
Total noncurrent liabilities	9,106,092	42,410	9,148,502
Total liabilities	10,185,666	68,355	10,254,021
DEFERRED INFLOWS OF RESOURCES	1,000,911	1,468	1,002,379
NET POSITION			
Net investment in capital assets	3,276,958	76,839	3,353,797
Restricted	91,843	-	91,843
Unrestricted (deficit)	(7,839,584)	52,462	(7,787,122)
Total net position	\$ (4,470,783)	\$ 129,301	\$ (4,341,482)

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

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Statement of Activities
For the Year Ended June 30, 2017

Activities	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position		
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
Public safety	\$ 12,421,416	\$ 8,038,912	\$ 288,382	\$ -	\$ (4,094,122)	\$ -	\$ (4,094,122)
Interest expense	51,013	-	-	-	(51,013)	-	(51,013)
Total governmental activities	<u>12,472,429</u>	<u>8,038,912</u>	<u>288,382</u>	<u>-</u>	<u>(4,145,135)</u>	<u>-</u>	<u>(4,145,135)</u>
Business-type activities:							
Commissary	520,180	814,951	-	-	-	294,771	294,771
Total business-type activities	<u>520,180</u>	<u>814,951</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>294,771</u>	<u>294,771</u>
Total	<u>\$ 12,992,609</u>	<u>\$ 8,853,863</u>	<u>\$ 288,382</u>	<u>\$ -</u>	<u>\$ (4,145,135)</u>	<u>\$ 294,771</u>	<u>\$ (3,850,364)</u>
General revenues:							
Taxes -							
Property taxes, levied for general purposes					977,780	-	977,780
Sales and use taxes, levied for general purposes					2,213,232	-	2,213,232
State revenue sharing					122,750	-	122,750
Grants and contributions not restricted to specific programs -							
State sources					163,685	-	163,685
Interest and investment earnings					848	129	977
Miscellaneous					255,096	-	255,096
Nonemployer pension contributions					203,268	3,747	207,015
Transfers					365,000	(365,000)	-
Total general revenues and transfers					<u>4,301,659</u>	<u>(361,124)</u>	<u>3,940,535</u>
Change in net position					156,524	(66,353)	90,171
Net position (deficit) - July 1, 2016					<u>(4,627,307)</u>	<u>195,654</u>	<u>(4,431,653)</u>
Net position (deficit) - June 30, 2017					<u>\$ (4,470,783)</u>	<u>\$ 129,301</u>	<u>\$ (4,341,482)</u>

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

FUND FINANCIAL STATEMENTS (FFS)

MAJOR FUND DESCRIPTIONS

General Fund

To account for resources traditionally associated with governments which are not required to be accounted for in another fund.

Special Revenue Fund

1994 Sales Tax Fund

To account for the receipt and use of proceeds of the Sheriff's 1994 one-half percent sales and use tax. These taxes are dedicated to the following purposes: establishing, acquiring, constructing, improving, maintaining, staffing and operating equipment and facilities necessary to provide enhanced 911 emergency telephone, ambulance, dispatch and other services for the benefit of the residents of the Parish.

Debt Service Fund

Sales Tax Bond Sinking and Reserve

To accumulate monies for repayment of the \$1,460,000 Sales Tax Bonds, Series 2004, interest due semi-annually at 4.0 to 6.5 percent and for repayment of the \$500,000 Certificates of Indebtedness, Series 2007, interest due semi-annually at 4.22%. Payments are derived from the one-half cent sales and use tax approved by the voters on November 19, 1992.

Enterprise Fund

Commissary Fund

To account for the provision of a commissary to the parish inmates housed by the Sheriff. All activities necessary to provide such services are accounted for in this fund.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Balance Sheet - Governmental Funds
June 30, 2017

	General	1994 Sales Tax	Sales Tax Bonds	Total
ASSETS				
Cash and interest-bearing deposits	\$ 242,730	\$ 121,022	\$ 109,348	\$ 473,100
Cash with paying agent	-	-	142,040	142,040
Other restricted cash	-	-	128,803	128,803
Receivables:				
Due from other governmental agencies	585,867	215,271	-	801,138
Other	25,339	-	-	25,339
Inventory	3,860	-	-	3,860
Other assets	<u>37,679</u>	<u>4,928</u>	<u>-</u>	<u>42,607</u>
Total assets	<u>\$ 895,475</u>	<u>\$341,221</u>	<u>\$380,191</u>	<u>\$ 1,616,887</u>
LIABILITIES AND FUND BALANCES				
Accounts and other payables	\$ 420,349	\$ 32,961	\$ -	\$ 453,310
Due to other governmental agencies	<u>-</u>	<u>2,567</u>	<u>-</u>	<u>2,567</u>
Total liabilities	<u>420,349</u>	<u>35,528</u>	<u>-</u>	<u>455,877</u>
Fund balances -				
Nonspendable	41,539	-	-	41,539
Restricted	-	305,693	380,191	685,884
Unassigned	<u>433,587</u>	<u>-</u>	<u>-</u>	<u>433,587</u>
Total fund balances	<u>475,126</u>	<u>305,693</u>	<u>380,191</u>	<u>1,161,010</u>
Total liabilities and fund balances	<u>\$ 895,475</u>	<u>\$341,221</u>	<u>\$380,191</u>	<u>\$ 1,616,887</u>

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

AVOUELLES PARISH SHERIFF
Marksville, Louisiana

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

Total fund balances for governmental funds at June 30, 2017		\$ 1,161,010
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Land	\$ 174,400	
Buildings and improvements, net of \$2,086,411 accumulated depreciation	2,988,892	
Equipment and furniture, net of \$2,737,915 accumulated depreciation	202,233	
Vehicles, net of \$1,278,721 accumulated depreciation	<u>176,433</u>	3,541,958
The deferred outflows of expenditures for the LA Sheriff's Pension and Relief Fund are not a use of current resources, and, therefore, are not reported in the funds.		
		1,556,949
General long-term debt of governmental activities is note payable from current resources and, therefore, not reported in the funds. This debt is:		
Certificates of indebtedness payable	(59,000)	
Sales tax bonds payable	(385,000)	
Accrued interest payable	(6,415)	
Note payable to bank	(438,282)	
Net pension liability payable	(3,339,977)	
Net OPEB obligation payable	<u>(5,501,115)</u>	(9,729,789)
The deferred inflows of contributions for the LA Sheriff's Pension and Relief Fund are not available resources, and, therefore, are not reported in the funds.		
		<u>(1,000,911)</u>
Total net position (deficit) of governmental activities at June 30, 2017		<u>\$ (4,470,783)</u>

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

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

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

	<u>General</u>	<u>1994 Sales Tax</u>	<u>Sales Tax Bonds</u>	<u>Total</u>
Revenues:				
Ad valorem taxes	\$ 977,780	\$ -	\$ -	\$ 977,780
Sales taxes	-	2,000,232	213,000	2,213,232
Intergovernmental revenues -				
Local sources	128,040	-	-	128,040
State grants:				
State revenue sharing (net)	122,750	-	-	122,750
State supplemental pay	265,868	-	-	265,868
Other	102,820	83,379	-	186,199
Fees, charges, and commissions for services -				
Civil and criminal	658,044	-	-	658,044
Feeding and keeping prisoners	6,460,447	-	-	6,460,447
Inmate fund revenues	241,755	-	-	241,755
Work release program	550,626	-	-	550,626
Miscellaneous -				
Other	220,031	35,547	366	255,944
Total revenues	<u>9,728,161</u>	<u>2,119,158</u>	<u>213,366</u>	<u>12,060,685</u>
Expenditures:				
Current -				
Public safety:				
Personal services and related benefits	5,693,500	579,294	-	6,272,794
Operating services	1,388,132	-	-	1,388,132
Operations and maintenance	3,439,228	222,733	-	3,661,961
Debt service	240,000	-	196,858	436,858
Capital outlay	50,792	24,740	-	75,532
Total expenditures	<u>10,811,652</u>	<u>826,767</u>	<u>196,858</u>	<u>11,835,277</u>
Excess (deficiency) of revenues over expenditures	<u>(1,083,491)</u>	<u>1,292,391</u>	<u>16,508</u>	<u>225,408</u>
Other financing sources (uses):				
Proceeds from issuance of debt	80,000	-	-	80,000
Transfers in	1,541,000	-	-	1,541,000
Transfers out	-	(1,176,000)	-	(1,176,000)
Total other financing sources (uses)	<u>1,621,000</u>	<u>(1,176,000)</u>	<u>-</u>	<u>445,000</u>
Excess of revenues and other sources over expenditures and other uses	537,509	116,391	16,508	670,408
Fund balances (deficit), beginning	<u>(62,383)</u>	<u>189,302</u>	<u>363,683</u>	<u>490,602</u>
Fund balances, ending	<u>\$ 475,126</u>	<u>\$ 305,693</u>	<u>\$ 380,191</u>	<u>\$ 1,161,010</u>

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

AVOYELLES PARISH SHERIFF
Marksville, 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

Total net changes in fund balances at June 30, 2017 per		
Statement of revenues, expenditures and changes in fund balances	\$	670,408
The change in net position reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay which is considered expenditures on the statement of revenues, expenditures and changes in fund balances	\$	75,532
Depreciation expense for the year ended June 30, 2017	<u>(409,509)</u>	(333,977)
The net effect of various transactions involving capital assets, such as sales and trade-ins is to decrease net position as a result of a loss on the disposal of capital assets.		(249,573)
Bond and debt principal retirement considered as an expenditure on statement of revenues, expenditures and changes in fund balances.		172,000
Governmental funds report the issuance of debt as income. However, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, the repayment of principal is an expenditure in the governmental funds, but reduces the liability in the statement of activities.		
Less: Proceeds from line of credit	(80,000)	
Add: Principal paid on line of credit with Union Bank expensed in governmental funds.	<u>211,550</u>	131,550
Net OPEB obligation at June 30, 2017 not requiring the use of current economic resources and, therefore, not recorded as a fund expenditure.		(505,710)
Difference between interest on long-term debt on modified accrual basis versus interest on long-term debt on an accrual basis.		2,294
Nonemployer pension contributions to Louisiana Sheriff's Pension and Relief Fund		<u>269,532</u>
Total change in net position at June 30, 2017 per statement of activities	\$	<u>156,524</u>

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

AVOUELLES PARISH SHERIFF
Marksville, Louisiana

Statement of Net Position
Proprietary Fund
June 30, 2017

ASSETS

Current assets:

Cash and interest-bearing deposits	\$ 51,904
Inventory	<u>48,682</u>
Total current assets	<u>100,586</u>

Noncurrent assets:

Capital assets, net of accumulated depreciation	<u>76,839</u>
Total assets	<u>177,425</u>

DEFERRED OUTFLOWS OF RESOURCES

21,699

LIABILITIES

Current liabilities:

Accounts and other payables	<u>25,945</u>
-----------------------------	---------------

Noncurrent liabilities:

Net pension liability	<u>42,410</u>
Total liabilities	<u>68,355</u>

DEFERRED INFLOWS OF RESOURCES

1,468

NET POSITION

Net investment in capital assets	76,839
Unrestricted	<u>52,462</u>
Total net position	<u>\$ 129,301</u>

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

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Fund
For the Year Ended June 30, 2017

Sales	\$ 814,951
Cost of goods sold	<u>423,874</u>
Gross profit	<u>391,077</u>
Operating expenses:	
Personal services and related benefits	83,030
Operations and maintenance	9,843
Depreciation	<u>3,433</u>
Total operating expenses	<u>96,306</u>
Operating income	294,771
Nonoperating revenues:	
Interest income	129
Nonemployer pension contributions	<u>3,747</u>
Total nonoperating revenues	<u>3,876</u>
Income before transfers	298,647
Transfers out	<u>(365,000)</u>
Change in net position	(66,353)
Net position, beginning	<u>195,654</u>
Net position, ending	<u>\$ 129,301</u>

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

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Statement of Cash Flows
Proprietary Fund Type - Enterprise
For the Year Ended June 30, 2017

Cash flows from operating activities:	
Receipts from customers	\$ 814,951
Payments to suppliers	(414,574)
Payments to employees	<u>(83,030)</u>
Net cash provided by operating activities	317,347
Cash flows from noncapital financing activities:	
Transfers to other funds	(365,000)
Nonemployer pension contributions	<u>(1,222)</u>
Net cash used by noncapital financing activities	<u>(366,222)</u>
Cash flows from investing activities:	
Interest earned	<u>129</u>
Net decrease in cash and cash equivalents	(48,746)
Cash and cash equivalents, beginning of period	<u>100,650</u>
Cash and cash equivalents, end of period	<u><u>\$ 51,904</u></u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 294,771
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	3,433
Changes in current assets and liabilities -	
Decrease in inventory	35,147
Decrease in accounts payable	<u>(16,004)</u>
Net cash provided by operating activities	<u><u>\$ 317,347</u></u>

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

AVOUELLES PARISH SHERIFF
Marksville, Louisiana

Statement of Fiduciary Net Position
Agency Funds
June 30, 2017

ASSETS

Cash and interest-bearing deposits \$374,931

LIABILITIES

Due to taxing bodies, prisoners and others \$374,931

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

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the Avoyelles Parish Sheriff (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, investigations, and serves the residents of the parish through the establishment of neighborhood watch programs, anti-drug abuse programs, et cetera. In addition, when requested, the Sheriff provides assistance to other law enforcement agencies within the parish.

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

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

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

The accompanying financial statements of the Avoyelles Parish Sheriff have been prepared in conformity with generally accepted accounting principles (GAAP) generally accepted in the United States of America as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

The following is a summary of certain significant accounting policies;

A. Financial Reporting Entity

For financial reporting purposes, the Sheriff includes all funds, activities, et cetera that are controlled by the Sheriff as an independently elected parish official. As an independently elected parish official, the Sheriff is solely responsible for the operations of his office, which include the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. The Sheriff is fiscally independent. As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the Avoyelles Parish Sheriff (the primary government). There are no component units to be included in the Sheriff's reporting entity.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to Basic Financial Statements (continued)

B. Basis of Presentation

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 non-fiduciary 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, and liabilities and deferred inflows or resources resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions."

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

Fund Financial Statements (FFS)

The Sheriff uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain sheriff functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The various funds of the Sheriff are classified into three categories: governmental, proprietary, and fiduciary. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Sheriff or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures of the individual governmental fund is at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets liabilities, revenues, or expenditures of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to Basic Financial Statements (continued)

The Sheriff reports the following major governmental funds:

Governmental Funds –

General Fund

The General Fund is the primary operating fund of the Sheriff. It accounts for all financial resources except those that are required to be accounted for in other funds.

1994 Sales Tax Special Revenue Fund

The Sales Tax Special Revenue Fund accounts for the proceeds of a one-half percent sales and use tax that is legally restricted to expenditures for specific purposes.

Debt Service Fund

The Sales Tax Bond Sinking and Reserve Debt Service Fund is used to account for the accumulation of resources for and the payment of general long-term debt principal, interest and related costs.

Additionally, the Avoyelles Parish Sheriff reports the following fund types:

Proprietary Fund –

A proprietary fund is used to account for ongoing activities that are similar to those often found in the private sector. The measurement focus is based upon the determination of net income, financial position, and cash flows. Operating revenues of the proprietary fund are revenues derived from user charges (commissary sales). Nonoperating revenues are those of an ancillary nature. The following is the Sheriff's proprietary fund type:

Enterprise fund

An enterprise fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Sheriff applies all applicable principles under the Governmental Accounting Standards Board (GASB) in accounting and reporting for its enterprise fund. The Sheriff's enterprise fund is the Commissary Fund.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to Basic Financial Statements (continued)

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. 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. Consequently, the agency funds have no measurement focus, but use the accrual basis of accounting.

C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net position and the statement of activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined in item b. below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary fund utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

Basis of Accounting

In the government-wide statement of net position and statement of activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows of resources,

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to Basic Financial Statements (continued)

liabilities and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Sheriff considers all revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due. Also, certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources.

The proprietary fund utilizes the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset is used.

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Equity

Cash and Interest-bearing Deposits

Cash and interest-bearing deposits include amounts in demand deposits, interest-bearing demand deposits, and time deposits. These deposits are stated at cost, which approximates market. For the purpose of the proprietary fund statement of cash flows, "cash and cash equivalents" include all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of three months or less when purchased.

Receivables

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

Inventories

Inventory of the Sheriff's General Fund consists of food purchased by the Sheriff. Inventory of the Sheriff's Enterprise Fund consists of items purchased by the Sheriff for resale to prisoners. All inventory items are recorded as expenses when consumed. All purchased inventory items are valued at the lower of cost (first-in, first-out) or market.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to Basic Financial Statements (continued)

Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond June 30, 2017 are recorded as prepaid items. The prepaid items that existed at June 30, 2017 were prepaid insurance, prepaid computer maintenance expenses, and prepaid operating leases.

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 \$5,000 or more for capitalizing capital assets.

Capital assets are recorded in the statement of net position; depreciation is recorded in the 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>Asset Class</u>	<u>Estimated Useful Lives</u>
Buildings and improvements	5-60
Equipment and furniture	7-20
Vehicles	5

Compensated Absences

Each employee of the Sheriff's office is granted 10 days of vacation leave and 7 days of sick leave each year after one year of service. Neither vacation nor sick leave may be accumulated.

There are no accumulated and vested vacation and sick leave benefits at June 30, 2017 which require accrual or disclosure to conform with accounting principles generally accepted in the United States of America.

Deferred Outflows of Resources and Deferred Inflows of Resources

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

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to Basic Financial Statements (continued)

Equity Classifications

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

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Constraints may be placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – Net amount of the assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in either of the other two categories of net position.

Proprietary fund equity is classified the same as in the government-wide statements. In the fund financial statements, governmental fund equity is classified as follows:

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

When an expenditure is incurred, for the purposes for which both restricted and unrestricted fund balance is available, the Sheriff considers restricted funds to

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to Basic Financial Statements (continued)

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

As of June 30, 2017, fund balances are comprised of the following:

	General Fund	1994 Sales Tax	Sales Tax Bond	Total Governmental Funds
Nonspendable:				
Inventory	\$ 3,860	\$ -	\$ -	\$ 3,860
Prepaid items	37,679	-	-	37,679
Restricted:				
Other purposes	-	305,693	380,191	685,884
Unassigned:	433,587	-	-	433,587
Total fund balances	\$475,126	\$305,693	\$380,191	\$1,161,010

E. Revenues, Expenditures, and Expenses

Program Revenues

Program revenues included in the statement of activities are derived directly from the program itself or from parties outside the Sheriff's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Sheriff's general revenues.

Revenues

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

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

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

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

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to Basic Financial Statements (continued)

Expenditures

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

Grant Revenue

In general, grants received by the Sheriff are reimbursable type grants, and revenues are recognized as earned only when the expenditures to be reimbursed have been incurred.

Other Financing Sources

Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) when the transfer is authorized by the Sheriff.

F. Estimates

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

(2) Cash and Interest – Bearing Deposits

Under state law, the Sheriff may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Sheriff may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2017, the Sheriff had cash and interest-bearing deposits (book balances) totaling \$1,170,778 as follows:

	Government-wide Statement of Net Position	Fiduciary Funds Statement of Net Position	Total
	<u>\$</u>	<u>\$</u>	<u>\$</u>
Cash and interest-bearing deposits	<u>795,847</u>	<u>374,931</u>	<u>1,170,778</u>

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Sheriff's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to Basic Financial Statements (continued)

to both parties. The following is a summary of deposit balances (bank balances) at June 30, 2017, and the related federal insurance and pledged securities:

Bank balances	<u>\$ 1,260,330</u>
Insured	370,993
Uninsured and collateral held by custodial bank not in Sheriff's name	<u>889,337</u>
 Total FDIC insurance and pledged securities	 <u>\$ 1,260,330</u>

Deposits in the amount of \$889,337 were exposed to custodial credit risk. The securities pledged for these deposits are held by the bank, or its trust department or agent, but not in the Sheriff's name. Even though the pledged securities are not held in the name of the Sheriff, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Sheriff that the fiscal agent has failed to pay deposited funds upon demand.

(3) Ad Valorem Taxes

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

Ad valorem taxes are budgeted and recorded in the year for which levied and billed. For the year ended June 30, 2017 law enforcement taxes applicable to the Sheriff's General Fund, were levied at the rate of 6.41 mills on property with assessed valuations totaling \$152,539,782.

Total law enforcement taxes levied during 2017 were \$977,780. There were no taxes receivable in the General Fund at June 30, 2017.

(4) Due from Other Governmental Units

Amounts due from other governmental agencies totaling \$801,138 at June 30, 2017, consisted of the following:

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to Basic Financial Statements (continued)

	Governmental Activities		
	General	Special Revenue	Total
Department of Corrections	\$ 421,141	\$ -	\$ 421,141
Department of Treasury	39,373	-	39,373
Louisiana Department of Revenue	-	30,627	30,627
Avoyelles Parish School Board	15,000	184,644	199,644
Avoyelles Parish Clerk of Court	1,720	-	1,720
Avoyelles Parish Police Jury	2,587	-	2,587
Social Security Commission	4,400	-	4,400
Various parishes and cities	76,268	-	76,268
Other	25,378	-	25,378
	\$ 585,867	\$ 215,271	\$ 801,138

(5) Capital Assets

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

	Balance 7/1/16	Additions	Deletions	Balance 6/30/17
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 174,400	\$ -	\$ -	\$ 174,400
Other capital assets:				
Buildings and improvements	5,476,409	15,072	416,178	5,075,303
Equipment and furniture	2,936,249	60,460	56,561	2,940,148
Vehicles	1,603,374	-	148,220	1,455,154
Totals	10,190,432	75,532	620,959	9,645,005
Less accumulated depreciation				
Buildings and improvements	2,145,845	107,421	166,855	2,086,411
Equipment and furniture	2,658,957	135,363	56,405	2,737,915
Vehicles	1,260,122	166,725	148,126	1,278,721
Total accumulated depreciation	6,064,924	409,509	371,386	6,103,047
Governmental activities, capital assets, net	\$4,125,508	\$(333,977)	\$ 249,573	\$3,541,958

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to Basic Financial Statements (continued)

	Balance 7/1/16	Additions	Deletions	Balance 6/30/17
Business-type activities:				
Other capital assets:				
Buildings and improvements	\$ 101,868	\$ -	\$ -	\$ 101,868
Equipment and furniture	5,895	-	-	5,895
Vehicles	23,000	-	-	23,000
Totals	130,763	-	-	130,763
Less accumulated depreciation				
Buildings and improvements	21,598	3,433	-	25,031
Equipment and furniture	8,028	-	-	8,028
Vehicles	20,865	-	-	20,865
Total accumulated depreciation	50,491	3,433	-	53,924
Business-type activities, capital assets, net	\$ 80,272	\$ (3,433)	\$ -	\$ 76,839

Depreciation expense in the amount of \$409,509 was charged to governmental activities as public safety. Depreciation expense in the amount of \$3,433 was charged to business-type activities.

The jail facility in Bunkie, Louisiana, known as DC-2, was given back to the Avoyelles Parish School Board in accordance with an intergovernmental agreement. As a result, the building and improvements were removed from the capital assets owned by the Sheriff's office, and a loss on disposal was recognized in the government-wide financial statements.

(6) Accounts and Other Accrued Payables

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

	Governmental Activities	Business-Type Activities
Accounts	\$ 386,040	\$ 22,723
Salaries	67,524	3,150
Payroll taxes and withholdings	2,313	72
Total	\$ 455,877	\$ 25,945

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to Basic Financial Statements (continued)

(7) Dedication of Proceeds and Flow of Funds – Sales and Use Tax

Proceeds of the one-half cent sales and use tax (2017 collections - \$2,213,232) approved by voters on November 19, 1992 and levied by the Sheriff beginning January 1, 1993 are dedicated to the following purposes:

Establishing, acquiring, constructing, improving, maintaining, staffing and operating equipment and facilities necessary to provide enhanced 911 emergency telephone, ambulance, dispatch and any other services for the benefit of the residents of the Parish.

Each month there will be set aside into a “Bond and Interest Sinking Fund”, also called the “Sinking Fund”, an amount consisting of 1/12 of the next maturing installment of principal and interest on the outstanding bonds. Such transfers must be made on or before the 20th day of each month to assure the prompt payment of principal and interest as they become due and may be used only for such payments.

During the year ended June 30, 2017, the Sheriff complied with the above requirements.

At June 30, 2017, \$215,271 of sales tax receivable is reflected on the Sales Tax Fund’s balance sheet.

(8) Pension Plan / GASB 68

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

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

Plan Description:

Benefits Provided:

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

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to Basic Financial Statements (continued)

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 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 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 earning to be considered for each twelve-month period within the thirty-six month period shall not exceed 125% of the preceding twelve month period.

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

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

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to Basic Financial Statements (continued)

Deferred Benefits:

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

In lieu of receiving a service retirement allowance, any member of the Fund who has more than sufficient service for a regular service retirement may elect to receive a "Back-DROP" benefit. The Back-DROP benefit is based upon the Back-DROP period selected and the final average compensation prior to the period selected. The Back-DROP period is the lesser of the 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 of 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 of the members' accrued retirement benefit at the time of termination of employment due to disability, or 2) the retirement benefit which would be payable assuming continued service to the earliest normal retirement age. Members who become partially disabled receive 75% of the amount payable for total disability.

Survivor's Benefits:

Survivor benefits of 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 the 50% of the member's final average compensation with a minimum of \$150 per month. If a spouse is entitled to benefits and has a child or children under eighteen years of age (or over said age if physically or mentally incapacitated and dependent upon the member at the time of his death), an additional sum of 15% of the member's final average compensation is paid to each child with total benefits paid to spouse and children not to exceed 100%. If a member dies with no surviving spouse, surviving children under age eighteen will receive monthly benefits of 15% of the member's final average compensation up to a maximum of 60% of final average compensation if there are more than four children. If a member is eligible for normal retirement at the time of death, the surviving spouse receives an

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to Basic Financial Statements (continued)

automatic option 2 benefit. The additional benefit payable to children shall be the same as those available for members who die in the line of duty. In lieu of receiving option 2 benefit, the surviving spouse may receive a refund of the member's accumulated contributions. All benefits payable to surviving children shall be extended through age twenty-two, if the child is a full-time student in good standing enrolled at a board approved or accredited school, college, or university.

Permanent Benefit Increases/ Cost-of-Living Adjustments:

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

Employer Contributions:

Contributions for all members are established by the Board of Trustees. The employee contribution rate for the year ended June 30, 2017 was 10.25%. Contributions are deducted from the member's salary and remitted monthly. Gross employer contributions are determined by actuarial valuation, and are subject to change each year in accordance with R.S. 11:103. For the year ended June 30, 2017 the employers contributed 13.75% of the members' salaries with an additional 0.0% allocated from the Funding Deposit account.

In accordance with the state statute, the Fund receives ad valorem taxes, insurance premium taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations. Non-employer contributions are recognized as revenues in the amount of \$207,015 and excluded from pension expense for the year ended June 30, 2017.

Employer Allocations:

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

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

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to Basic Financial Statements (continued)

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

As of June 30, 2017, the Sheriff reported a liability of \$3,382,387 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016 and the total pension liability used to calculate the net pension was determined by an actuarial valuation as of that date. The Sheriff's proportion of the net pension liability was based on a projection of the Sheriff's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of June 30, 2016, the Sheriff's proportion was 0.532920% which was a decrease of .082209% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the Sheriff recognized pension expense of \$377,920 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$2,235.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 354,775
Changes of assumptions	276,331	-
Net difference between projected and actual earnings on pension plan investments	847,120	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	7,557	647,604
Employer contributions subsequent to the measurement date	447,640	-
Total	\$ 1,578,648	\$ 1,002,379

Deferred outflows of resources of \$447,640 related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to Basic Financial Statements (continued)

Fiscal Year Ended	
6/30/2018	\$ (45,115)
6/30/2019	(45,115)
6/30/2020	201,631
6/30/2021	126,403
6/30/2022	<u>(54,592)</u>
	<u>\$ 183,212</u>

Contributions- Proportionate Share:

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

Actuarial Assumptions:

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

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

Valuation Date	June 30, 2016
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	2016 - 7 years 2015 - 6 years 2014 - 6 years
Investment Rate of Return	7.6%
Projected Salary Increases	5.5% (2.875% inflation, 2.625% merit)
Inflation Rate	2.9% per annum
Mortality	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Table for active members, healthy annuitants and beneficiaries RP-2000 Disabled Lives Mortality Table

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to Basic Financial Statements (continued)

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.

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

Asset Class	Expected Rate of Return		
	Target Asset Allocation	Real Return Arithmetic Basis	Long-term Expected Portfolio Real Rate of Return
Equity Securities	60%	6.4%	3.9%
Bonds	25%	1.9%	.5%
Alternative Investments	15%	4.3%	.6%
Cash and cash equivalents	-	-	-
Totals	100%		5.0%
Inflation			<u>2.7%</u>
Expected Arithmetic Nominal Return			<u>7.7%</u>

Discount Rate:

The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers will be made at actuarially determined rates approved by PRSAC taking into consideration the recommendation of the Fund's actuary. Based on those assumptions, the pension plan's fiduciary net pension was projected to be available to make all projected future benefit payments of current active 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.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to Basic Financial Statements (continued)

Sensitivity of the Sheriff's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Sheriff's proportionate share of the net pension liability using the discount rate of 7.5%, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower, 6.5%, or one percentage-point higher, 8.5%, than the current rate:

	Changes in discount rate		
	1.0% Decrease	Current	1.0% Increase
	6.5%	Discount Rate 7.5%	8.5%
Sheriff's proportionate share of the net pension liability	<u>\$ 5,738,565</u>	<u>\$ 3,382,387</u>	<u>\$ 1,437,642</u>

(9) Post-Retirement Health Care and Life Insurance Benefits

Plan Description - The Avoyelles Parish Sheriff's Office's medical and life insurance benefits are provided to employees upon actual retirement.

The employer pays 100% of the medical coverage for the retiree only (not dependents). The employer also pays for life insurance coverage after retirement. Employees are covered by the Louisiana Sheriff's Pension and Relief Fund, whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age or age 55 and 15 years of service. For employees whose membership in the retirement system began on or after January 1, 2012, retirement eligibility is 30 years of service and age 55, or age 60 and 20 years of service, or age 62 and 12 years of service.

Life insurance coverage is continued to retirees by election and based on a blended rate (active employees and retirees). The employer pays for \$10,000 of life insurance after retirement with the retiree paying the remainder, both based on the blended rate. Since GASB 45 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. 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.

Funding Policy - Until 2008, Avoyelles Parish Sheriff recognized the cost of providing post-employment medical and life insurance benefits (Avoyelles Parish Sheriff's portion of the retiree medical and life insurance benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. In 2017 and 2016, the Sheriff's portion of health care and life insurance funding cost for retired employees totaled \$439,366 and 142,214, respectively.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to Basic Financial Statements (continued)

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

Annual Required Contribution - The Avoyelles Parish Sheriff's Office's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The Annual Required Contribution (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 43/45) has been used for the post-employment benefits. The actuarially computed ARC is as follows:

Normal Cost	\$ 344,349
30-year UAL amortization amount	<u>689,795</u>
 Annual required contribution (ARC)	 <u>\$ 1,034,144</u>

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

Beginning Net OPEB Obligation (Asset)	\$ 4,995,405
Annual required contribution	1,034,144
Interest on Net OPEB Obligation (Asset)	199,816
ARC Adjustment	<u>(288,885)</u>
OPEB Cost	945,075
Contribution to Irrevocable Trust	-
Current year retiree premium	<u>(439,365)</u>
Change in Net OPEB Obligation	<u>505,710</u>
Ending Net OPEB Obligation (Asset)	<u>\$ 5,501,115</u>

The following table shows the Avoyelles Parish Sheriff's Office's annual post-employment benefits (PEB) cost, the percentage of cost contributed, and the net unfunded post-employment benefits (PEB) liability for the fiscal year ending June 30, 2017 and the two preceding years:

Post Employment Benefit	Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual Cost Contributed	Net OPEB Obligation (Asset)
Medical and Life	June 30, 2016	\$ 708,227	20.08%	\$4,995,405
Medical and Life	June 30, 2017	\$ 945,075	46.49%	\$5,501,115

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to Basic Financial Statements (continued)

Funded Status and Funding Progress - In the fiscal year ending June 30, 2017, the Avoyelles Parish Sheriff's Office made no contributions to its post-employment benefits plan. The plan was not funded, has no assets, and hence has a funded ratio of zero. Based on the July 1, 2016 actuarial valuation, the most recent valuation, the Actuarial Accrued Liability (AAL) at the end of the year June 30, 2017 was \$12,404,915, which is defined as that portion, as determined by a particular actuarial cost method (the Avoyelles Parish Sheriff uses the Projected Unit Credit Cost Method), of the actuarial present value of post-employment plan benefits and expenses which is not provided by normal cost.

Actuarial accrued liability (AAL)	\$12,404,915
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	\$12,404,915
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered Payroll (active plan members)	\$ 3,318,748
UAAL as a percentage of covered payroll	373.78%

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

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the Avoyelles Parish Sheriff's Office and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the Avoyelles 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 the Avoyelles 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 no plan assets. It is anticipated that in future valuations, should funding take place, a smoothed market value consistent with Actuarial Standards

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to Basic Financial Statements (continued)

Board Actuarial Standards of Practice Number 6 (ASOP 6), as provided in paragraph number 125 of GASB Codification Section P50.

Turnover Rate - An age-related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce a composite average annual turnover of approximately 10%.

Post-employment Benefit Plan Eligibility Requirements - Although employees may retire at age 55 and 12 years of service, historically they have tended to wait until later to enter the reverse five year D.R.O.P. To accommodate this historical tendency, we have assumed that actual retirement (and commencement of OPEB benefits) occurs at the end of the D.R.O.P. period, or at the earlier of 30 years of service and age 60 and 15 years of service. Employees hired on an after January 1, 2012 were assumed to retire not earlier than age 62 and 12 years of service. Medical benefits are provided to employees upon actual retirement.

Investment Return Assumption (Discount Rate). GASB Statement 45 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. 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, is used. This is a recently published mortality table which has been used in determining the value of accrued benefits in defined benefit pension plans. Projected future mortality improvement has not been used since it is our opinion that this table contains sufficiently conservative margin for the population involved in this valuation.

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

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

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.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to Basic Financial Statements (continued)

(10) Changes in Agency Fund Balances

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

	Civil Fund	Bond Fund	Fines and Costs Fund	12th Judicial Court Fines Fund	Tax Collector Fund	Inmate Fund
Balances						
June 30, 2016	\$ 83,303	\$24,400	\$ 40,007	\$ (401)	\$ -	\$ 209,241
Additions	868,946	9,001	320,415	745,717	11,032,226	1,727,008
Reductions	<u>862,389</u>	<u>2,051</u>	<u>317,345</u>	<u>745,316</u>	<u>11,025,603</u>	<u>1,732,228</u>
Balances						
June 30, 2017	<u>\$ 89,860</u>	<u>\$31,350</u>	<u>\$ 43,077</u>	<u>\$ -</u>	<u>\$ 6,623</u>	<u>\$ 204,021</u>

(11) Changes in Long-Term Debt

The Sheriff's long-term debt is attributable to governmental activities. The following is a summary of the long-term debt transactions for the year ended June 30, 2017:

	Balance 07/01/16	Additions	Reductions	Balance 06/30/17	Due Within One Year
Certificates of indebtedness	\$ 116,000	\$ -	\$ 57,000	\$ 59,000	\$ 59,000
Sales Tax Bonds	500,000	-	115,000	385,000	120,000
Line of Credit	<u>569,832</u>	<u>80,000</u>	<u>211,550</u>	<u>438,282</u>	<u>438,282</u>
Total	<u>\$1,185,832</u>	<u>\$ 80,000</u>	<u>\$ 383,550</u>	<u>\$ 882,282</u>	<u>\$ 617,282</u>

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to Basic Financial Statements (continued)

Debt outstanding at June 30, 2017 are comprised of the following issues:

\$1,460,000 Sales Tax Bonds dated September 1, 2004; due in annual installments of \$65,000 to \$135,000 through September 1, 2019; interest due semi-annually at 4.00 to 6.50 percent; secured by an irrevocable pledge and dedication of funds derived from a parishwide sales and use tax of 1/2 of one percent.	\$ 385,000
\$500,000 Certificates of Indebtedness dated October 1, 2007; due in annual installments of \$43,000 to \$59,000 through October 1, 2017; interest at 4.22 percent; secured by an irrevocable pledge and dedication of funds derived from a parishwide special tax of 6.41 mills.	59,000
\$750,000 line of credit with Union Bank drawn on July 1, 2014 and August 1, 2015; due monthly; renewable each year in June; interest at 6.0 percent	<u>438,282</u>
Total bonds and certificates payable	<u><u>\$ 882,282</u></u>

Annual debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Totals
2018	179,000	15,901	194,901
2019	130,000	9,007	139,007
2020	<u>135,000</u>	<u>3,038</u>	<u>138,038</u>
	<u><u>\$ 444,000</u></u>	<u><u>\$ 27,946</u></u>	<u><u>\$ 471,946</u></u>

(12) Litigation and Claims

At June 30, 2017, the Sheriff is involved in several lawsuits claiming damages which are not covered by insurance. The Sheriff's legal advisor is unable to estimate the ultimate resolution of most of these matters because they are premature for estimation of possible loss. There is one lawsuit where the legal advisor finds that the recoverable damages are difficult to analyze however it could cost the Sheriff up to \$200,000 in employees lost past and future wages if the plaintiff is awarded. No liability has been recorded for this estimate at this time. In another suit, the legal advisor finds that it is likely that recoverable damages could arise, however, at this time it is unknown as to the extent of any damages claimed, which are estimated to be less than \$10,000 if awarded. No liability has been recorded for this estimate at this time.

(13) Risk Management

The Sheriff's office is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Sheriff was unable to obtain law enforcement liability insurance at a cost it considered to be economically justifiable. Management believes it is more economical to manage its risk internally and set aside assets for claim settlement in its General Fund. As of June 30, 2017, no funds were designated for law enforcement liability claims and incidental costs.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to Basic Financial Statements (continued)

Two settled claims resulting from these risks exceeded commercial insurance coverage. As of June 30, 2017, the Sheriff paid one installment of \$20,000 towards one claim totaling \$50,000. In July 2017 the Sheriff paid one installment of \$20,000 towards on claim totaling \$100,000. Both liabilities have been recorded in the financial statements. In October 2015 the Sheriff reduced insurance premiums by becoming self-insured for general and automobile liability.

(14) Act 706 – Compensation, Benefits and Other Payments to Sheriff

A detail of compensation, benefits and other payments paid to Sheriff Doug Anderson for the year ended June 30, 2017 are as follows:

Salary	\$ 159,540
Benefits - payroll taxes	2,313
Benefits - pension fund	21,937
Benefits - health insurance	7,709
Travel	666
Conference registration fee	<u>50</u>
Total	<u>\$ 192,215</u>

(15) Interfund Transactions

Transfers of \$1,541,000 in the General Fund consisted of amounts transferred from the Sales Tax Special Revenue Fund and the Enterprise Fund to the General Fund for reimbursement of personnel services and related benefits, and other expenditures.

(16) Wireless E911 Service

The Avoyelles Parish Sheriff does not collect service charges on emergency telephone services. All 911 services are funded with the proceeds of the one-half percent sales and use tax now being levied and collected pursuant to an election held on November 3, 1992, recorded as revenue in the Special Revenue Fund in these financial statements.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to Basic Financial Statements (continued)

(17) Ex-officio Tax Collector

The amount of cash on hand at the end of the year was \$6,623. The total unsettled balance includes taxes paid under protest, which have been held in an escrow account.

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

Avoyelles Parish Police Jury	\$ 2,281,521
Avoyelles Parish School Board	3,409,104
Avoyelles Parish Assessor	828,280
Avoyelles Parish Sheriff	1,101,006
Hospital Service District No. 1	131,472
City of Marksville	213,435
City of Bunkie	457,935
Ward I Fire District	56,807
Fire Protection District No. 2	1,100,284
Red River Waterway District Treasurer	337,745
Southwest Water District	41,547
Red River, Atchafalaya, Bayou Boeuf - Levee District	399,644
Gravity Drainage District	15,843
Louisiana Forestry Commission	14,929
Louisiana Tax Commission	15,083
Pension funds	275,053
Redemptions	54,623
Refunds	<u>6,280</u>
Total	<u>\$ 10,740,591</u>

(18) Occupational Licenses

For the fiscal year ended June 30, 2017, the collection and distribution of occupational licenses was as follows:

	Total Occupational Licenses	Police Jury	Sheriff's Office
Occupational Licenses	<u>\$285,012</u>	<u>\$242,260</u>	<u>\$ 42,752</u>

**REQUIRED
SUPPLEMENTARY INFORMATION**

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

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

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Ad valorem taxes	\$ 945,000	\$ 954,643	\$ 977,780	\$ 23,137
Intergovernmental revenues -				
Local sources	77,500	126,838	128,040	1,202
State grants:				
State revenue sharing	117,000	122,749	122,750	1
State supplemental pay	275,000	243,882	265,868	21,986
Other	125,000	115,195	102,820	(12,375)
Fees, charges, and commissions for services -				
Civil and criminal and other charges	535,700	550,902	658,044	107,142
Feeding and keeping prisoners	7,671,150	6,466,704	6,460,447	(6,257)
Inmate fund revenues	260,000	238,858	241,755	2,897
Work release program	570,000	531,353	550,626	19,273
Miscellaneous -				
Other	259,185	224,641	220,031	(4,610)
Total revenues	<u>10,835,535</u>	<u>9,575,765</u>	<u>9,728,161</u>	<u>152,396</u>
Expenditures:				
Current -				
Public Safety:				
Personal services and related benefits	6,663,000	5,882,720	5,693,500	189,220
Operating services	1,525,000	1,396,075	1,388,132	7,943
Operations and maintenance	3,774,000	3,509,991	3,439,228	70,763
Debt service	240,000	240,000	240,000	-
Capital outlay	20,000	47,000	50,792	(3,792)
Total expenditures	<u>12,222,000</u>	<u>11,075,786</u>	<u>10,811,652</u>	<u>264,134</u>
Deficiency of revenues over expenditures	(1,386,465)	(1,500,021)	(1,083,491)	416,530
Other financing sources:				
Proceeds from issuance of debt	100,000	100,000	80,000	(20,000)
Transfers in	1,500,000	1,521,000	1,541,000	20,000
Total other financing sources	<u>1,600,000</u>	<u>1,621,000</u>	<u>1,621,000</u>	<u>-</u>
Excess of revenues and other financing sources over expenditures	213,535	120,979	537,509	416,530
Fund balance (deficit), beginning	93,927	(62,383)	(62,383)	-
Fund balance, ending	<u>\$ 307,462</u>	<u>\$ 58,596</u>	<u>\$ 475,126</u>	<u>\$ 416,530</u>

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Special Revenue Fund - 1994 Sales Tax Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2017

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Sales taxes	\$1,800,000	\$1,920,537	\$2,000,232	\$ 79,695
Intergovernmental revenues	54,000	67,826	83,379	15,553
Miscellaneous -				
Other	<u>26,000</u>	<u>32,046</u>	<u>35,547</u>	<u>3,501</u>
Total revenues	<u>1,880,000</u>	<u>2,020,409</u>	<u>2,119,158</u>	<u>98,749</u>
Expenditures:				
Current -				
Public safety:				
Personnel services and related benefits	600,250	626,309	579,294	47,015
Operations and maintenance	171,450	240,598	222,733	17,865
Debt service	13,063	-	-	-
Capital outlay	<u>10,000</u>	<u>24,740</u>	<u>24,740</u>	<u>-</u>
Total expenditures	<u>794,763</u>	<u>891,647</u>	<u>826,767</u>	<u>64,880</u>
Excess of revenues over expenditures	1,085,237	1,128,762	1,292,391	163,629
Other financing (uses):				
Transfers out	<u>(1,095,000)</u>	<u>(1,166,000)</u>	<u>(1,176,000)</u>	<u>(10,000)</u>
Excess (deficiency) of revenues over expenditures and other financing uses	(9,763)	(37,238)	116,391	153,629
Fund balance, beginning	<u>97,337</u>	<u>189,302</u>	<u>189,302</u>	<u>-</u>
Fund balance, ending	<u>\$ 87,574</u>	<u>\$ 152,064</u>	<u>\$ 305,693</u>	<u>\$ 153,629</u>

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

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

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities (AAL)	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
July 1, 2010	\$ -	\$ 8,021,105	\$ 8,021,105	0.0%	\$3,803,605	210.88%
July 1, 2013	\$ -	\$ 7,046,605	\$ 7,046,605	0.0%	\$3,878,542	181.68%
July 1, 2016	\$ -	\$ 7,621,608	\$ 7,621,608	0.0%	\$3,561,652	213.99%

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

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

Year ended June 30,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2015	\$ 573,467	\$ 573,467	\$ -	\$ 4,024,330	14.25%
2016	\$ 546,402	\$ 546,402	\$ -	\$ 3,973,835	13.75%
2017	\$ 471,919	\$ 471,919	\$ -	\$ 3,561,653	13.25%

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

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

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

Year ended June 30,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.662090%	\$ 2,621,880	\$4,188,610	62.60%	87.34%
2016	0.615129%	\$ 2,741,948	\$4,024,330	68.13%	86.61%
2017	0.532920%	\$ 3,382,387	\$3,973,835	85.12%	82.10%

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

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

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

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

(1) Budget and Budgetary Accounting

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

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

(2) Pension Plans

Changes of Assumptions – Changes of assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plans.

(3) Excess of Expenditures over Appropriations

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

	<u>Final Budget</u>	<u>Actual</u>	<u>Excess</u>
Capital Outlay	\$ 47,000	\$ 50,792	\$ (3,792)

OTHER SUPPLEMENTARY INFORMATION

AVOYELLES PARISH SHERIFF
 Marksville, Louisiana
 General Fund

Schedule of Expenditures
 Amended Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2017
 With Comparative Actual Amounts for Year Ended June 30, 2016

	2017		Variance - Positive (Negative)	2016 Actual
	Amended Budget	Actual		
Public safety:				
Personal services and related benefits -				
Sheriff salary	\$ 158,919	\$ 159,540	\$ (621)	\$ 133,882
Deputies salaries	4,988,032	4,795,062	192,970	5,733,379
Pension, payroll taxes and other benefits	<u>735,769</u>	<u>738,898</u>	<u>(3,129)</u>	<u>874,546</u>
Total personal services and related benefits	<u>5,882,720</u>	<u>5,693,500</u>	<u>189,220</u>	<u>6,741,807</u>
Operating services -				
Property insurance	20,134	22,645	(2,511)	23,846
Hospitalization insurance	1,371,629	1,361,014	10,615	1,470,890
Auto insurance	3,025	2,575	450	61,583
Other insurance	<u>1,287</u>	<u>1,898</u>	<u>(611)</u>	<u>-</u>
Total operating services	<u>1,396,075</u>	<u>1,388,132</u>	<u>7,943</u>	<u>1,556,319</u>
Operations and maintenance -				
Auto maintenance and fuel	317,864	309,616	8,248	349,519
Bail bonds and booking fee distributions	75,485	76,938	(1,453)	63,572
Bank charges and fees	60,000	60,000	-	60,000
Criminal investigations	12,137	10,675	1,462	17,513
Computers and maintenance	96,840	108,590	(11,750)	110,275
Dues and subscriptions	68,670	65,644	3,026	106,102
Jail expenses	269,435	208,453	60,982	306,124
Operating leases and rentals	80,987	77,291	3,696	76,478
Medical expenses	302,466	286,587	15,879	293,854
Office supplies and expenses	210,118	202,390	7,728	234,143
Prisoner feeding and maintenance	1,037,771	925,541	112,230	1,133,538
Professional fees	215,391	156,625	58,766	190,509
Repairs and maintenance	131,708	128,768	2,940	115,510
Telephone expense	79,338	78,039	1,299	266,205
Supplies	26,200	53,656	(27,456)	21,048
Utilities	483,656	498,716	(15,060)	511,824
Other	<u>41,925</u>	<u>191,699</u>	<u>(149,774)</u>	<u>130,078</u>
Total operations and maintenance	<u>3,509,991</u>	<u>3,439,228</u>	<u>70,763</u>	<u>3,986,292</u>

(continued)

AVOYELLES PARISH SHERIFF
 Marksville, Louisiana
 General Fund

Schedule of Expenditures
 Amended Budget (GAAP Basis) and Actual (Continued)
 For the Year Ended June 30, 2017
 With Comparative Actual Amounts for Year Ended June 30, 2016

	2017		Variance - Positive (Negative)	2016 Actual
	Amended Budget	Actual		
Debt service -				
Principal	211,126	211,550	(424)	199,886
Interest	28,874	28,450	424	40,114
Total debt service	<u>240,000</u>	<u>240,000</u>	<u>-</u>	<u>240,000</u>
Capital outlay -				
Autos	-	-	-	75,686
Equipment	32,000	35,720	(3,720)	16,998
Buildings	15,000	15,072	(72)	21,108
Total capital outlay	<u>47,000</u>	<u>50,792</u>	<u>(3,792)</u>	<u>113,792</u>
Total expenditures	<u>\$ 11,075,786</u>	<u>\$ 10,811,652</u>	<u>\$ 264,134</u>	<u>\$ 12,638,210</u>

STATE OF LOUISIANA, PARISH OF AVOYELLES

AFFIDAVIT

Doug Anderson, Sheriff of Avoyelles Parish

BEFORE ME, the undersigned authority, personally came and appeared, Doug Anderson, the sheriff of Avoyelles Parish, State of Louisiana, who after being duly sworn, deposed and said:

The following information is true and correct:

\$6,622.77 is the amount of cash on hand in the tax collector account on June 30, 2017;

He further deposed and said:

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

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

Doug Anderson

Signature
Sheriff of Avoyelles Parish

SWORN to and subscribed before me, Notary, this 28 day of September 2017, in my office in Marksville, Louisiana.

Kristin B. Dauzat

(Signature)

Kristin B. Dauzat (Print), # 140833

Notary Public

2/25/20

(Commission)



**INTERNAL CONTROL, COMPLIANCE AND
OTHER MATTERS**

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

OFFICES

C. Burton Kolder, CPA*
Russell F. Champagne, CPA*
Victor R. Slaven, CPA*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Brad E. Kolder, CPA, JD*
Stephen J. Anderson, CPA*
Penny Angelle Scruggins, CPA
Christine C. Doucet, CPA
Wanda F. Arcement, CPA, CVA
Bryan K. Joubert, CPA
Matthew E. Margaglio, CPA

Casey L. Ardoin, CPA
Alan M. Taylor, CPA
Albert R. Leger, CPA, PFS, CSA*
Marshall W. Guidry, CPA
Stephen R. Moore, Jr., CPA, PFS, CFP®, ChFC®*
James R. Roy, CPA
Robert J. Metz, CPA
Kelly M. Doucet, CPA
Mandy B. Self, CPA
Paul L. Delcambre, Jr., CPA
Jane R. Hebert, CPA
Dendre L. Stock, CPA
Karen V. Fontenot, CPA
Tabby A. LeMay, CPA
Seth C. Noms, CPA
Shayne M. Breaux, CPA

* A Professional Accounting Corporation

183 South Beadle Rd
Lafayette, LA 70508
Phone (337) 232-4141
Fax (337) 232-8660

450 East Main Street
New Iberna, LA 70560
Phone (337) 367-9204
Fax (337) 367-9208

113 East Bndge St
Breaux Bndge, LA 70517
Phone (337) 332-4020
Fax (337) 332-2867

200 South Main Street
Abbeville, LA 70510
Phone (337) 893-7944
Fax (337) 893-7946

1234 David Dr Ste 203
Morgan City, LA 70380
Phone (985) 384-2020
Fax (985) 384-3020

1013 Main Street
Franklin, LA 70538
Phone (337) 828-0272
Fax (337) 828-0290

434 East Main Street
Ville Platte, LA 70586
Phone (337) 363-2792
Fax (337) 363-3049

133 East Waddil St
Marksville LA 71351
Phone (318) 253-9252
Fax (318) 253-8681

332 West Sixth Avenue
Oberlin, LA 70655
Phone (337) 639-4737
Fax (337) 639-4568

1428 Metro Dnve
Alexandria, LA 71301
Phone (318) 442-4421
Fax (318) 442-9833

WEB SITE
WWW.KCSRCPAS.COM

Retired
Conrad O. Chapman, CPA* 2006

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

The Honorable Douglas Anderson
Avoyelles Parish Sheriff
Marksville, Louisiana

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Avoyelles Parish Sheriff (hereinafter, "Sheriff") as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements and have issued our report thereon dated November 6, 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

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

Alexandria, Louisiana
November 6, 2017

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

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

Part I: Current Year Findings and Management's Corrective Action Plan

A. Internal Control Over Financial Reporting

There are no findings

B. Compliance

There are no findings

Part II: Prior Year Findings:

A. Internal Control Over Financial Reporting

2016-001 Unsecured Deposits

CONDITION: The Sheriff had approximately \$4,000,000 of unsecured deposits at December 31, 2015

RECOMMENDATION: Management should compare bank balances to securities pledged monthly by receiving a monthly confirmation of securities from the bank. Management should also consider increase the amount of securities pledged around November of each year in anticipation of the increased cash balances due to ad valorem tax collections

CURRENT STATUS: Resolved.

2016-002 Budget Compliance

CONDITION: The General Fund ended the fiscal year with a deficit fund balance of \$62,383. The Louisiana Local Budget Act (R.S. 39:1305) prohibits spending in excess of funds available.

RECOMMENDATION: Management should monitor revenues and expenditures more closely as necessary to ensure compliance with the state statute.

CURRENT STATUS: Resolved.

AVOUELLES PARISH SHERIFF OFFICE

Report on Agreed-Upon Procedures

Year Ended June 30, 2017

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

OFFICES

C. Burton Kolder, CPA*
Russell F. Champagne, CPA*
Victor R. Slaven, CPA*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Brad E. Kolder, CPA, JD*
Stephen J. Anderson, CPA*
Penny Angelle Scruggins, CPA
Christine C. Doucet, CPA
Wanda F. Arcement, CPA, CVA
Bryan K. Joubert, CPA
Matthew E. Margaglio, CPA

Casey L. Ardoin, CPA
Alan M. Taylor, CPA
Albert R. Leger, CPA, PFS, CSA*
Marshall W. Guidry, CPA
Stephen R. Moore, Jr., CPA, PFS, CFP®, ChFC®*
James R. Roy, CPA
Robert J. Metz, CPA
Kelly M. Doucet, CPA
Mandy B. Self, CPA
Paul L. Delcambre, Jr., CPA
Jane R. Hebert, CPA
Dendre L. Stock, CPA
Karen V. Fontenot, CPA
Tabby A. LeMay, CPA
Shayne M. Breaux, CPA

* A Professional Accounting Corporation

183 South Beadle Rd
Lafayette, LA 70508
Phone (337) 232-4141
Fax (337) 232-8660

450 East Main Street
New Iberia, LA 70560
Phone (337) 367-9204
Fax (337) 367-9208

113 East Bridge St
Breaux Bridge, LA 70517
Phone (337) 332-4020
Fax (337) 332-2867

200 South Main Street
Abbeville, LA 70510
Phone (337) 893-7944
Fax (337) 893-7946

1234 David Dr. Ste 203
Morgan City, LA 70380
Phone (985) 384-2020
Fax (985) 384-3020

1013 Main Street
Franklin, LA 70538
Phone (337) 828-0272
Fax (337) 828-0290

434 East Main Street
Ville Platte, LA 70586
Phone (337) 363-2792
Fax (337) 363-3049

133 East Waddell St
Marksville, LA 71351
Phone (318) 253-9252
Fax (318) 253-8681

332 West Sixth Avenue
Oberlin, LA 70655
Phone (337) 639-4737
Fax (337) 639-4568

1428 Metro Drive
Alexandria, LA 71301
Phone (318) 442-4421
Fax (318) 442-9833

WEB SITE
WWW.KCSRCPAS.COM

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Retired

Conrad O. Chapman, CPA* 2006

To the Avoyelles Parish Sheriff
and the Louisiana Legislative Auditor

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

The procedures and associated findings are as follows:

Written Policies and Procedures

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

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

Written policies and procedures obtained noting no exceptions.

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 obtained noting no exceptions.

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

Written policies and procedures obtained noting no exceptions.

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

Written policies and procedures obtained noting no exceptions.

- 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 obtained noting no exceptions.

- 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 obtained noting no exceptions.

- 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 obtained noting no exceptions.

- 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 obtained noting no exceptions.

- 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 obtained noting no exceptions.

- 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 obtained noting no exceptions.

Board (or Finance Committee, if applicable)

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

Not applicable

- 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.
- b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).
 - If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.
- 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.

Bank Reconciliations

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

A listing of client bank accounts and management's representation that the listing is complete was obtained.

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;

Bank statements and reconciliations for all months in the fiscal period were obtained for selected accounts noting that reconciliations have been prepared for all months.

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

Bank statements and reconciliations for all months in the fiscal period were obtained for selected accounts noting two of the ninety-one examined did not have 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.

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

Collections

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

A listing of cash collection locations and management's representation that the listing is complete was obtained.

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.

Staff members responsible for collecting cash are bonded and are not responsible for depositing cash in the bank. Staff members responsible for collecting cash are not responsible for recording deposits or for reconciling bank statements.

- 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.

The person responsible for cash collections is not also responsible for recording deposits into the general ledger.

- 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.

Collection documentation was obtained and address the functions noted above. For one hundred three of the three hundred forty-nine cash collection transactions tested, the date of the cash collection was unable to be determined. For fifteen of the three hundred forty-nine cash collection transactions tested, deposits were not made within one day of the collection.

- 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.

For three of the five cash collection locations tested, daily collections are not completely supported by 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.

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

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.

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

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

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

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

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

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

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

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

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

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

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.

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

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.

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

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

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

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

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

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

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

Ten of the cards were randomly selected.

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

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

Monthly statements were obtained noting evidence that the statements and supporting documentation were reviewed and approved by someone other than the authorized card holder.

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

Monthly statements were obtained noting no evidence that finance charges or late fees were assessed on the selected statements.

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)

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

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

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

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

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

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

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

- 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.

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

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.

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

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

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

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

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

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

- b) Report whether each expense is supported by:

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

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

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

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

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

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

- c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

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

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

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

Contracts

- 20. Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management's representation that the listing or general ledger is complete.

A listing of all contracts in effect during the fiscal period and management's representation that the listing is complete was obtained.

- 21. Using the listing above, select the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:

- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.

For the vendors selected, formal/written contracts supporting the services arrangement and the amount paid were noted.

- b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:

- If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder)

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

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

Not applicable.

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

None of the contracts selected were amended.

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

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

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

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

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:

A listing of employees with their related salaries and management's representation that the listing is complete was obtained. Five employees were randomly selected and their personnel files were obtained.

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

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

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

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

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

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

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

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

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

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

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

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

For one of the two terminated employees tested, written approval by management for payments was not obtained.

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.

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

Ethics (excluding nonprofits)

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

For two of the five selected employees/officials selected for testing, no ethics compliance documentation could be obtained.

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

Management asserted that they have received no allegations of ethics violations 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.

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

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

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

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

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

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

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

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

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

Alexandria, Louisiana
November 6, 2017