

**ST. TAMMANY PARISH CORONER  
LACOMBE, LOUISIANA**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**December 31, 2014**



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**St. Tammany Parish Coroner**  
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## **INDEPENDENT AUDITOR'S REPORT**

To the Coroner  
St. Tammany Parish Coroner  
Lacombe, Louisiana

We have audited the accompanying financial statements of the governmental activities and the General Fund of the St. Tammany Parish Coroner's Office (the "Coroner"), a component unit of St. Tammany Parish Council, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Coroner'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. 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 Coroner'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 Coroner'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 and the General Fund of the Coroner, as of December 31, 2014, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4-10 and 30 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Coroner's basic financial statements. The schedule of compensation paid to the Coroner on page 31 is presented for purposes of additional analysis and as required by Louisiana Revised Statute 24:513(A)(3) and is not a required part of the basic financial statements.

The schedule of compensation, benefits, and other payments to the Coroner is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of compensation, benefits, and other payments to the Coroner is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated April 24, 2015, on our consideration of the Coroner's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Coroner's internal control over financial reporting and compliance.

*Carr, Riggs & Ingram, LLC*

April 24, 2015

## St. Tammany Parish Coroner Management's Discussion and Analysis

Within this section of the St. Tammany Parish Coroner's (the "Coroner") comprehensive annual financial report, the Coroner's management is pleased to provide this narrative discussion and analysis of the financial activities of the Coroner for the years ended December 31, 2014 and 2013. The Coroner's financial activities and condition are discussed and analyzed within the context of the accompanying basic financial statements and footnote disclosures following this section.

### Financial Highlights

- The Coroner's governmental activities reported a total net position of \$9,998,290 and \$11,219,174, as of December 31, 2014 and 2013, respectively. The net position is comprised of the following as of December 31, 2014 and 2013, respectively:
  1. Invested in capital assets of \$9,734,951 and \$9,908,213 consisting of property and equipment, net of accumulated depreciation.
  2. Unrestricted net position of \$263,339 and \$1,310,961.
- The Coroner's governmental fund reported a total fund balance of \$341,742 and \$1,479,960, as of December 31, 2014 and 2013, respectively. The fund balance is comprised of the following as of December 31, 2014 and 2013, respectively:
  1. Nonspendable fund balance of \$115,291 and \$81,072 consisting of prepaid items. These are items that cannot be spent because they are not in spendable form.
  2. Unassigned fund balance of \$226,451 and \$1,398,888. These amounts represents amounts that have not been restricted, committed or assigned to specific purposes within the General Fund.

The above financial highlights are explained in more detail in the "Financial Analysis" section that follows.

### Overview of the Financial Statements

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

### Government-Wide Financial Statements

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

The first of these government-wide financial statements is the Statement of Net Position. This is the government-wide statement of financial position presenting information that includes all of the Coroner's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the

## St. Tammany Parish Coroner Management's Discussion and Analysis

Coroner as a whole is improving or deteriorating. The other government-wide financial statement is the Statement of Activities, which reports how the Coroner's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when the cash is received or paid.

The government-wide financial statements present governmental activities of the Coroner that are principally supported by the St. Tammany Parish Council.

The government-wide financial statements are presented on pages 11 and 12 of this report.

### **Fund Financial Statements**

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Coroner uses funds to ensure and demonstrate compliance with finance and budget related laws and regulations.

The Coroner uses governmental funds as follows:

Governmental funds are reported in the fund financial statements and encompass the same function as governmental activities in the government-wide financial statements. However, the focus is very different with fund financial statements providing a distinctive view of the Coroner's governmental funds, including object classifications. These statements report short-term fiscal accountability focusing on the use of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between the two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to assist in understanding the differences between these two perspectives.

The Coroner has only one governmental fund, which is the General Fund, and the basic governmental fund financial statements are presented on pages 13 and 15 of this report.

### **Notes to the Basic Financial Statements**

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes begin on page 17 of this report.

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information concerning the Coroner's budget presentation. Budgetary Comparison Statements are included as "Required Supplementary Information" for the

## St. Tammany Parish Coroner Management's Discussion and Analysis

General Fund. This schedule demonstrates compliance with the Coroner's adopted and final revised budget. This Required Supplementary Information schedule can be found on page 30 of this report.

### Financial Analysis of the Coroner as a Whole

The Coroner's net position at December 31, 2014 and 2013 was \$9,998,290 and \$11,219,174, respectively. The following table provides a summary of the Coroner's net position:

As of December 31,	2014	2013
<b>Assets</b>		
Current assets	\$ 758,483	\$ 1,816,631
Capital assets, net of accumulated depreciation	9,734,951	9,908,213
<b>Total assets</b>	<b>\$ 10,493,434</b>	<b>\$ 11,724,844</b>
<b>Liabilities</b>		
Current liabilities	\$ 495,144	\$ 505,670
<b>Total Liabilities</b>	<b>495,144</b>	<b>505,670</b>
<b>Net Position</b>		
Invested in capital assets	9,734,951	9,908,213
Unrestricted	263,339	1,310,961
<b>Total net position</b>	<b>\$ 9,998,290</b>	<b>\$ 11,219,174</b>



## St. Tammany Parish Coroner Management's Discussion and Analysis

Governmental activities - Governmental activities decreased the Coroner's net position by \$1,220,884 and \$10,706,897 for the years ended December 31, 2014 and 2013, respectively. Key elements of this increase are as follows:

For the year ended December 31,	2014	2013
Revenues:		
Program:		
Charges for services	\$ 437,568	\$ 274,600
Operating grants and contributions	80,679	12,213
General:		
Other	193,815	16,563
Interest	6,234	70,170
Intergovernmental grant revenues	2,611,801	32,373
<b>Total revenues</b>	<b>3,330,097</b>	405,919
Program expenses: Health and welfare	4,550,981	5,017,708
Payments to primary government	-	6,095,108
<b>Changes in net position</b>	<b>(1,220,884)</b>	(10,706,897)
Net position – beginning of year	11,219,174	21,926,071
<b>Net position – end of year</b>	<b>\$ 9,998,290</b>	\$ 11,219,174

### Governmental Revenues

The Coroner funded its operations primarily using intergovernmental revenues and charges for services.

### Governmental Functional Expenses

The function of the Coroner's office is health and welfare activities.

Health and welfare expenses in total were \$4,550,981 in 2014 as compared to \$5,017,708 in 2013. The decrease of \$466,727 from prior year is due to a decrease in top administrative salaries and legal expenses.

## St. Tammany Parish Coroner Management's Discussion and Analysis

### Financial Analysis of the Coroner's Funds

#### Governmental Fund

As discussed, governmental funds are reported in the fund statements with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. The General Fund is the Coroner's only fund and reported an ending unassigned fund balance of \$226,451 and \$1,398,888 at December 31, 2014 and 2013, respectively, a decrease of \$1,172,437.

#### General Fund Budgetary Highlights

The Coroner's budget is prepared according to Louisiana Law. As needed during the year, the Coroner revises its budget to take into consideration significant changes in revenue or expenditures. Louisiana Revised Statute 39:1311 requires the budget to be revised if either expected revenues are less or anticipated expenditures are in excess of budgetary goals by five percent (5%) or more. The original budget for the Coroner was adopted on December 16, 2013 and the final budget was adopted on December 15, 2014.

The Coroner's year-end actuals resulted in a positive variance as compared to budget due to good fiscal financial planning.

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Variance</b>
Revenue	\$ 4,369,512	\$ 3,254,609	\$(1,114,903)
Expenditures	4,497,901	4,628,199	(130,298)
<b>Net Change in Fund Balance</b>	<b>\$ (128,389)</b>	<b>\$(1,373,590)</b>	<b>\$(1,245,201)</b>

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance</b>
Revenue	\$ 3,254,609	\$ 3,362,751	\$ 108,142
Expenditures	4,628,199	4,500,969	127,230
<b>Net Change in Fund Balance</b>	<b>\$(1,373,590)</b>	<b>\$(1,138,218)</b>	<b>\$ 235,372</b>

#### Capital Assets

As of December 31, 2014, the Coroner had invested \$12,292,223 in land, buildings, vehicles and equipment comparative to \$12,534,611 as of December 31, 2013. This increase of \$242,388 in the capital assets is mainly relates to the purchase of new lab equipment. See Note 4 for additional information about changes in capital assets during the fiscal year and the balance at the end of the year. The following table provides a summary of capital assets.

**St. Tammany Parish Coroner  
Management's Discussion and Analysis**

As of December 31,	2014	2013
<b>Capital assets not being depreciated</b>		
Land	\$1,401,220	\$1,401,220
<b>Total capital assets not being depreciated</b>	<b>1,401,220</b>	1,401,220
<b>Capital assets being depreciated, net</b>		
Building	7,856,287	8,095,790
Auto equipment	12,910	25,325
Autopsy equipment	120,678	119,121
Computer equipment	32,446	57,917
Furniture and fixtures	19,449	26,745
Lab equipment	246,148	91,570
Office equipment	45,813	90,525
<b>Total capital assets being depreciated</b>	<b>8,333,731</b>	8,506,993
<b>Total capital assets</b>	<b>\$9,734,951</b>	\$9,908,213

**Debt Administration**

The following table presents a summary of the outstanding long-term obligations for the fiscal year ended December 31, 2014 and 2013.

As of December 31,	2014	2013
<b>Long-term Obligations</b>		
Compensated Absences	\$ 157,331	\$ 276,003
<b>Total capital assets</b>	<b>\$ 157,331</b>	\$ 276,003

The decrease in compensated absences is mainly related to the cash out of unused paid time off by employees. See Footnote 12 relating to the change in the paid time off policy effective January 2015.

**New Accounting Standard**

In June 2013, the Governmental Accounting Standards Board ("GASB") issued Statement No. 68, *Accounting and Financial Reporting for Pensions*. GASB 68 establishes standards for measuring and recognizing liabilities associated with pension plans of employer governments. This accounting standard is effective for the Coroner's financial statements for the year ended December 31, 2015. The Coroner's Office has not determined the impact that adoption GASB 68 will have on its financial statements.



## **St. Tammany Parish Coroner Management's Discussion and Analysis**

### **Other Matters**

On February 12, 2014, the Federal court sentenced the former Coroner of St. Tammany Parish to pay \$193,388 in restitution to the Coroner's Office. During 2014, the Coroner's Office received the restitution one-time restitution payment and is reflected in the financial statement as "other income".

### **Contacting the Coroner's Financial Management**

This financial report is designed to provide a general overview of the Coroner's finances, comply with finance and budget related laws and regulations, and demonstrate the Coroner's commitment to public accountability. If you have questions about this report or would like to request additional financial information, contact the Coroner's office, Dr. Charles Preston, 65278 Hwy 434, Lacombe, Louisiana 70445 or 985-781-1150.

**St. Tammany Parish Coroner**  
**Statement of Net Position**  
**December 31, 2014**

		Governmental Activities
<b>ASSETS</b>		
Cash and cash equivalents	\$	385,812
Receivables, net		257,380
Prepaid expenses		115,291
Capital assets not being depreciated		1,401,220
Capital assets being depreciated, net of accumulated depreciation		8,333,731
Total Assets	\$	10,493,434
<b>LIABILITIES</b>		
Accounts payable	\$	129,334
Accrued payroll expense		179,249
Due to employees		29,230
Compensated absences- due within one year		157,331
Total Liabilities		495,144
<b>NET POSITION</b>		
Invested in capital assets		9,734,951
Unrestricted		263,339
Total Net Position	\$	9,998,290

*The accompanying notes are an integral part of this statement.*

**St. Tammany Parish Coroner**  
**Statement Of Activities**  
**For the Year Ended December 31, 2014**

Function/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Governmental Activities</b>					
Health and welfare	\$ 4,550,981	\$ 437,568	\$ 80,679	\$ -	\$ (4,032,734)
Total	\$ 4,550,981	\$ 437,568	\$ 80,679	\$ -	(4,032,734)
<b>General Revenues:</b>					
					\$ 2,611,801
					6,234
					193,815
					<u>2,811,850</u>
					(1,220,884)
					<u>11,219,174</u>
					<u>\$ 9,998,290</u>

The accompanying notes are an integral part of this statement.

**St. Tammany Parish Coroner  
Balance Sheet- Governmental Fund  
December 31, 2014**

		General Fund
<b>ASSETS</b>		
Cash and cash equivalents	\$	385,812
Receivables:		
Grant receivable		75,904
Due from other governmental entities		110,152
Public employee retirement system receivable		71,324
Prepaid items		115,291
<b>Total assets</b>	<b>\$</b>	<b>758,483</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>		
<b>LIABILITIES</b>		
Accounts payable	\$	129,334
Accrued payroll expense		179,249
Due to employees		29,230
<b>Total liabilities</b>		<b>337,813</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable revenues		78,928
<b>Total deferred inflows of resources</b>		<b>78,928</b>
<b>FUND BALANCE</b>		
Nonspendable		115,291
Unassigned		226,451
<b>Total fund balance</b>		<b>341,742</b>
 <b>Total liabilities, deferred inflows of resources and fund balance</b>	 <b>\$</b>	 <b>758,483</b>

*The accompanying notes are an integral part of this statement.*

**St. Tammany Parish Coroner**  
**Reconciliation of the Governmental Fund**  
**Balance Sheet to the Statement of Net Position**  
**December 31, 2014**

Fund Balance - Governmental Fund		\$ 341,742
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund</p>		
Capital assets not being depreciated		1,401,220
Capital assets being depreciated	11,133,391	
Less: accumulated depreciation	<u>(2,799,660)</u>	8,333,731
<p>Unavailable revenues are reported in the governmental fund but not in governmental activities</p>		
		78,928
<p>Compensated absences are not due and payable in the current period and, therefore, are not reported in the governmental fund</p>		
		<u>(157,331)</u>
Net position of governmental activities		\$ 9,998,290

*The accompanying notes are an integral part of this statement*



**St. Tammany Parish Coroner**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**For the Year Ended December 31, 2014**

	General Fund
<b>REVENUES</b>	
Intergovernmental revenues	\$ 2,574,907
Traffic fines and court fees	36,894
Charges for services	358,640
Federal grants	187,683
Interest income	6,234
Other income	198,393
Total revenues	3,362,751
<b>EXPENDITURES</b>	
Health and welfare	4,249,424
Capital outlay	251,545
Total expenditures	4,500,969
Deficiency of expenditures over revenues	(1,138,218)
Fund balance, beginning of year	1,479,960
Fund balance, end of year	\$ 341,742

*The accompanying notes are an integral part of this statement.*

**St. Tammany Parish Coroner**  
**Reconciliation of the Statement of Revenues, Expenditures,**  
**and Changes in Fund Balance of Governmental Funds**  
**To the Statement of Activities**  
**For the Year Ended December 31, 2014**

Deficiency of expenditures over revenues - Governmental Fund	\$ (1,138,218)
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>	
Reversal of unavailable revenues	(28,076)
Capital assets:	
Capital outlays capitalized	251,545
Depreciation expense	(420,229)
Loss on disposal of assets	(4,578)
Long-term debt:	
Decrease in compensated absences	118,672
Changes in net position of governmental activities	\$ (1,220,884)

*The accompanying notes are an integral part of this statement.*

## St. Tammany Parish Coroner Notes to the Financial Statements

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the St. Tammany Parish Coroner, Louisiana, (the "Coroner") have been prepared in conformity with generally accepted accounting principles as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Coroner's accounting policies are described below.

#### ***Reporting Entity***

As provided by Chapter 3 of Title 33 of the Louisiana Revised Statutes of 1950, the voters of St. Tammany Parish (the "Parish") elect the Coroner for a four-year term. The Coroner investigates all deaths, performs autopsies, furnishes death certificates, provides protective custody services and examines other cases for other crimes under police investigation.

Louisiana Revised Statute 13:5724 effective on June 18, 2007 gave the elected Coroner of the Parish sole responsibility for the fiscal operations of the Coroner, including all salaries or fees associated with the operation of the Coroner, all expenses for the construction, maintenance, operation, and equipment of the property and facilities of the Coroner; and all other expenses, fees, and operational costs of the Coroner.

During 2013, State legislators enacted LA R.S. 13:5725 and repealed LA R.S. 13:5724. The Statute states the governing authority of the Parish shall receive all tax revenues collected from the ad valorem tax levied by the Parish for the Coroner purposes. The Coroner shall transfer any and all funds on hand received from the ad valorem tax to the governing authority of the Parish except amounts needed for operation for the remainder of the 2013 fiscal year, with the amount being determined by the Parish finance department. Any contracts or purchase agreements entered into by the Coroner will require approval or ratification by the governing authority of the Parish. The governing authority shall also establish an annual salary for the Coroner, deputy or assistant coroners, secretaries, stenographers, clerks, technicians, investigators, official photographers, or other employees. The Coroner shall not own or acquire immovable property. Any and all immovable property, including building, component parts and other appurtenances, previously owned by the Parish and transferred to the Coroner shall be transferred to the governing authority of the Parish free and clear of all mortgages, liens, or other encumbrances within six months of June 7, 2013. Within six months of June 7, 2013, the Coroner and the governing authority of Parish will enter into a restated cooperative endeavor agreement. The transfer of the immovable property was performed on January 16, 2015. The Coroner and the Parish entered into a Cooperative Endeavor Agreement effective January 1, 2014.

## St. Tammany Parish Coroner Notes to the Financial Statements

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The component-unit financial statements of the Coroner include the General Fund and activities that are within the oversight responsibility of the Coroner as an independently elected Parish official. As an independently elected Parish official, the Coroner is responsible for the operations of his office under the oversight of the St. Tammany Parish Council per LA R.S. 13:5725 effective June 7, 2013. Accordingly, the Coroner is a separate governmental reporting entity. Certain units of local government, over which the Coroner exercises no oversight responsibility such as the Parish Council, Parish School Board, other independently elected Parish officials, and municipalities within the Parish, are excluded from the accompanying component unit financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the Coroner.

As the governing authority of the Parish, for reporting purposes, the St. Tammany Parish Council (the "Council") is the financial reporting entity for the Parish. The financial reporting entity consists of (a) the primary government (Council), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the Coroner's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14, as amended, established criteria for determining which component units should be considered part of the Parish for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. The criteria include:

- a) Appointing a voting majority of an organization's governing body, and the ability of the Council to impose its will on that organization and/or the potential for the organization to provide specific financial benefits to or impose specific financial burden on the organization.
- b) Organizations for which the Council does not appoint a voting majority but are fiscally dependent on the Council, along with a financial benefit or burden relationship.
- c) Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

The Coroner was determined to be a component unit of the Parish, the reporting entity, because the reporting entity's financial statements would be misleading if data of the Coroner was not included due to the significance of the relationship and scope of public services. The accompanying financial statements present information only on funds maintained by the Coroner and do not present information on the Parish, the general government services provided by the Parish, or other governmental units that comprise the financial reporting entity.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Bond funds are not maintained by the Coroner; therefore, should not be included in the financial statements of the Coroner. The Parish has levied an ad valorem tax for the purpose of providing funding for the Coroner's Office, including constructing, acquiring, improving, operating and maintaining facilities and equipment thereof. The Parish issued Limited Tax Revenue Bonds secured and payable from the Coroner Tax for the purpose of construction, acquiring and improving facilities and equipment for the Coroner and paying the costs incurred in connection with the issuance of the Bonds.

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

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the Coroner. The governmental activities are supported by intergovernmental revenues, service fees, and other non-exchange transactions.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges for services, which are revenues from the exchanges or exchange like transactions with external parties that purchase, use, or directly benefit from the program's goods, services, or privileges provided by a given function or segment and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Intergovernmental and other items not properly included among program revenues are reported instead as general revenues.

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Coroner considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

However, expenditures related to compensated absences are recorded only when payment is due.

The Coroner reports the following major governmental fund:

*General Fund* - The General Fund is the general operating fund of the Coroner. This fund is used to account for all financial transactions and resources. Revenues are derived primarily from intergovernmental revenues, state and federal grants, traffic fines and court fees, charges for services, and interest income.

Amounts reported as program revenues include charges for services, which are revenues from exchange or exchange-like transactions with external parties that purchase, use or directly benefit from the program's goods, services, or privileges. Likewise, general revenues include all intergovernmental revenues.

***Budgetary Accounting***

The Coroner follows these procedures in establishing the budgetary data:

1. The budgeting process should begin approximately 90 to 120 days before the beginning of the new year being budgeted.
2. Before the adoption of the budget, the budget must be made available for public inspection.
3. Conduct a public hearing on the proposed budget.
4. The budget is adopted on a basis consistent with generally accepted accounting principles. Budgeted amounts are as originally adopted, or as amended by the St. Tammany Parish Council.
5. Budgets are amended as necessary at the end of the year during a public meeting.

***Cash and Cash Equivalents***

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less.

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

**St. Tammany Parish Coroner**  
**Notes to the Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Accounts Receivable***

The financial statements of the Coroner contain no allowance for doubtful trade receivables. Uncollectible trade receivables, including amounts due from other government units, are charged directly against earnings when they are determined to be uncollectible. Management is of the opinion that there will be no material losses on the collection of accounts receivables.

***Capital Assets***

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

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital outlays are recorded as expenditures of the General Fund and as assets in the government-wide financial statements; to the extent that the Coroner's capitalization threshold is met. In accordance with GASB Statement No. 34, the Coroner has elected to not capitalize infrastructure retroactively. Depreciation is recorded on capital assets on a government-wide basis and depreciated over their estimated useful lives on a straight-line basis.

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

<u>Asset Description</u>	<u>Asset Life in Years</u>
Auto Equipment	7
Autopsy Equipment	15
Building	39
Computer Equipment	3
Furniture and Fixtures	5
Lab Equipment	3 to 5
Office Equipment	3 to 5

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Compensated Absences***

Coroner employees are allowed to carry over all vacation and sick leave. At termination, employees are paid for all vacation and sick accumulated. Dates have been established for approved payout requests each quarter for current employees. The amount of accumulated annual leave payable in the government-wide financial statements at December 31, 2014, is \$157,331.

***Net Position Qualifications***

In the government-wide financial 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 that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - consists of net position with constraints placed on the use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – this classification consists of net position that do not meet the definition of “restricted” or “invested in capital assets”.

***Fund Balance***

On January 1, 2011, the Coroner adopted GASB No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, which significantly changed the reporting of fund balance in the balance sheets of governmental type funds. In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the Coroner is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

1. Nonspendable - This component includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.



**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

2. Restricted – This component consists of amounts that have constraints placed on them either externally by third-parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. Enabling legislation does not authorize the Coroner to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.
3. Committed - This component consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Coroner’s highest level of decision making authority which includes resolutions of the Coroner. Those committed amounts cannot be used for any other purpose unless the Coroner removes or changes the specified use by taking the same type of action (resolution); it employed previously to commit those amounts.
4. Assigned - This component consists of amounts that are constrained by the Coroner’s intent to be used for specific purposes, but are neither restricted nor committed. The authority for assigning fund balance is expressed by the Coroner.
5. Unassigned – This classification represents amounts that have not been restricted, committed or assigned to specific purposes within the General Fund.

***Accounting Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions. Those estimates affect the reported amounts of assets and liabilities and disclosure of assets and liabilities at the date of the financial statements. They may also affect the reported amounts of revenues and expenses and the government-wide financial statements during the reporting period. Actual results could differ from these estimates.

***Pension Plan, Vacation, and Sick Leave Policies***

The Coroner contributes to a pension plan for its fulltime employees (Note 7). Full time, permanent employees are granted paid time off benefits based on years of service. The Coroner's policy is to allow employees to accumulate an unlimited amount of vacation and sick leave. Upon termination of service, employees are paid for unused leave. Dates have been established for approved payout requests each quarter for current employees. The estimated portion of the liability for vested vacation and sick leave benefits is recorded as an expenditure in the General Fund as time is used or cashed out. The long term liability is recorded on the Statement of Net Position.

**St. Tammany Parish Coroner**  
**Notes to the Financial Statements**

**NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

***Deposits and Investment Laws and Regulations***

In accordance with state law, all uninsured deposits of municipal funds in financial institutions must be secured with acceptable collateral valued at the lower of market or par. The Coroner was in compliance with the deposit and investment laws and regulations as of December 31, 2014.

**NOTE 3 - CASH AND CASH EQUIVALENTS**

The Coroner's deposits are categorized as follows at December 31, 2014:

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Demand Deposits	<u>\$ 385,812</u>	<u>\$ 391,426</u>
	<u>\$ 385,812</u>	<u>\$ 391,426</u>

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a bank failure, the Coroner's deposits may not be returned to the Coroner. As of December 31, 2014, the Coroner's bank balance was not exposed to custodial credit risk.

**St. Tammany Parish Coroner**  
**Notes to the Financial Statements**

**NOTE 4 – CAPITAL ASSETS**

Capital assets and depreciation activity as of and for the year ended December 31, 2014 is as follows:

	12/31/2013	Additions	Deletions	12/31/2014
<b>Capital assets not being depreciated</b>				
Land	\$ 1,401,220	-	-	\$ 1,401,220
<b>Total capital assets not being depreciated</b>	1,401,220	-	-	1,401,220
<b>Capital assets being depreciated</b>				
Building	8,418,315	-	-	8,418,315
Auto equipment	290,347	-	-	290,347
Autopsy equipment	218,641	12,961	-	231,602
Computer equipment	193,022	13,512	-	206,534
Furniture and fixtures	59,456	-	-	59,456
Lab equipment	1,427,529	225,072	-	1,652,601
Office equipment	283,693	-	9,157	274,536
<b>Total capital assets being depreciated</b>	10,891,003	251,545	9,157	11,133,391
<b>Less accumulated depreciation for:</b>				
Building	322,525	239,503	-	562,028
Auto equipment	265,022	12,415	-	277,437
Autopsy equipment	99,520	11,404	-	110,924
Computer equipment	135,105	38,983	-	174,088
Furniture and fixtures	32,711	7,296	-	40,007
Lab equipment	1,330,959	70,494	-	1,406,453
Office equipment	193,168	40,134	4,579	228,723
<b>Total accumulated depreciation</b>	2,384,010	420,229	4,579	2,799,660
<b>Total capital assets being depreciated, net</b>	8,506,993	(168,684)	4,578	8,333,731
<b>Total capital assets</b>	\$ 9,908,213	(168,684)	4,578	\$ 9,734,951

**NOTE 5 – DUE TO/FROM OTHER GOVERNMENTAL UNITS**

The Coroner performs autopsies and protective custody services for other Parishes within the State of Louisiana. The Coroner also receives an allocation of traffic fines and court fees from the St. Tammany Parish Sheriff. The amount owed to the Coroner from other governmental entities as of December 31, 2014 was \$110,152.

**NOTE 6 – CONTINGENT LIABILITIES**

At December 31, 2014, the Coroner was named as a defendant in a law suit which arose in the normal course of its operations. In addition, at December 31, 2014, the Coroner was named a defendant in a lawsuit for breach of contract. The Coroner intends to vigorously defend itself against these claims. An outcome of any estimate of loss cannot be readily determined at this time. At December 31, 2014, there was no pending litigation or potential undisclosed liabilities, which, in the opinion of the Coroner, would have had a material adverse effect on the financial statements.

**NOTE 7 – PENSION PLAN**

Substantially all employees of the Coroner are members of the Parochial Employees Retirement System of Louisiana (the System), a multiple-employer (cost sharing), public employee retirement system (PERS), controlled and administered by a separate Board of Trustees. The System is composed of two distinct plans. Plan A and Plan B, with separate assets and benefit provisions. All participating employees of the Coroner are members of Plan A. All permanent employees working at least 28 hours per week whom are paid wholly or in part from parish funds and all elected Parish officials are eligible to participate in the System. The retirement allowance is equal to three percent of the member’s final average compensation multiplied by his/her years of creditable service. Final average compensation shall be defined as the average of the highest consecutive 36 months’ salary for members hired prior to January 1, 2007. For members hired on January 1, 2007 or later, final average compensation shall be defined as the average of the highest consecutive 60 months’ salary.

Any employee who was a member of the supplemental plan prior to the revision date of January 1, 1980 has the benefit earned for service credited prior to the revision date on the basis of one percent of final compensation plus two dollars per month for each year credited prior to the revision date, and three percent of final compensation for each year of service credited after the revision date. The retirement allowance may not exceed the greater of one hundred percent of the member’s final salary or the final average compensation. The System also provides death and disability benefits. Benefits are established by state statute.

Eligibility of Benefits Available:

Members hired prior to January 1, 2007		Members hired after January 1, 2007	
<u>Years</u>	<u>Age</u>	<u>Years</u>	<u>Age</u>
7	65	7	67
10	60	10	62
25	55	30	55
30	any age		

**NOTE 7 – PENSION PLAN (CONTINUED)**

The payroll for employees of the Coroner was \$1,642,086, \$1,602,322, and \$1,785,640, and payroll covered by the System was \$1,362,084, \$1,409,311, and \$1,770,559 for each of the years ended December 31, 2014, 2013, and 2012, respectively.

In addition to certain dedicated taxes that are remitted to the System, (which constitute major funding of the System) covered employees are required by state statute to contribute 9.50% of gross salary. The Coroner added an employer's match of 16.0% and 16.75% for the years ended December 31, 2014 and 2013, respectively.

The contributions for each of the years ended December 31, 2014, 2013, and 2012 were \$346,732, \$369,945, and \$447,066, of which \$129,398, \$133,885, and \$168,203, were contributed by employees and \$217,334, \$236,060, and \$278,863 were contributed by the Coroner, respectively. The Pension contributions were overstated in 2013, 2012, and 2011 by \$71,324 in the aggregate. The Coroner has recorded a receivable associated with this overpayment as of December 31, 2014.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the system. That report may be obtained in writing to the Parochial Employees' Retirement System of Louisiana, P.O. Box 14619, Baton Rouge, Louisiana 70898-4619.

**NOTE 8 – COOPERATIVE ENDEAVOR AGREEMENT**

As of January 1, 2014, the Coroner had entered into a cooperative endeavor agreement with the St. Tammany Parish Government in accordance with LA RS 13:5725.

LA R.S. 13:5724 was repealed and replaced with LA R.S. 13:5725 effective June 7, 2013. The new statute states the governing authority of the Parish shall receive all tax revenues collected from the ad valorem tax levied by the Parish for the Coroner purposes. The Coroner shall transfer any and all funds on hand received from the ad valorem tax to the governing authority of the Parish except amounts needed for operation for the remainder of the 2013 fiscal year, with the amount being determined by the Parish finance department. Any contracts or purchase agreements entered into by the Coroner will require approval or ratification by the governing authority of the Parish. The governing authority shall also establish an annual salary for the Coroner, deputy or assistant coroners, secretaries, stenographers, clerks, technicians, investigators, official photographers, or other employees. The Coroner shall not own or acquire immovable property. Any and all immovable property, including building, component parts and other appurtenances, previously owned by the Parish and transferred to the Coroner shall be transferred to the governing authority of the Parish free and clear of all mortgages, liens, or other encumbrances within six months of the effective date of June 7, 2013.

**St. Tammany Parish Coroner  
Notes to the Financial Statements**

**NOTE 9 – OPERATING LEASES**

The Coroner leases copier equipment for a period of 48 to 60 months. Future minimum lease payments due under these leases are as follows:

Year Ending December 31,	Amount
2015	\$ 12,359
2016	6,948
2017	4,335
	\$ 23,642

Total payments charged to copier lease expense for the year ended December 31, 2014 was \$10,879.

During the year ended December 31, 2014, three storage units are leased on a month-to-month basis. Therefore, there are no future minimum payments notes.

**NOTE 10 – COMPENSATED ABSENCES**

During 2008, the Coroner adopted a new policy for calculating compensated absences. All full-time, permanent employees, including the Coroner, earn vacation and sick leave, per year, depending on the length of service with the Coroner. An unlimited amount of vacation and sick leave may be carried forward to the next calendar year. Upon termination, earned vacation and sick leave are paid to the employee at the employee's current rate of pay. Dates have been established for approved payout requests each quarter for current employees. Employees earn vacation and sick leave based on the following tables, per pay period:

Years of Service	Earned Vacation	Earned Sick
1 to 3	3.41 hours	3.41 hours
3 to 10	5.59 hours	5.59 hours
10 and over	6.28 hours	6.28 hours

The cost of compensated absences, which includes earned vacation and sick leave, are recognized as current year expenditures in the General Fund when leave is actually taken, or when employees are paid for accrued leave. No liability is recorded in the General Fund for accrued compensated absences.

The summary for compensated absences is as follows:

Balance 12/31/2013	Additions	Deletions	Balance 12/31/2014	Due within One Year
\$ 276,003	\$ 181,398	\$ 300,070	\$ 157,331	\$ 157,331

**St. Tammany Parish Coroner**  
**Notes to the Financial Statements**

**NOTE 11 – DEFERRED INFLOWS OF RESOURCES**

General Fund	
Charges for Services	\$ 78,928
Total General Fund	<u>78,928</u>
Charges for Services recognized as revenue on the Government-wide in prior years	<u>(50,852)</u>
Charges for Services recognized as revenue on the Government-wide in 2014	<u>(28,076)</u>
Total Government Wide	<u>\$ -</u>

**NOTE 12 – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through the date that the financial statements were available to be issued, April 24, 2015, and identified the following subsequent events to be disclosed:

On January 13, 2015, the Coroner adopted a new personnel policy and procedure manual, including changes to the accrued time off policy. The new policy states that paid time off (“PTO”) shall be earned in accordance with the accrual rate schedule as noted below. PTO begins on the date of hire is awarded on a bi-weekly basis. PTO is available for use in the pay period following completion of 90 days of employment. Unused PTO will no longer be carried forward from year to year.

Years of Service	PTO per Pay Period
Less than 3 years	6.82 hours
3 to 10 years	9.00 hours
10 years plus	9.69 hours

On January 16, 2015, in accordance with the Cooperative Endeavor Agreement between the Coroner and St. Tammany Parish Government dated January 1, 2014, the Coroner’s Office transferred a portion of ground including the building and improvements. The land, building and building improvements are included in the Coroner’s capital asset balances as of December 31, 2014. The net book value of these assets as of December 31, 2014 was \$9,257,507.

**St. Tammany Parish Coroner**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance- Budget and Actual- General Fund**  
**December 31, 2014**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>				
Intergovernmental revenues	\$ 3,771,472	\$ 2,494,924	\$ 2,574,907	\$ 79,983
Traffic fines and court fees	-	-	36,894	36,894
Charges for services	295,040	421,274	358,640	(62,634)
Federal grants	200,000	100,000	187,683	87,683
Interest income	70,000	6,303	6,234	(69)
Other income	33,000	232,108	198,393	(33,715)
Total revenues	4,369,512	3,254,609	3,362,751	108,142
<b>EXPENDITURES</b>				
Health and welfare	4,064,793	4,355,323	4,249,424	105,899
Capital outlay	433,108	272,876	251,545	21,331
Total Expenditures	4,497,901	4,628,199	4,500,969	127,230
Deficiency of expenditures over revenues	(128,389)	(1,373,590)	(1,138,218)	235,372
Fund balance, beginning of year	1,373,590	1,373,590	1,479,960	106,370
Fund balance, end of year	\$ 1,245,201	\$ -	\$ 341,742	\$ 341,742

*The accompanying notes are an integral part of this statement.*



**St. Tammany Parish Coroner**  
**Schedule of Compensation, Benefits and Other Payments to Coroner**  
**For the Year Ended December 31, 2014**

	Dr. Menon	Dr. Preston
Salary	\$ 30,000	\$ 52,662
Benefits- insurance	-	15,829
Benefits- retirement	-	3,069
Vehicle provided by government	-	516
Cell phone	291	408
Dues	-	350
Reimbursements	-	59
<b>Total</b>	<b>\$ 30,291</b>	<b>\$ 72,893</b>

*The accompanying notes are an integral part of this statement.*

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

To the Coroner  
St. Tammany Parish Coroner, Louisiana  
Lacombe, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the General Fund of the St. Tammany Parish Coroner’s Office (the “Coroner”), component unit of St. Tammany Parish Council, as of and for the year ended December 31, 2014,, and the related notes to the financial statements, which collectively comprise the Coroner’s basic financial statements, and have issued our report thereon dated April 24, 2015.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Coroner’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 Coroner’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Coroner’s internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Coroner's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item **2014-001**.

### **St. Tammany Parish Coroner's Response to Findings**

Coroner's responses to the findings identified in our audit are described in the accompanying the schedule of findings and questioned costs. The Coroner's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

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

*Carr, Riggs & Ingram, LLC*

April 24, 2015

**St. Tammany Parish Coroner  
Schedule of Findings and Questioned Costs**

**A. SUMMARY OF AUDIT RESULTS**

*Financial Statements*

1. Type of auditor's report issued	Unmodified
2. Internal control over financial reporting	
a. Material weakness identified	No
b. Significant deficiencies identified not considered to be material weaknesses	No
c. Noncompliance material to the financial statements noted	Yes

**B. FINDINGS RELATED TO THE FINANCIAL STATEMENTS**

**2014-001 VIOLATION OF LA RS 13:5725**

**Criteria:** Louisiana Revised Statute 13:5725 states the Coroner cannot own or acquire immovable property, including the building, and must be transferred to St. Tammany Parish free and clear of all mortgages, liens, or other encumbrances within six months of June 7, 2013.

**Condition:** As of December 31, 2014, the Coroner has not transferred the building into the Parish's name.

**Cause:** The Coroner transferred the ownership of the immovable property, including the building, to St. Tammany Parish on January 16, 2015.

**Effect:** The Coroner is not in compliance with Louisiana State Law.

**St. Tammany Parish Coroner  
Summary Schedule of Prior Year Findings**

**SECTION I - FINDINGS RELATED TO THE FINANCIAL STATEMENTS**

2013-01 - Compensated Absences and Payroll	Resolved
2013-02 – Internal Controls over fixed assets	Resolved
2013-03 Misstatement of Cash	Resolved
2013-04 Prepaid Insurance	Resolved
2013-05 Budget Variance	Resolved
2013-06 Cooperative Endeavor Agreement	Unresolved (See finding 2014-001)
2013-07 Gas Cards	Resolved
2013-08 Louisiana Compliance Questionnaire and State Data Collection Form	Resolved
2013-09 Blue Lights on vehicles	Resolved

**SECTION II - FINDINGS AND QUESTIONED COSTS RELATED TO MAJOR FEDERAL AWARD  
PROGRAMS**

N/A

**SECTION III - MANAGEMENT LETTER**

Bank Statement Review	Resolved
Dual Signatures	Resolved
Fixed Asset Policy	Resolved
Fixed Asset Disposals	Resolved
Related Party Transaction	Resolved
Purchasing Policy	Resolved
Access to Vehicle Keys	Resolved
Review of Stale Receivables and Payables	Unresolved
Depreciable Lives of Capital Assets	Resolved
Daily / Weekly Time	Resolved
Current Allegations	Resolved
Disaster Recovery	Unresolved
Records Retention Policy	Resolved
1099 Compliance	Resolved



**St. Tammany Parish Coroner  
Corrective Action Plan**

**FINDING 2014-001**

Management's Response: The Coroner's Office has transferred ownership of the immovable property to St. Tammany Parish Government as of January 16, 2015.

# St. Tammany Parish Coroner

## Memorandum of Advisory Comments

December 31, 2014



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## INDEPENDENT AUDITOR'S REPORT

To the Coroner  
**St. Tammany Parish Coroner**  
Lacombe, Louisiana

In planning and performing our audit of the financial statements of the governmental activities and the General Fund of St. Tammany Parish Coroner (the "Coroner") as of and for the year ended December 31, 2014, 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 Controller of the United States, we considered the Coroner's internal control over financial reporting (internal control) as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Coroner's internal control. Accordingly, we do not express an opinion on the effectiveness of Coroner's internal control.

However, during our audit we became aware of deficiencies in internal control other than a significant deficiency or a material weakness that are opportunities for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our observations and recommendations regarding these matters. This letter does not affect our report dated April 24, 2015, on the financial statements of the governmental activities and the General Fund of the Coroner.

We will review the status of our recommendations during our next audit engagement. We have already discussed our observations and recommendations with management and have included their corrective action plan. We will be pleased to discuss our recommendations in further detail at your convenience, or to perform any additional study of these matters.

Sincerely,

*Carr, Riggs & Ingram, LLC*

April 24, 2015

## St. Tammany Parish Coroner Memorandum of Advisory Comments

### 1. Review of Stale Receivables and Payables

*This observation is carried-forward from prior year but updated for specific findings in the current year.*

#### Observation:

We noted several stale receivables and payables balances in the General Fund that were greater than one year old.

#### Recommendation:

The Office Administrator as well as the Coroner should perform monthly reviews of outstanding receivables and payables and investigate unusual or old amounts.

For delinquent accounts receivable, we recommend that the Coroner develop and implement a written policy requiring bills to be collected timely or continued services for such clients will be terminated. Louisiana's Constitution (Article VII, Section 14(A) of the Louisiana Constitution of 1974) prohibits continuing to provide services without actively trying to collect on delinquent accounts.

#### Corrective Action Plan:

Management will follow the recommendations of auditor and will review receivables and payables on a monthly basis and will investigate unusual or old amounts. In addition the Coroner's office will develop and implement a written policy for collecting and continuing services of its clients in accordance with Article VII, Section 14(A) of the Louisiana Constitution of 1974).

### 2. Disaster Recovery

*This observation is carried-forward from prior year but updated for specific findings in the current year.*

#### Observation:

The time to make contingency plans is before a disaster strikes, so that all personnel will be aware of their responsibilities in the event of an emergency situation that precludes the use of existing facilities. We noted during our audit, that the Coroner's Office lacks a sufficient disaster recovery plan.

#### Recommendation:

We recommend that management develop a disaster recovery plan that includes, but is not limited to:

- Location of and access to off-site storage of electronic data
- A backup location to continue operations in the event primary location(s) are inaccessible or damaged
- Responsibilities of various personnel in an emergency – i.e. who secures computer equipment and who must report to work
- Priority of critical operations and reporting requirements during emergency period - i.e. payroll processing, vendor payment, etc.

## St. Tammany Parish Coroner Memorandum of Advisory Comments

### Corrective Action Plan:

Management is in the process of documenting the current procedures that are being followed for disaster recovery and which includes all the auditor's recommendation.

### **3. Modified Accrual Accounting**

#### Observation

During the course of our audit, we noted that there was revenue recorded in the General Fund that was not collected within sixty (60) days of year end. In addition, we noted there were liabilities that existed as of year-end that had not been recorded on the unadjusted General Fund.

#### Recommendation

The Coroner's Office should maintain the General Fund in accordance with modified accrual accounting, including the proper accounting over payables and revenue recognition. When a governmental receivable is not collected within 60 days of year-end, as set forth in the Coroner's accounting policies, the revenue recognized should be reclassified to "deferred inflows of resources-unavailable revenues".

#### Corrective Action Plan

Management will implement the recommendation for the fiscal year ending December 31, 2015.