

IBERIA PARISH SHERIFF

New Iberia, Louisiana

Financial Report

Year Ended June 30, 2012

TABLE OF CONTENTS

	Page
Independent Auditors' Report	1-2
 BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)	
Statement of net assets	5
Statement of activities	6
 FUND FINANCIAL STATEMENTS (FFS)	
Balance sheet - governmental funds	9
Reconciliation of the governmental fund balance sheet to the statement of net assets	10
Statement of revenues, expenditures, and changes in fund balances - governmental funds	11
Reconciliation of the statement of revenues, expenditures, and changes in fund balances of the governmental funds to the statement of activities	12
Statement of fiduciary net assets	13
 Notes to basic financial statements	 14-31
 REQUIRED SUPPLEMENTARY INFORMATION	
General Fund:	
Budgetary comparison schedule	33
Schedule of funding progress	34
 OTHER SUPPLEMENTARY INFORMATION	
Comparative statement of net assets	36
General Fund:	
Comparative balance sheet	37
Budgetary comparison schedule - revenues, expenditures, and changes in fund balance - compared to actual for prior year	38
Budgetary comparison schedule - expenditures - compared to actual for prior year	39-40
Agency Funds:	
Combining balance sheet	42
Combining statement of changes in assets and liabilities	43
 Affidavit - Tax Collector Fund	 44

(continued)

TABLE OF CONTENTS (continued)

	<u>Page</u>
INTERNAL CONTROL, COMPLIANCE AND OTHER MATTERS	
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	46-47
Summary schedule of current and prior year audit findings and corrective action plan	48-53

C. Burton Kolder, CPA*
 Russell F. Champagne, CPA*
 Victor R. Slaven, CPA*
 P. Troy Courville, CPA*
 Gerald A. Thibodeaux, Jr., CPA*
 Robert S. Carter, CPA*
 Arthur R. Nixon, CPA*

Penny Angelle Scruggins, CPA
 Christine L. Cousin, CPA
 Wanda F. Arcement, CPA, CVA
 Allen J. LaBry, 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
 Alan M. Taylor, CPA
 Kelly M. Doucet, CPA
 Cheryl L. Bartley, CPA
 Mandy B. Self, CPA
 Paul L. Delcambre, Jr., CPA
 Kristin B. Dauzat, CPA
 Matthew E. Margaglio, CPA
 Jane R. Hebert, CPA
 Bryan K. Joubert, CPA
 Stephen J. Anderson, CPA

Retired:
 Conrad O. Chapman, CPA* 2006
 Tynes E. Nixon, Jr., CPA 2011

* A Professional Accounting Corporation

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

OFFICES

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

408 West Cotton 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) 253-8661

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

621 Main Street
 Pineville, LA 71360
 Phone (318) 442-4421
 Fax (318) 442-9833

WEB SITE
WWW.KCSRCPAS.COM

INDEPENDENT AUDITORS' REPORT

The Honorable Louis Ackal
 Iberia Parish Sheriff
 New Iberia, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Iberia Parish Sheriff as of and for the year ended June 30, 2012, which collectively comprise the Sheriff's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Sheriff. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Iberia Parish Sheriff as of June 30, 2012 and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2012, on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the required supplementary information on pages 33 and 34 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements is required by Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken in a whole. The prior year comparative information on the required supplementary information has been derived from the Iberia Parish Sheriff's 2011 financial statements, which was subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, was fairly presented in all material respects in relation to the basic financial statements taken as a whole.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Iberia Parish Sheriff's basic financial statements as a whole. The other supplementary information on pages 36 through 44 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The prior year comparative information on the other supplementary information has been derived from the Iberia Parish Sheriff's 2011 financial statements, which was subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, was fairly presented in all material respects in relation to the basic financial statements taken as a whole.

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

New Iberia, Louisiana
December 14, 2012

BASIC FINANCIAL STATEMENTS

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

IBERIA PARISH SHERIFF
New Iberia, Louisiana

Statement of Net Assets
June 30, 2012

	Governmental Activities
ASSETS	
Current assets:	
Cash and interest-bearing deposits	\$2,798,610
Receivables	1,126,616
Prepaid expenditures	<u>5,968</u>
Total current assets	3,931,194
Noncurrent assets:	
Capital assets, net	<u>1,477,530</u>
TOTAL ASSETS	<u>5,408,724</u>
LIABILITIES	
Current liabilities:	
Accounts and other accrued payables	<u>823,177</u>
Noncurrent liabilities:	
Due within one year	630,000
Due in more than one year	<u>2,189,998</u>
Total noncurrent liabilities	<u>2,819,998</u>
TOTAL LIABILITIES	<u>3,643,175</u>
NET ASSETS	
Invested in capital assets	13,621
Unrestricted	<u>1,751,928</u>
TOTAL NET ASSETS	<u>\$1,765,549</u>

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

IBERIA PARISH SHERIFF
New Iberia, Louisiana

Statement of Activities
For the Year Ended June 30, 2012

Functions/Programs	Program Revenues			Net (Expense) Revenue And Changes in Net Assets
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities
Governmental activities:				
Public safety:				
Police	\$21,074,940	\$11,481,460	\$ 580,413	\$ (8,905,738)
Interest on long-term debt	<u>120,368</u>	<u>-</u>	<u>-</u>	<u>(120,368)</u>
Total governmental activities	<u>\$21,195,308</u>	<u>\$11,481,460</u>	<u>\$ 580,413</u>	<u>(9,026,106)</u>
General revenues:				
Taxes:				
Property taxes, levied for general purposes				5,013,056
Sales tax				3,508,413
Grants and contributions not restricted to specific programs:				
State revenue sharing				217,813
State supplemental pay				1,111,448
Interest and investment earnings				9,267
Miscellaneous				268,157
Total general revenues				<u>10,128,154</u>
Change in net assets				1,102,048
Net assets - July 1, 2011				<u>663,501</u>
Net assets - June 30, 2012				<u>\$ 1,765,549</u>

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

FUND FINANCIAL STATEMENTS (FFS)

MAJOR FUND DESCRIPTION

General Fund

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

IBERIA PARISH SHERIFF
New Iberia, Louisiana

Balance Sheet - Governmental Fund
June 30, 2012

	General Fund
<hr/>	
ASSETS	
Cash and interest-bearing deposits	\$2,798,610
Receivables -	
Grants	53,174
Other	1,073,442
Prepaid expenditures	<u>5,968</u>
Total assets	<u>\$3,931,194</u>
LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts payable	\$ 572,390
Other accrued liabilities	241,902
Due to other governmental units	<u>8,885</u>
Total liabilities	<u>823,177</u>
Fund balance:	
Nonspendable (prepaid expenditures)	5,968
Unassigned	<u>3,102,049</u>
Total fund balance	<u>3,108,017</u>
Total liabilities and fund balance	<u>\$3,931,194</u>

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

IBERIA PARISH SHERIFF
New Iberia, Louisiana

Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Assets
June 30, 2012

Total fund balances for governmental funds at June 30, 2012	\$3,108,017
---	-------------

Total net assets reported for governmental activities in the statement of net assets 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:

Equipment, net of \$1,476,493 accumulated depreciation	\$ 843,141	
Furniture and fixtures, net of \$81,390 accumulated depreciation	18,564	
Vehicles, net of \$2,204,846 accumulated depreciation	<u>615,825</u>	1,477,530

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Claims payable	(209,874)	
Compensated absences payable	(330,845)	
Net OPEB obligation	(309,279)	
Bonds payable	<u>(1,970,000)</u>	<u>(2,819,998)</u>

Net assets at June 30, 2012	<u>\$1,765,549</u>
-----------------------------	--------------------

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

IBERIA PARISH SHERIFF
New Iberia, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds
Year Ended June 30, 2012

	General Fund
Revenues:	
Taxes	\$8,521,469
Intergovernmental revenues	2,164,940
Fees, charges and commissions for services	11,337,888
Interest income	9,267
Miscellaneous	<u>263,792</u>
Total revenues	<u>22,297,356</u>
Expenditures:	
Current -	
Public safety:	
Personal services and related benefits	15,191,227
Operating services	4,374,576
Materials and supplies	318,177
Travel and other charges	14,898
Debt service	720,368
Capital outlay	<u>389,342</u>
Total expenditures	<u>21,008,588</u>
Net change in fund balance	1,288,768
Fund balance, beginning	<u>1,819,249</u>
Fund balance, ending	<u>\$3,108,017</u>

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

IBERIA PARISH SHERIFF
New Iberia, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of the Governmental Funds
to the Statement of Activities
Year Ended June 30, 2012

Total net changes in fund balances for the year ended June 30, 2012 per Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 1,288,768
--	--------------

The change in net assets reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 389,342	
Depreciation expense for the year ended June 30, 2012	(1,049,114)	
Current period dispositions of capital assets, net of accumulated depreciation	<u>(19,158)</u>	(678,930)

Increase in compensated absences not requiring the use of current economic resources which were previously accrued and recorded as an expense in the statement of activities	(15,931)
--	----------

Increase in estimated liability for other claims not requiring the use of current economic resources which were previously accrued and recorded as an expense in the statement of activities	(17,601)
--	----------

Increase in net OPEB obligation for the year ended June 30, 2012 not requiring the use of current economic resources and, therefore, not recorded as a fund expenditure	(74,258)
---	----------

Governmental funds report bond payments as expenditures. However, this expenditure does not appear in the statement of activities since the payment is applied against the revenue bonds payable balance on the statement of net assets	<u>600,000</u>
---	----------------

Total changes in net assets for the year ended June 30, 2012 per Statement of Activities	\$ <u>1,102,048</u>
---	---------------------

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

IBERIA PARISH SHERIFF

New Iberia, Louisiana

Statement of Fiduciary Net Assets

June 30, 2012

	<u>Agency Funds</u>
ASSETS	
Cash and interest-bearing deposits	\$2,434,203
Due from others	<u>37,102</u>
Total assets	<u>\$2,471,305</u>
LIABILITIES	
Due to other taxing bodies	\$2,455,794
Due to inmates	<u>15,511</u>
Total liabilities	<u>\$2,471,305</u>

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

IBERIA PARISH SHERIFF
New Iberia, Louisiana

Notes to Basic Financial Statements

INTRODUCTION

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

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

As the ex-officio tax collector of the parish, the sheriff is responsible for collecting and distributing ad valorem property taxes, 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 Iberia Parish Sheriff (Sheriff) conform to accounting principles generally accepted in the United States of America as applicable to governments. Such accounting and reporting procedures also conform to the requirements of the industry audit guide, Audits of State and Local Governmental Units.

(1) Summary of Significant Accounting Policies

A. Reporting Entity

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

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

IBERIA PARISH SHERIFF
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

B. Basis of Presentation

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

Government-Wide Financial Statements (GWFS)

The government-wide financial statements include the statement of net assets and the statement of activities for all non-fiduciary activities of the Sheriff. As a general rule, the effect of interfund activity has been removed from these statements. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities 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 and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions."

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

Fund Financial Statements (FFS)

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

IBERIA PARISH SHERIFF
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

Governmental Funds –

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

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 modified accrual basis of accounting.

C. Measurement Focus/Basis of Accounting

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

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

When both restricted and unrestricted resources are available for use, it is the Sheriff's policy to use restricted resources first, then unrestricted resources as they are needed. The governmental fund uses the following practices in recording revenues and expenditures:

IBERIA PARISH SHERIFF
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

Revenues

Ad valorem taxes and the related state revenue sharing are recorded in the year taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, generally 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.

Expenditures

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

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.

D. Budgets

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

1. 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.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.

IBERIA PARISH SHERIFF
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

4. 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.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as finally amended by the Sheriff.

E. Cash and Interest-Bearing Deposits

Cash and interest-bearing deposits include amounts in demand deposits and interest-bearing demand deposits. They are stated at cost.

F. Prepaid Expenditures

Payments made for insurance premiums and satellite and telephone contracts that will benefit periods beyond the end of the fiscal year are recorded as prepaid expenditures.

G. Capital Assets

Capital assets are capitalized at historical cost or estimated cost (the extent to which fixed asset costs have been estimated and the methods of estimation should be disclosed) if historical cost is not available (or describe other method of valuation). Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Sheriff maintains a threshold level of \$1,000 or more for capitalizing capital assets.

Capital assets are recorded in the Statement of Net Assets and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Equipment	3 - 10 years
Furniture and fixtures	5 - 15 years
Vehicles	3 - 5 years

IBERIA PARISH SHERIFF
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

H. Equity Classifications

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

1. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
3. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

In the fund financial statements, governmental fund equity is classified as fund balance. The Sheriff has adopted GASB Statement 54 for the year ended June 30, 2011. As such, fund balance of the governmental fund is classified as follows:

1. 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.
2. 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.
3. 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.
4. 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.
5. Unassigned – all other spendable amounts.

IBERIA PARISH SHERIFF
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

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

I. Compensated Absences

Employees of the Iberia Parish Sheriff earn annual leave and sick leave of 10 to 20 working days per year after one year of service. Accrued sick leave is not limited and not payable upon termination. Unused annual leave is converted to sick leave on the employee's anniversary date. Prior to that time, it is payable upon termination. At June 30, 2012, employees of the Sheriff have accumulated and vested \$330,845 of compensated absence benefits, which is recorded as a liability in the Statement of Net Assets. In accordance with the provisions of Statement of Financial Accounting Standards No. 43, "Accounting for Compensated Absences", no liability is recorded for nonvesting accumulating rights to receive sick pay benefits at June 30, 2012.

J. 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.

(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, 2012, the Sheriff has cash and interest-bearing deposits (book balances) totaling \$5,232,813 as follows:

	Government-wide Statement of Net Assets	Fiduciary Funds Statement of Net Assets	Total
Noninterest-bearing deposits	\$ 1,510	\$ 500	\$ 2,010
Interest-bearing deposits	<u>2,797,100</u>	<u>2,433,703</u>	<u>5,230,803</u>
Total	<u>\$ 2,798,610</u>	<u>\$ 2,434,203</u>	<u>\$ 5,232,813</u>

IBERIA PARISH SHERIFF
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

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

Deposit balances (bank balances) at June 30, 2012, are secured as follows:

Bank balances	<u>\$6,138,848</u>
Federal deposit insurance	258,315
Pledged securities	<u>5,880,533</u>
Total	<u>\$6,138,848</u>

Pledged securities in the amount of \$5,880,533 were exposed to custodial credit risk. These securities are held by the bank, or by its trust department or agent, but not in the Sheriff's name. Even though the pledged securities are not held in the name of the Sheriff, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Sheriff that the fiscal agent has failed to pay deposited funds upon demand.

(3) Ad valorem taxes

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

Ad valorem taxes are budgeted and recorded in the year levied and billed. During the month of November 2011, tax notices were distributed for the 2011 tax year. Law enforcement taxes applicable to the Sheriff's General Fund, were levied at the rate of 10.30 mills on property with approximate net assessed valuations (after homestead exemption) totaling \$496,990,013.

Total law enforcement taxes levied during 2012 were \$5,118,997.

IBERIA PARISH SHERIFF
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

(4) Receivables

Receivables in the amount of \$1,126,616 at June 30, 2012 consist of the following:

Grants	<u>\$ 53,174</u>
Other:	
City of New Iberia	524,952
Department of Corrections	194,002
Iberia Parish Government	104,758
Iberia Parish School Board	36,684
U.S. Marshal's Office	58,256
Other	<u>154,790</u>
	<u>1,073,442</u>
Total receivables	<u>\$1,126,616</u>

(5) Capital Assets

Capital asset activity for the year ended June 30, 2012 was as follows:

	Balance 6/30/2011	Additions	Deletions	Balance 6/30/2012
Governmental activities:				
Equipment	\$2,179,063	\$ 207,042	\$ 66,471	\$ 2,319,634
Furniture and fixtures	105,943	-	5,989	99,954
Vehicles	2,685,046	182,300	46,675	2,820,671
Total	<u>4,970,052</u>	<u>389,342</u>	<u>119,135</u>	<u>5,240,259</u>
Less accumulated depreciation				
Equipment	1,107,268	435,696	66,471	1,476,493
Furniture and fixtures	78,972	8,387	5,969	81,390
Vehicles	1,627,352	605,031	27,537	2,204,846
Total	<u>2,813,592</u>	<u>1,049,114</u>	<u>99,977</u>	<u>3,762,729</u>
Net capital assets	<u>\$2,156,460</u>	<u>\$(659,772)</u>	<u>\$19,158</u>	<u>\$1,477,530</u>

Depreciation expense in the amount of \$1,049,114 was charged to public safety.

IBERIA PARISH SHERIFF
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

(6) Accounts and Other Accrued Payables

The accounts, salaries, and other payables of \$1,183,360 consisted of the following at June 30, 2012:

Accounts	\$ 572,390
Salaries	190,914
Payroll taxes and withholdings	50,988
Due to other governmental units	8,885
Total	<u>\$823,177</u>

(7) Noncurrent Liabilities

On July 24, 2008, the Sheriff issued \$4,250,000 of Excess Revenue Bonds, Series 2008, of The Law Enforcement District of the Parish of Iberia, State of Louisiana for the purpose of acquiring and equipping patrol cars and other vehicles; acquiring and installing new communications equipment; making other capital improvements to the law enforcement facilities; and paying the cost of issuance of the bonds. The bonds will mature serially on July 1st of the years 2009 through 2015 and will bear interest at rates not exceeding 4.25%.

Noncurrent liabilities outstanding at June 30, 2012 are as follows:

	<u>Balance 6/30/2012</u>	<u>Due Within One Year</u>
\$4,250,000 Excess Revenue Bonds payable, due in annual installments of \$545,000 - \$685,000 through June 30, 2015; interest at 4.25.	\$ 1,970,000	\$ 630,000
Compensated absences	330,845	-
Net OPEB obligation	309,279	-
Other claims	209,874	-
Total noncurrent liabilities	<u>\$2,819,998</u>	<u>\$ 630,000</u>

The following is a summary of changes in noncurrent liabilities for the year ended June 30, 2012:

	<u>Balance 7/1/2011</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 6/30/2012</u>
Excess revenue bonds	\$ 2,570,000	\$ -	\$ 600,000	\$ 1,970,000
Compensated absences	313,244	174,720	157,119	330,845
Net OPEB obligation	235,021	85,440	11,182	309,279
Other claims	193,943	26,912	10,981	209,874
Total	<u>\$3,312,208</u>	<u>\$ 287,072</u>	<u>\$ 779,282</u>	<u>\$2,819,998</u>

IBERIA PARISH SHERIFF
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

The Excess Revenue Bonds are due as follows:

Year ending June 30,	Governmental Activities	
	Principal Payments	Interest Payments
2013	\$ 630,000	\$ 83,726
2014	655,000	56,950
2015	685,000	29,112
Total	<u>\$ 1,970,000</u>	<u>\$ 169,788</u>

(8) Post Retirement Health Care and Life Insurance Benefits

From an accrual accounting perspective, the cost of postemployment healthcare benefits should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. In adopting the requirements of GASB Statement No. 45 during the year ended June 30, 2009, the Sheriff began to recognize the cost of postemployment healthcare in the year when employee services are received, to report the accumulated liability from prior years, and to provide information useful in assessing potential demands on the Sheriff's future cash flows. Because the Sheriff adopted the requirements of GASB Statement No. 45 prospectively, recognition of the liability accumulated from prior years will be phased in over 30 years, commencing with the 2009 liability.

Plan Description: Employees who retire that have attained the age of 55 with at least 12 years of service, have retired with 30 years of service at any age or has 10 years of service at age 60 may continue health and life insurance coverage at the retirees expense. Retirees may also choose to continue coverage for their spouse at the retiree's expense. The plan is a single-employer defined benefit health care plan administered by United Health Care. The Sheriff has the authority to establish and amend the benefit provisions of the plan. The plan does not issue a publicly available financial report.

Funding Policy: The monthly premiums for the retiree benefits are paid by the retiree. The benefits are financed on a pay-as-you-go basis.

Annual OPEB Cost: The Sheriff's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The Sheriff utilizes the level-dollar amortization method to amortize the unfunded actuarial accrued liability.

IBERIA PARISH SHERIFF
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

The following table shows the components of the Sheriff's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the district's net OPEB obligation:

Annual required contribution	\$ 90,143
Interest on net OPEB obligation	9,401
Adjustment to annual required contribution	<u>(14,104)</u>
Annual OPEB cost (expense)	85,440
Contributions made	<u>(11,182)</u>
Increase in net OPEB obligation	74,258
Net OPEB obligation, beginning of year	<u>235,021</u>
Net OPEB obligation, end of year	<u>\$309,279</u>

The Sheriff's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation as of 2010, 2011, and 2012 follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2010	\$ 93,482	29.22%	\$ 155,987
6/30/2011	\$ 87,021	9.18%	\$ 235,021
6/30/2012	\$ 85,440	13.09%	\$ 309,279

Funded Status and Funding Progress: The funded status of the plan as of July 1, 2011, was as follows:

Actuarial accrued liability (AAL)	\$ 615,888
Actuarial valuation of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 615,888</u>
Funded ration (actuarial value of plan assets/AAL)	0%

IBERIA PARISH SHERIFF
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

Actuarial valuations for an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to continuous revision as actual results are compared to past expectations and new estimates about the future are formulated. Although the valuation results are based on values which the Sheriff's actuarial consultant believes are reasonable assumptions, the valuation results reflect a long-term perspective and, as such, are merely an estimate of what future costs may actually be. Deviations in any of several factors, such as future interest rates, medical cost inflation, Medicare coverage, and changes in marital status, could result in actual costs being less or greater than estimated.

The schedule of funding progress presented as required supplementary information following the notes to the financial statements, will present multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Because GASB Statement No. 45 requires an actuarial valuation at least biennially for plans with total participants of more than 200, the schedule of funding progress presents two actuarial valuations since implementation. In future years, required trend data will be presented.

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2010 actuarial valuation, the unit credit actuarial cost method was used. The significant actuarial assumptions used in the valuation of the plan are as follows:

1. Investment return of 4.0% per annum, compounded annually.
2. Retirement Rates - (Rates are the same for both male and female.)

<u>Age</u>	<u>Rate</u>
46 - 49	16.0%
50 - 54	7.0%
55 - 64	16.0%
65	26.0%

3. 20% of employees who elect coverage while in active employment and who are eligible for retiree benefits are assumed to elect continued medical coverage in retirement.
4. 34% of members electing coverage are assumed to also elect coverage for a spouse.

IBERIA PARISH SHERIFF
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

5. Claim Costs

Age	Retiree		Spouse	
	Male	Female	Male	Female
35	3,095	5,609	3,095	6,166
40	3,777	5,665	3,777	5,975
45	4,794	6,230	4,794	6,372
50	6,108	7,139	6,108	7,192
55	7,466	7,845	7,466	7,864
60	9,306	8,945	9,306	8,951
65	4,242	4,042	4,242	4,042
70	5,180	4,837	5,180	4,837
75	6,279	5,747	6,279	5,747
80	7,336	6,650	7,336	6,650
85	8,364	7,600	8,364	7,600

6. Medical Inflation

Year	Trend
2010	11.5%
2011	10.2%
2012	8.7%
2013	7.1%
2014	6.1%
2015-2018	6.0%
2019-2022	5.9%
2023-2026	5.8%
2027-2031	5.7%
2032-2034	5.6%
2035	5.5%
2036	5.4%
2037-2038	5.3%
2039-2041	5.2%
2042-2045	5.1%
2046-2050	5.0%
2051-2057	4.9%
2058-2068	4.8%
2069-2076	4.7%
2077	4.6%
2078	4.5%
2079-2081	4.4%
2082+	4.3%

IBERIA PARISH SHERIFF
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

(9) Pension Plan

Plan Description: Substantially all employees of the Sheriff are members of the Louisiana Sheriff's Pension and Relief Fund (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees to provide retirement, disability and survivor benefits to sheriff and deputy sheriff members throughout the State of Louisiana. Benefits are established or amended by state statute. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Sheriffs' Pension and Relief Fund, 1225 Nicholson Drive, Baton Rouge, Louisiana 70802 or by calling (225) 219-0500.

Funding Policy: Plan members are required to contribute 10% of their annual covered salary and the Iberia Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 12.5% of annual covered payroll. The contribution requirements of plan members and the Iberia Parish Sheriff are established and may be amended by state statute. The Iberia Parish Sheriff's contributions to the System for the years ended June 30, 2012, 2011, and 2010 were \$1,376,097, \$1,264,273, and \$1,127,587, respectively.

(10) Deferred Compensation Plan

Certain employees of the Sheriff participate in the Louisiana Public Employees Deferred Compensation Plan adopted under the provisions of Internal Revenue Code Section 457. Complete disclosures related to the Plan are included in the separately issued audit report of the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397.

(11) Taxes Paid Under Protest

The unsettled balances due to taxing bodies and others in the agency funds at June 30, 2012, include \$1,460,261 of taxes paid under protest plus interest earned to date on the investment of these funds. These funds are held pending resolution of the protest and are accounted for in the Tax Collector Agency Fund.

(12) Changes in Agency Fund Balances

A summary of changes in agency fund balances are as follows:

	Balance 6/30/2011	Additions	Reductions	Balance 6/30/2012
Agency Funds:				
Sheriff's fund	\$ 156,855	\$ 1,383,629	\$ 1,244,499	\$ 295,985
Tax Collector Fund	1,485,019	36,597,806	36,516,413	1,566,412
Bond Fund	524,396	2,837,846	2,786,727	575,515
Prison Inmate Fund	32,110	516,286	524,732	23,664
Contraband Fund	6,868	467,932	465,071	9,729
Total	<u>\$2,205,248</u>	<u>\$41,803,499</u>	<u>\$41,537,442</u>	<u>\$2,471,305</u>

IBERIA PARISH SHERIFF
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

(13) Litigation and Claims

At June 30, 2012, the Sheriff is involved in several lawsuits claiming monetary damages. The Sheriff's legal counsel has reviewed the Sheriff's claims and lawsuits, which are primarily personal injury claims and automobile accident claims, in order to evaluate the likelihood of an unfavorable outcome to the Sheriff and to arrive at an estimate, if any, of the amount or range of potential loss to the Sheriff. As a result of the review, the various claims and lawsuits have been categorized into "probable", "reasonably possible", or "remote", as defined by the Governmental Accounting Standards Board. The Sheriff is involved in several lawsuits that are classified as "probable" with an estimated loss of \$209,874, which has been accrued in the government-wide financial statements.

(14) Risk Management

The Sheriff is exposed to risks of loss in the areas of auto liability, professional law enforcement liability, and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. Under Louisiana law, appointed deputies are exempt from the requirement of workers' compensation insurance coverage. The Sheriff has elected to provide "on the job" medical insurance coverage, which pays 100% of medical expenses for work related injuries. There have been no significant reductions in the insurance coverage during the current fiscal year, nor have settlements exceeded coverage for the past three years.

(15) Expenditures of the Sheriff's Office Paid by the Parish Government

The Sheriff's administrative office is located in a building owned by the Iberia Parish Government. The cost of maintaining and operating the administrative building, as required by statute, is paid by the Iberia Parish Government. These expenditures are not included in the accompanying financial statements.

(16) Intergovernmental Agreements

The Sheriff has entered into an intergovernmental agreement with the Town of Delcambre. Under this agreement, the Sheriff pays \$200 per officer to supplement salaries.

On March 1, 2009, the Sheriff entered into an intergovernmental agreement with the Village of Loreauville to provide policing services. The total amount of the contract for providing these services is \$60,000 per year payable in monthly installments of \$5,000. The contract expires on June 30, 2016.

On October 1, 2011, the Sheriff entered into an intergovernmental agreement with the Iberia Parish School Board to provide policing services. The total amount of the contract for providing these services is \$90,000 per year payable in quarterly installments of \$22,500. The contract expires on September 30, 2012. This Agreement shall automatically renew each year thereafter unless either party elects to terminate.

On July 1, 2010, the Sheriff renewed an intergovernmental agreement with the City of New Iberia whereas the Sheriff will provide law enforcement services for the City of New Iberia. The intergovernmental agreement calls for an annual fee from the City in the amount of \$5,750,000 and subject to consumer price index adjustments, payable in monthly installments. The agreement expires on June 30, 2016. The total amount billed was \$6,021,257 and \$5,750,000 for the years ended June 30, 2012 and 2011, respectively.

IBERIA PARISH SHERIFF
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

On October 1, 2002, the Sheriff entered into an intergovernmental agreement with the Iberia Parish Government whereas the Sheriff assumed responsibility for the maintenance of the jail building. The agreement calls for an annual fee from the Parish in the amount of \$731,600, payable in monthly installments of \$60,967. The agreement expires on September 30, 2012. The total amount paid was \$1,231,600 and \$1,212,922 for the years ended June 30, 2012 and 2011, respectively.

(17) Ex-officio Tax Collector

The amount of cash on hand at year end was \$1,566,412. The unsettled balances of the Tax Collector Fund at June 30, 2012 consist of the following:

Collection of current and prior year taxes, not settled	\$ 105,305
Investment interest	846
Protest taxes	<u>1,460,261</u>
Total	<u>\$1,566,412</u>

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

Iberia Parish Council	\$10,618,056
Iberia Parish School Board	16,009,807
Iberia Parish Sheriff	5,058,314
Louisiana Tax Commission	5,950
Teche Vermillion Fresh Water District	736,648
Twin Parish Port District 1 & 2	<u>252,550</u>
Total	<u>\$34,446,802</u>

For the fiscal year ended June 30, 2012, the taxes assessed and uncollected was as follows:

Amount and Reason for Taxes Assessed and Uncollected

	Change Orders	Movable Property	Immovable Property	Bankruptcy	Total
Atchafalaya Basin Levee District	\$ 1,064	\$ 345	\$ 445	\$ 3	\$ 1,857
Forestry Tax	38	12	16	-	66
Iberia Parish Assessor	11,478	3,720	4,805	30	20,033
Iberia Parish Council	75,662	24,524	31,672	200	132,058
Iberia Parish School Board	114,083	36,975	47,756	303	199,117
Iberia Parish Sheriff	36,045	11,682	15,088	95	62,910
Louisiana Tax Commission	42	14	18	-	74
Teche Vermillion Fresh Water District	5,249	1,701	2,197	14	9,161
Twin Parish Port District 1 & 2	1,800	583	753	5	3,141
Total	<u>\$245,461</u>	<u>\$79,556</u>	<u>\$ 102,750</u>	<u>\$ 650</u>	<u>\$428,417</u>

IBERIA PARISH SHERIFF
New Iberia, Louisiana

Notes to Basic Financial Statements (Continued)

(18) New Accounting Pronouncements

In December 2010, the Governmental Accounting Standards Board (GASB) approved Statement No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements". The statement specifically identifies and consolidates the accounting and financial reporting provisions that apply to state and local governments. In June 2011, the Governmental Accounting Standards Board (GASB) approved Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position". The statement changes how governments will organize their statements of financial position (such as the current government-wide statement of net assets and the governmental funds balance sheet). Under this standard, financial statements will include deferred outflows of resources and deferred inflows of resources, in addition to assets and liabilities, and will report net position instead of net assets. The provisions of GASB Nos. 62 and 63 must be implemented by the Sheriff for the year ending June 30, 2013. The effect of implementation on the Sheriff's financial statements has not yet been determined.

(19) Subsequent Event Review

The Sheriff's management has evaluated subsequent events through December 14, 2012, the date which the financial statements were available to be issued.

**REQUIRED SUPPLEMENTARY
INFORMATION**

IBERIA PARISH SHERIFF
New Iberia, Louisiana
General Fund

Budgetary Comparison Schedule
Year Ended June 30, 2012

	2012			Variance with
	Budget			Final Budget
	Original	Amended	Actual	Positive
				(Negative)
Revenues:				
Taxes	\$ 7,900,000	\$ 8,503,172	\$ 8,521,469	\$ 18,297
Intergovernmental revenues	2,011,350	2,211,041	2,164,940	(46,101)
Fees, charges and commissions for services	10,508,400	10,781,630	11,337,888	556,258
Interest income	4,500	6,650	9,267	2,617
Miscellaneous	324,700	390,290	263,792	(126,498)
Total revenues	<u>20,748,950</u>	<u>21,892,783</u>	<u>22,297,356</u>	<u>404,573</u>
Expenditures:				
Current -				
Public safety:				
Personal services and related benefits	15,722,352	15,245,643	15,191,227	54,416
Operating services	4,174,869	4,632,079	4,374,576	257,503
Materials and supplies	451,614	355,214	318,177	37,037
Travel and other charges	59,553	30,000	14,898	15,102
Debt service	749,225	749,225	720,368	28,857
Capital outlay	160,000	543,905	389,342	154,563
Total expenditures	<u>21,317,613</u>	<u>21,556,066</u>	<u>21,008,588</u>	<u>547,478</u>
Net change in fund balance	(568,663)	336,717	1,288,768	952,051
Fund balances, beginning	<u>1,819,249</u>	<u>1,819,249</u>	<u>1,819,249</u>	<u>-</u>
Fund balances, ending	\$ 1,250,586	\$ 2,155,966	\$ 3,108,017	\$ 952,051

IBERIA PARISH SHERIFF
New Iberia, Louisiana

Schedule of Funding Progress
Year Ended June 30, 2012

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, 2008	\$ -	\$ 466,767	\$ 466,767	0.0%	\$10,494,310	4.4%
July 1, 2010	\$ -	\$ 615,888	\$ 615,888	0.0%	\$10,881,161	5.7%

**OTHER SUPPLEMENTARY
INFORMATION**

IBERIA PARISH SHERIFF
New Iberia, Louisiana

Comparative Statement of Net Assets
June 30, 2012 and 2011

	Governmental Activities	
	2012	2011
ASSETS		
Current assets:		
Cash and interest-bearing deposits	\$2,798,610	\$1,424,792
Receivables, net	1,126,616	1,450,907
Prepaid expenditures	5,968	126,910
Total current assets	3,931,194	3,002,609
Noncurrent assets:		
Capital assets	1,477,530	2,156,460
TOTAL ASSETS	5,408,724	5,159,069
LIABILITIES		
Current liabilities:		
Accounts and other accrued payables	823,177	1,183,360
Noncurrent liabilities:		
Due within one year	630,000	600,000
Due in more than one year	2,189,998	2,712,208
Total noncurrent liabilities	2,819,998	3,312,208
TOTAL LIABILITIES	3,643,175	4,495,568
Invested in capital assets, net of related debt	13,621	112,461
Unrestricted	1,751,928	551,040
TOTAL NET ASSETS	\$1,765,549	\$ 663,501

IBERIA PARISH SHERIFF
New Iberia, Louisiana
General Fund

Comparative Balance Sheet
June 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash and interest-bearing deposits	\$2,798,610	\$1,424,792
Receivables -		
Grants	53,174	215,273
Other	1,073,442	1,235,634
Prepaid expenditures	<u>5,968</u>	<u>126,910</u>
 Total assets	 <u>\$3,931,194</u>	 <u>\$3,002,609</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 572,390	\$ 826,736
Other accrued liabilities	241,902	347,877
Due to other governmental units	<u>8,885</u>	<u>8,747</u>
 Total liabilities	 <u>823,177</u>	 <u>1,183,360</u>
Fund balance:		
Nonspendable (prepaid expenditures)	5,968	126,910
Unreserved and undesignated	<u>3,102,049</u>	<u>1,692,339</u>
 Total fund balance	 <u>3,108,017</u>	 <u>1,819,249</u>
 Total liabilities and fund balance	 <u>\$3,931,194</u>	 <u>\$3,002,609</u>

IBERIA PARISH SHERIFF
New Iberia, Louisiana
General Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2012
With Comparative Actual Amounts for the Year Ended June 30, 2011

	2012			Variance with Final Budget Positive (Negative)	2011
	Budget		Actual		
	Original	Amended			
Revenues:					
Taxes -					
Ad valorem taxes	\$4,900,000	\$5,030,992	\$5,013,056	\$ (17,936)	\$5,000,146
Sales taxes	3,000,000	3,472,180	3,508,413	36,233	2,833,242
Intergovernmental revenues -					
Federal grants	199,950	372,214	415,862	43,648	460,896
State revenue sharing	218,000	217,813	217,813	-	218,716
State supplemental pay	1,152,000	1,152,000	1,111,448	(40,552)	1,005,695
State and parish grants	441,400	469,014	419,817	(49,197)	436,672
Fees charges and commissions for services -					
Commissions	853,500	885,324	1,038,705	153,381	1,049,235
Civil and criminal fees	252,000	217,753	220,947	3,194	231,948
Intergovernmental agreements	7,283,600	7,414,857	7,392,357	(22,500)	7,094,922
Court attendance	25,000	21,930	27,325	5,395	25,800
Security income	30,000	27,549	30,863	3,314	30,818
Transporting prisoners	38,000	13,546	21,320	7,774	64,591
Feeding and keeping prisoners	2,026,300	2,200,671	2,606,371	405,700	2,156,647
Interest income	4,500	6,650	9,267	2,617	7,941
Miscellaneous	324,700	390,290	263,792	(126,498)	632,258
Total revenues	<u>20,748,950</u>	<u>21,892,783</u>	<u>22,297,356</u>	<u>404,573</u>	<u>21,249,527</u>
Expenditures:					
Current -					
Public safety:					
Personal services and related benefits	15,722,352	15,245,643	15,191,227	54,416	14,752,031
Operating services	4,174,869	4,632,079	4,374,576	257,503	4,112,963
Materials and supplies	451,614	355,214	318,177	37,037	277,503
Travel and other charges	59,553	30,000	14,898	15,102	11,372
Debt service	749,225	749,225	720,368	28,857	753,857
Capital outlay	160,000	543,905	389,342	154,563	644,782
Total expenditures	<u>21,317,613</u>	<u>21,556,066</u>	<u>21,008,588</u>	<u>547,478</u>	<u>20,552,508</u>
Excess (deficiency) of revenues over expenditures	<u>(568,663)</u>	<u>336,717</u>	<u>1,288,768</u>	<u>952,051</u>	<u>697,019</u>
Fund balance, beginning	<u>1,819,249</u>	<u>1,819,249</u>	<u>1,819,249</u>	<u>-</u>	<u>1,122,230</u>
Fund balance, ending	<u>\$1,250,586</u>	<u>\$2,155,966</u>	<u>\$3,108,017</u>	<u>\$952,051</u>	<u>\$1,819,249</u>

IBERIA PARISH SHERIFF
New Iberia, Louisiana
General Fund

Budgetary Comparison Schedule - Expenditures
For the Year Ended June 30, 2012
With Comparative Actual Amounts for the Year Ended June 30, 2011

	2012			Variance with Final Budget Positive (Negative)	2011
	Budget		Actual		
	Original	Amended			
Current:					
Public safety -					
Personal services and related benefits:					
Salaries	\$10,355,143	\$9,876,150	\$10,073,771	\$ (197,621)	\$9,879,950
Pension and payroll taxes	1,541,558	1,535,792	1,535,418	374	1,425,744
Group insurance and other benefits	3,825,651	3,833,701	3,582,038	251,663	3,446,337
Total personal services and related benefits	15,722,352	15,245,643	15,191,227	54,416	14,752,031
Operating services:					
Appropriations	21,600	12,000	11,717	283	21,600
Auto fuel and oil	583,300	825,000	834,646	(9,646)	768,299
Auto maintenance	150,000	295,000	301,998	(6,998)	157,403
Beeper/tower	72,550	60,000	50,947	9,053	72,590
Insurance -					
Auto liability	275,000	285,850	285,849	1	280,786
Claims paid	75,000	66,000	75,713	(9,713)	102,310
Deputy liability	244,796	265,000	232,992	32,008	234,048
General liability	8,739	5,800	7,246	(1,446)	7,598
Workers compensation	3,000	-	713	(713)	1,285
Other	16,735	16,735	7,318	9,417	7,313
Miscellaneous	86,928	91,393	64,109	27,284	75,688
Pass-through grant expenditures	-	52,000	52,588	(588)	52,383
Prisoner expenses	976,000	911,500	852,027	59,473	809,192
Professional fees -					
Accounting	75,500	110,000	107,020	2,980	59,527
Cleaning service	3,680	3,680	2,576	1,104	3,569
Contract services	404,150	535,100	533,418	1,682	430,216
Legal	82,500	82,500	60,593	21,907	140,863
Payroll processing	-	-	-	-	19,642
Third party administrative fees	24,000	24,000	24,000	-	25,078
Publication and printing	20,500	20,500	12,307	8,193	7,517
Rents and leases	50,746	50,746	43,169	7,577	60,756
Repairs and maintenance	121,675	89,525	67,626	21,899	60,770
Telephone	423,720	375,000	324,499	50,501	322,506
Training	53,800	53,800	24,275	29,525	27,331
Utilities	400,950	400,950	397,230	3,720	364,693
Total operating services	4,174,869	4,632,079	4,374,576	257,503	4,112,963

(continued)

IBERIA PARISH SHERIFF

New Iberia, Louisiana

General Fund

Budgetary Comparison Schedule - Expenditures (Continued)
For the Year Ended June 30, 2012
With Comparative Actual Amounts for the Year Ended June 30, 2011

	2012			Variance with Final Budget Positive (Negative)	2011
	Budget		Actual		
	Original	Amended			
Materials and supplies:					
Office supplies	89,900	89,900	101,913	(12,013)	68,966
Shipping and postage	21,600	20,000	17,686	2,314	18,530
Law enforcement supplies	102,520	22,740	14,441	8,299	17,163
Supplies	237,594	222,574	184,137	38,437	172,844
Total materials and supplies	451,614	355,214	318,177	37,037	277,503
Travel and other charges	59,553	30,000	14,898	15,102	11,372
Debt service:					
Principal	600,000	600,000	600,000	-	580,000
Interest	149,225	149,225	120,368	28,857	173,857
Total debt service	749,225	749,225	720,368	28,857	753,857
Capital outlay:					
Computer equipment	-	125,766	52,927	72,839	153,083
Other equipment	10,000	182,139	151,115	31,024	321,341
Furniture and fixtures	-	-	-	-	6,758
Vehicles	150,000	236,000	185,300	50,700	163,600
Total capital outlay	160,000	543,905	389,342	154,563	644,782
Total expenditures	\$21,317,613	\$21,556,066	\$21,008,588	\$547,478	\$20,552,508

AGENCY FUNDS

Sheriff's Fund -

To account for funds held in connection with civil suits, sheriff's sales, and garnishments and payment of these collections to the Sheriff's General Fund and other recipients in accordance with applicable laws.

Tax Collector Fund -

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

Bond Fund -

To account for the collection of bonds, fines, and costs and payment of these collections to the Sheriff's General Fund and other eligible recipients in accordance with applicable laws.

Inmate Trust Fund -

To account for the deposits made by, and for, inmates to their individual accounts and the appropriate disbursements to these inmates.

Contraband Fund -

To account for monies seized during drug policing activities.

IBERIA PARISH SHERIFF
New Iberia, Louisiana
Agency Funds

Combining Balance Sheet

June 30, 2012

With Comparative Totals for June 30, 2011

	Sheriff's Fund	Tax Collector Fund	Bond Fund	Inmate Trust Fund	Contraband Fund	June 30, 2012	2011
ASSETS							
Cash and interest-bearing deposits	\$ 258,883	\$ 1,566,412	\$ 575,515	\$ 23,664	\$ 9,729	\$ 2,434,203	\$ 2,165,965
Due from others	<u>37,102</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,102</u>	<u>39,283</u>
Total assets	<u>\$ 295,985</u>	<u>\$ 1,566,412</u>	<u>\$ 575,515</u>	<u>\$ 23,664</u>	<u>\$ 9,729</u>	<u>\$ 2,471,305</u>	<u>\$ 2,205,248</u>
LIABILITIES							
Due to taxing bodies and others	\$ 295,985	\$ 1,566,412	\$ 575,515	\$ 8,153	\$ 9,729	\$ 2,455,794	\$ 2,184,909
Due to inmates	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,511</u>	<u>-</u>	<u>15,511</u>	<u>20,339</u>
Total liabilities	<u>\$ 295,985</u>	<u>\$ 1,566,412</u>	<u>\$ 575,515</u>	<u>\$ 23,664</u>	<u>\$ 9,729</u>	<u>\$ 2,471,305</u>	<u>\$ 2,205,248</u>

IBERIA PARISH SHERIFF
New Iberia, Louisiana
Agency Funds

Combining Statement of Changes in Assets and Liabilities
Year Ended June 30, 2012

	Sheriff's Fund	Tax Collector Fund	Bond Fund	Inmate Trust Fund	Contraband Fund	Total
Balances, beginning of year	\$ 156,855	\$1,485,019	\$ 524,396	\$ 32,110	\$ 6,868	\$2,205,248
Additions:						
Deposits -						
Sheriff's sales, suits, and seizures	853,574	-	-	-	-	853,574
Garnishments	529,655	-	-	-	-	529,655
Bonds	-	-	1,566,576	-	-	1,566,576
Fines and costs	-	-	1,269,820	-	-	1,269,820
Inmate deposits	-	-	-	516,166	-	516,166
Forfeitures	-	-	-	-	467,883	467,883
Taxes, fees, etc. paid to tax collector	-	36,597,806	-	-	-	36,597,806
Interest on interest-bearing deposits	400	-	1,450	120	49	2,019
Total additions	1,383,629	36,597,806	2,837,846	516,286	467,932	41,803,499
Total	1,540,484	38,082,825	3,362,242	548,396	474,800	44,008,747
Reductions:						
Taxes, fees, etc. distributed to taxing bodies and others	-	36,516,413	-	-	-	36,516,413
Deposits settled to -						
Sheriff's General Fund	328,650	-	306,786	-	-	635,436
Criminal Court Fund	-	-	538,015	-	-	538,015
Clerk of Court	164,048	-	120,779	-	-	284,827
District Attorney	-	-	431,391	-	-	431,391
Indigent Defender Board	-	-	312,402	-	-	312,402
Jury compensation fee	-	-	113,413	-	-	113,413
Inmates	-	-	-	524,732	-	524,732
Attorneys, litigants, etc.	751,755	-	-	-	-	751,755
Bond refunds	-	-	105,754	-	-	105,754
Other reductions	46	-	858,187	-	465,071	1,323,304
Total reductions	1,244,499	36,516,413	2,786,727	524,732	465,071	41,537,442
Balances, end of year	\$ 295,985	\$1,566,412	\$ 575,515	\$ 23,664	\$ 9,729	\$2,471,305

STATE OF LOUISIANA, PARISH OF IBERIA

AFFIDAVIT

Louis Ackal, Sheriff of Iberia

BEFORE ME, the undersigned authority, personally came and appeared, Louis Ackal, the sheriff of Iberia Parish, State of Louisiana, who after being duly sworn, deposed and said:

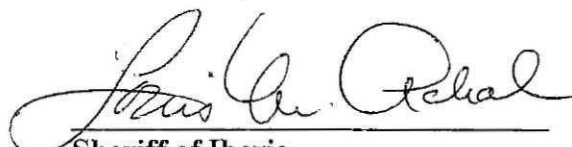
The following information is true and correct:

\$1,566,412 is the amount of cash on hand in the tax collector account on June 30, 2012;

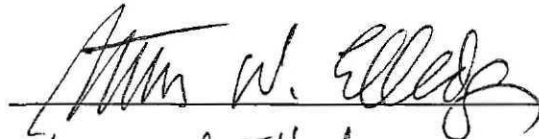
He further deposed and said:

All itemized statements of the amount of taxes collected for tax year 2011, 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.


Sheriff of Iberia

SWORN to and subscribed before me, Notary, this 4th day of December 2012, in my office in the New Iberia, Louisiana.

 (Signature)
Steven W. Elledge (Print), # 87117
Notary Public
@ death (Commission)



**INTERNAL CONTROL, COMPLIANCE,
AND OTHER MATTERS**

C. Burton Kolder, CPA*
 Russell F. Champagne, CPA*
 Victor R. Slaven, CPA*
 P. Troy Courville, CPA*
 Gerald A. Thibodeaux, Jr., CPA*
 Robert S. Carter, CPA*
 Arthur R. Mixon, CPA*

Penny Angelle Scruggins, CPA
 Christine L. Cousin, CPA
 Wanda F. Arcement, CPA CVA
 Allen J. LaBry, 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
 Alan M. Taylor, CPA
 Kelly M. Doucet, CPA
 Cheryl L. Bartley, CPA
 Mandy B. Self, CPA
 Paul L. Delcambre, Jr., CPA
 Kristin B. Dauzat, CPA
 Matthew E. Margaglio, CPA
 Jane R. Hebert, CPA
 Bryan K. Joubert, CPA
 Stephen J. Anderson, CPA

Retired:
 Conrad O. Chapman, CPA* 2006
 Tynes E. Mixon, Jr., CPA 2011

* A Professional Accounting Corporation

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

OFFICES

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

408 West Cotton Street
 Ville Platte, LA 70586
 Phone (337) 363-2792
 Fax (337) 363-3049

133 East Waddill 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

621 Main Street
 Pineville, LA 71360
 Phone (318) 442-4421
 Fax (318) 442-9833

WEB SITE
WWW.KCSRCPAS.COM

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 Louis Ackal
 Iberia Parish Sheriff
 New Iberia, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Iberia Parish Sheriff (the Sheriff) as of and for the year ended June 30, 2012, which collectively comprise the Iberia Parish Sheriff's basic financial statements and have issued our report thereon dated December 14, 2012. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Sheriff's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Sheriff's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying summary schedule of current and prior year audit findings and corrective action plan, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

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. We consider the deficiencies described in the accompanying summary schedule of current and prior year audit findings and corrective action plan as items 12-1(IC) through 12-3(IC) to be material weaknesses.

Compliance and Other Matters

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

We noted certain matters that we reported to management of the Sheriff, in a separate letter dated December 14, 2012.

The Sheriff's response to findings identified in our audit are described in the accompanying summary schedule of current and prior year audit findings and corrective action plan. We did not audit the Sheriff's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Sheriff's management and is not intended to be and should not be used by anyone other than these specified parties. However, 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

New Iberia, Louisiana
December 14, 2012

IBERIA PARISH SHERIFF
New Iberia, Louisiana

Summary Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan
For the Year Ended June 30, 2012

<u>Ref. No</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken</u>
CURRENT YEAR (6/30/12)			
<u>Internal Control:</u>			
12-01 (IC)	Unknown	Inadequate segregation of functions within the accounting system.	N/A
12-02 (IC)	2008	The Iberia Parish Sheriff does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in preparing its financial statements, including the related notes.	N/A
12-03 (IC)	2011	The Sheriff's accounts receivable and accounts payable subsidiaries are not being reconciled to the general ledger. Management should reconcile the subsidiaries to the general ledger on a monthly basis.	No
<u>Management Letter:</u>			
12-04 (ML)	2011	Numerous adjusting journal entries were made in the General Fund. The Sheriff should implement procedures to reconcile material balance sheet accounts to supporting documents on a monthly basis to ensure accuracy of the financial statements.	No

Corrective Action Plan	Name of Contact Person	Anticipated Date of Completion
No corrective action is planned. Due to the size of the operation and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.	N/A	N/A
The Iberia Parish Sheriff has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interests of the government to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.	N/A	N/A
Management will review their practices and procedures regarding accounts receivable and accounts payable to ensure transactions are dated properly within the accounting software. This would eliminate any differences between the accounts receivable and accounts payable subsidiary ledgers and the general ledger and ensure transactions are included on both in the same period.	Dianna Theriot, Finance Director	6/30/2013
Procedures will be implemented to reconcile material balance sheet accounts to supporting documents on a monthly basis to ensure accuracy of the financial statements.	Dianna Theriot, Finance Director	6/30/2013

(continued)

IBERIA PARISH SHERIFF
New Iberia, Louisiana

Summary Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan
For the Year Ended June 30, 2012

Ref. No	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken
PRIOR YEAR (6/30/11)			
<u>Internal Control:</u>			
11-01 (IC)	Unknown	Inadequate segregation of functions within the accounting system.	N/A
11-02 (IC)	2008	The Iberia Parish Sheriff does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in preparing its financial statements, including the related notes.	N/A
11-03 (IC)	2009	See Compliance finding 11-07 (C).	
11-04 (IC)	2010	See Compliance finding 11-08 (C).	
11-05 (IC)	2011	The Sheriff did not have the proper controls in place to ensure bank reconciliations properly reconciled the book balance to the bank balance which resulted in transactions not being recorded on the general ledger. The bank reconciliations were not completed in a reasonable time period after receiving the bank statement.	Yes
11-06 (IC)	2011	The Sheriff converted to a new accounting software during January 2011 and the proper controls were not in place to ensure that the accounts receivable and accounts payable subsidiaries converted and reflected the general ledger balance. Material adjustments were made to record transactions that did not convert into the new accounting software.	No

Corrective Action Plan	Name of Contact Person	Anticipated Date of Completion
No corrective action is planned. Due to the size of the operation and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.	N/A	N/A
The Iberia Parish Sheriff has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interests of the government to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.	N/A	N/A
Bank reconciliations will be completed in a timely manner upon receipt of the bank statement and the reconciliations will be reviewed for reasonableness and for proper reconciliation to the general ledger.	Dianna Theriot, Finance Director	12/31/2011
Management will review the accounts receivable and accounts payable subsidiary on a monthly basis and ensure the subsidiaries reconcile to the general ledger.	Dianna Theriot, Finance Director	12/31/2011

(continued)

IBERIA PARISH SHERIFF
New Iberia, Louisiana

Summary Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan
For the Year Ended June 30, 2012

Ref. No	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken
<u>PRIOR YEAR (6/30/11)</u>			
<u>Compliance:</u>			
11-07 (C)	2009	In accordance with LSA-RS 47:2134, upon receiving payment of ad valorem taxes with a notice that such taxes are paid in protest, management should verify that a suit is filed within thirty days protesting the taxes. If no suit is filed within the specified time period, the taxes are not considered protested and should be disbursed in accordance with the statute. If suit is filed, that portion of the protested taxes should be segregated in a separate interest-bearing account.	Yes
11-08 (C)	2010	The general fixed asset master file listing should reflect all general fixed assets which were purchased or otherwise acquired for which the Sheriff is accountable in accordance with LSA-RS 24:515 and LSA-RS 39:324. The master file listing should also contain the appropriate information for each asset listed in accordance with state guidelines.	Yes
<u>Management Letter:</u>			
11-09 (ML)	2008	Numerous adjusting journal entries were made in the General Fund. The Sheriff should implement procedures to reconcile material balance sheet accounts to supporting documents on a monthly basis to ensure accuracy of the financial statements.	No

Corrective Action Plan	Name of Contact Person	Anticipated Date of Completion
Upon receiving payment of ad valorem taxes with a notice that such taxes are being paid in protest, management will verify that a suit is filed within thirty days protesting these taxes to determine whether to disburse or segregate these monies.	Edward Fremin, Deputy Tax Collector	12/31/2011
A physical inventory of capital assets will be performed and the Sheriff will produce a listing containing all general fixed assets which were purchased or otherwise acquired by the Sheriff. This listing will be prepared and maintained with the appropriate information in accordance with state guidelines.	Dianna Theriot, Finance Director	12/31/2011
Procedures will be implemented to reconcile material balance sheet accounts to supporting documents on a monthly basis to ensure accuracy of the financial statements.	Dianna Theriot, Finance Director	12/31/2011

C. Burton Kolder, CPA*
Russell F. Champagne, CPA*
Victor R. Slaven, CPA*
P. Troy Courville, CPA*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Nixon, CPA*

Penny Angelle Scruggins, CPA
Christine L. Cousin, CPA
Wanda F. Arcement, CPA, CVA
Allen J. LaBry, 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
Alan M. Taylor, CPA
Kelly M. Doucet, CPA
Cheryl L. Bartley, CPA
Mandy B. Self, CPA
Paul L. Delcambre, Jr., CPA
Kristin B. Dauzat, CPA
Matthew E. Margaglio, CPA
Jane R. Hebert, CPA
Bryan K. Joubert, CPA
Stephen J. Anderson, CPA

Retired:
Conrad O. Chapman, CPA* 2005
Tynes E. Nixon, Jr., CPA 2011

* A Professional Accounting Corporation

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

OFFICES

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
---	--

408 West Cotton 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

MANAGEMENT LETTER

Sheriff Louis Ackal,
Iberia Parish Sheriff
New Iberia, Louisiana

During our audit of the basic financial statements of the Iberia Parish Sheriff for the year ended June 30, 2012, we noted certain areas in which improvements in the accounting system and financial practices of the Sheriff's office should be considered. This recommendation was also included in our management letter dated December 20, 2011, relative to our audit of the June 30, 2011 basic financial statements, but is included again for re-emphasis.

- (1) Numerous adjusting journal entries were made in the General Fund. The Sheriff should implement procedures to reconcile material balance sheet accounts to supporting documents on a monthly basis to ensure accuracy of the financial statements.

We would like to express our appreciation to you and your staff, particularly your office staff, for the courtesies and assistance rendered to us in the performance of our audit. Should you have any questions or need assistance, please feel free to contact us.

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

New Iberia, Louisiana
December 14, 2012