

WEST CARROLL PARISH SHERIFF

Oak Grove, Louisiana

Annual Financial Report

As of and for the Year Ended June 30, 2017



WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

Annual Financial Report
As of and for the Year Ended June 30, 2017

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WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

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INDEPENDENT AUDITORS' REPORT

**The Honorable Jerry Philley
West Carroll Parish Sheriff
Oak Grove, Louisiana**

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the West Carroll Parish Sheriff (the Sheriff) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements 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.

Auditors' Responsibility

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

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

West Carroll Parish Sheriff
Oak Grove, Louisiana

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 5 through 11; the Budgetary Comparison Schedule on page 46, the Schedule of Funding Progress for the Retiree Healthcare Plan on page 47, the Schedule of Proportionate Share of Net Pension Liability on page 48, and the Schedule of the Employer's Pension Contributions on page 49 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 Sheriff's basic financial statements. The other supplementary information on pages 51 through 56 is presented for purposes of additional analysis is not a required part of the basic financial statements.

The other supplementary information 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 statement 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 other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

West Carroll Parish Sheriff
Oak Grove, Louisiana

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2017 on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and compliance.

Cameron, Hines & Company (APAC)

West Monroe, Louisiana
December 27, 2017

**REQUIRED SUPPLEMENTAL INFORMATION
(PART A)**

WEST CARROLL PARISH SHERIFF
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2017

Management's discussion and analysis of the West Carroll Parish Sheriff's (the Sheriff's) financial performance provides an overall review of the Sheriff's financial activities for the fiscal year ended June 30, 2017. The intent of this discussion and analysis is to look at the Sheriff's financial performance as a whole. The reader should read this discussion in conjunction with the Notes to the Basic Financial Statements and the financial statements, which are all included in this report, to enhance their understanding of the West Carroll Parish Sheriff's financial performance.

Financial Highlights

- Net position decreased by \$161,853
- Revenues increased \$43,354 (5%) with fines and property taxes staying steady and an increase in grants received.
- Expenses increased \$233,191 (19%) with personal services and related benefits increasing \$238,938.

Using this Annual Financial Report

This report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the West Carroll Parish Sheriff as a whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Position and the Statement of Activities provide information about the activities of the Sheriff as a whole and present a longer-term view of the Sheriff's finances. Also included in the financial statements are the Fund Financial Statements, which report on governmental activities of the Sheriff. These statements provide more detail than the Government-Wide Financial Statements about the services that were financed in the short-term as well as what remains for future spending in the Sheriff's General Fund. The General Fund is the West Carroll Parish Sheriff's only governmental fund.

Reporting the Sheriff as a Whole

Statement of Net Position and the Statement of Activities

The Statement of Net Position and the Statement of Activities report information about the Sheriff as a whole and his activities in a way to try to inform the reader as to how the Sheriff did financially during the 2016-17 fiscal year. In short, is the Sheriff better off financially or is he worse off financially than he was this time last year? These statements report all assets and liabilities of the Sheriff on the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash was received or paid.

**WEST CARROLL PARISH SHERIFF
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2017**

These two statements report the Sheriff's net position and the change in that position. This change in net position is important because it tells the reader that, for the Sheriff as a whole, the financial position of the Sheriff improved or declined. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors affecting the Sheriff include the parish's property tax base, the continued housing of State prisoners in the parish jail, and the state and federal governments continued funding of grants.

The Statement of Net Position and the Statement of Activities report the governmental activities of the Sheriff. Most of the Sheriff's programs and services are reported here including salaries and related benefits, operating services, statutory charges, and materials and supplies.

Reporting the Sheriff's Most Significant Fund (General Fund)

Fund Financial Statements

The analysis of the Sheriff's General Fund, which is the Sheriff's only major fund, begins on page 9. Fund Financial Statements provide detailed information about the Sheriff's major fund (General Fund). The Sheriff uses one fund to account for his general operating financial transactions.

Governmental Funds

Most of the Sheriff's activities are reported as a governmental fund (General Fund), which focuses on how money flows into and out of this fund and the balance left at year-end available for spending in future periods. This fund is reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental funds statements provide a detailed short-term view of the Sheriff's general government operations and the basic services he provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance protective and investigative programs. The relationship (or difference) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is provided through reconciliations.

The Sheriff as Trustee

Reporting the Sheriff's Fiduciary Responsibilities

The Sheriff is the trustee, or fiduciary, for the Sheriff's Fund and the Tax Collector Fund. The Sheriff's Fund and the Tax Collector Fund account for assets held by the Sheriff as an agent for deposits held pending court action (Sheriff's Fund) and for various taxing bodies (Tax Collector Fund). All of the Sheriff's fiduciary activities are reported in a separate Combining Schedule of Changes in Balances Due to Taxing Bodies and Others (Schedule 5) on page 51. These activities

**WEST CARROLL PARISH SHERIFF
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2017**

have been excluded from the Sheriff's other financial statements because the Sheriff cannot use these assets to finance his operations. The Sheriff is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

The Sheriff as a Whole

The Sheriff's net position decreased by \$161,853 from a deficit of \$1,209,091 at June 30, 2016 to a deficit of \$1,370,944 at June 30, 2017. Of the \$1,370,944 deficit in the net position at June 30, 2017, the unrestricted net position reflected a deficit balance of \$1,457,010 and the net investment in capital assets was a positive balance of \$86,066. The following analysis focuses on the net assets (Table 1) and change in net position (Table 2) of the Sheriff's governmental activities.

**Table 1
Governmental Activities
Net Position**

	June 30,	
	2017	2016
Assets		
Current and other assets	\$ 42,573	\$ 53,869
Capital assets, net	86,066	61,062
Total assets	128,639	114,931
Deferred Outflows of Resources	130,513	100,880
Liabilities		
Current and other liabilities	33,682	23,226
Long-term liabilities	1,489,060	1,250,844
Total liabilities	1,522,742	1,274,070
Deferred Inflows of Resources	107,354	150,832
Net position		
Net investment in capital assets	86,066	61,062
Unrestricted	(1,457,010)	(1,270,153)
Total net position	\$ (1,370,944)	\$ (1,209,091)

WEST CARROLL PARISH SHERIFF
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2017

The deficit balance of \$1,457,010 in the unrestricted net position represents the accumulated results of all past years' operations and the implementation of GASB 68. It means that if the Sheriff had to pay off all of his bills today including all of his noncapital liabilities (compensated absences for example), he would not have enough funds to pay them off and would be short of funds by \$1,457,010.

The results of this year's operations for the Sheriff as a whole are reported in the Statement of Activities on page 14. Table 2 reports the information from the Statement of Activities in a different format so that total revenue for the year can be more easily identifiable.

	<u>2017</u>	<u>2016</u>
Revenues		
Program revenues		
Federal, state and local grants	\$ 107,156	\$ 65,387
General revenues		
Ad valorem taxes	759,272	753,688
State revenue sharing	45,096	43,326
Fee, charges, and commissions for services	344,942	353,096
Use of money and property - interest earnings	455	149
Other general revenues	<u>111,862</u>	<u>76,168</u>
Total revenues	<u>1,368,783</u>	<u>1,291,814</u>
 Functions/Program Expenses		
Public safety		
Personal services and related benefits	1,187,251	948,313
Operating services	86,197	82,888
Statutory charges	89,341	89,874
Materials and supplies	135,079	137,228
Travel and other charges	3,569	6,509
Depreciation expense	<u>29,199</u>	<u>32,633</u>
Total expenses	<u>1,530,636</u>	<u>1,297,445</u>
 Increase (decrease) in net position	 <u>\$ (161,853)</u>	 <u>\$ (5,631)</u>

**WEST CARROLL PARISH SHERIFF
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2017**

Governmental Activities

As reported in the Statement of Activities on page 14, the net cost of governmental activities this year was \$1,530,636. The taxpayers in the parish provided \$759,272 in ad valorem taxes to help meet the total cost of governmental activities. Ad valorem tax revenue was up in 2016-17 by \$5,584 or 1 percent. The Sheriff collected \$344,942 from fees and commissions during the year to help meet the total cost of governmental activities which increased from the prior year.

Table 3 presents the total cost of each of the Sheriff's four largest functions – personal services and related benefits, operating services, statutory charges and materials and supplies, as well as each function's net cost (total cost less revenues generated by the activities). Net cost shows the financial burden that was placed on the Sheriff's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

**Table 3
Governmental Activities
Years Ended June 30, 2017 and 2016**

	Total Cost of Services		Net Cost of Services	
	2017	2016	2017	2016
General Government				
Public Safety	\$ 1,530,636	\$ 1,297,445	\$ 1,078,538	\$ 878,962

The Sheriff's Funds

The Sheriff uses the General Fund to help him control and manage money to provide police protection to the citizens of West Carroll Parish. Accounting for money of the General Fund in a separate fund helps the reader to determine whether the Sheriff is being accountable for the resources taxpayers and others provide to him and it may also give the reader more insight into the Sheriff's overall financial health.

The Sheriff's General Fund, which is the only Governmental Fund, had a fund balance of \$8,891 at June 30, 2017. The fund balance decreased \$21,752 over the previous year. The primary reason for the decrease in the fund balance was the increase in personal services and related benefits paid in 2017.

**WEST CARROLL PARISH SHERIFF
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2017**

General Fund Budgetary Highlights

The Sheriff, in accordance with state law, must adopt a budget on the General Fund no later than fifteen days prior to the beginning of the fiscal year. In accordance with state law, the Sheriff may have unfavorable variances of 5 percent of total revenues or expenditures in a fund before he is legally required to amend the budget. The Sheriff adopted his 2016-17 budget on March 7, 2016, and revised the budget on February 6, 2017. The estimated revenues increased from the original budget to the final amended budget by 5.4% or \$69,420 from \$1,287,200 to \$1,356,620 in the final amended budget. The change in budgeted revenues was attributable to the Sheriff receiving more in commissions than originally anticipated. The estimated expenditures increased from the original budget to the final budget by \$60,600 primarily attributable to the increase in personal services.

Capital Assets

Capital assets of the Sheriff used in performance of general operations of the Sheriff's office are recorded in the Fund Financial Statements as expenditures when purchased. The amount represents the original cost of the assets. Depreciation of capital assets is not recognized in the Fund Financial Statements as explained in the Notes to the Basic Financial Statements. In the Government-wide Financial Statements, the capital assets are recorded as assets at their original cost at the time of purchase. Capital assets purchased by grantors and donated to the Sheriff are recorded as capital assets at their actual cost. Depreciation of capital assets has been recognized in the Government-wide Financial Statements.

At June 30, 2017, as reported on the Statement of Net Position, the Sheriff had \$86,066 invested in furniture and equipment, net of depreciation. Net capital assets increased by \$25,004 or 41 percent during the current fiscal year. The net increase in capital assets was primarily attributable to purchases of capital assets with grant money during the fiscal year. For more detail of capital assets, see Note 5 of the Notes to the Basic Financial Statements. Table 4 presents capital assets, net of depreciation, at June 30, 2017 and 2016.

**Table 4
Governmental Activities
Capital Assets, Net of Depreciation
June 30, 2017 and June 30, 2016**

	June 30,	
	2017	2016
Furniture and equipment	\$ 86,066	\$ 61,062

**WEST CARROLL PARISH SHERIFF
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2017**

Long-term obligations

At the end of the fiscal year, the Sheriff had total Long-Term Obligations of \$1,489,060 which consists of \$8,253 accrued annual vacation and compensated absences, \$932,219 in other post-retirement benefits payable (OPEB) and \$548,588 in net pension liability. This amount represents an increase from 2016 of \$238,216. This increase is primarily attributable to other post-retirement benefits and pension liability as more fully explained in the notes to the financial statements.

For the Future

The Sheriff is optimistic that he will secure additional funding for operating his office and reduce his expenditures so that he can continue the level of services he is currently providing to the citizens of West Carroll Parish.

Contacting the Sheriff's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Sheriff's finances and to show the Sheriff's accountability for the money he receives. If you have questions about this report or need additional financial information contact Jerry Philley, Sheriff of West Carroll Parish, at P.O. Box 744, Oak Grove, LA 71263 or by phone at (318) 428-2331 or by e-mail to wcpso@yahoo.com.

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

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

STATEMENT OF NET POSITION
GOVERNMENTAL ACTIVITIES

June 30, 2017

ASSETS	
Cash and cash equivalents	\$ 9,986
Receivables	32,587
Capital assets, net	86,066
Total assets	128,639
 DEFERRED OUTFLOWS OF RESOURCES	 130,513
 LIABILITIES	
Accounts payable and accrued expenses	33,682
Long-term liabilities:	
Due within one year	-
Due after one year	1,489,060
Total liabilities	1,522,742
 DEFERRED INFLOWS OF RESOURCES	 107,354
 NET POSITION (DEFICIT)	
Net investment in capital assets	86,066
Unrestricted (deficit)	(1,457,010)
Total net position (deficit)	\$ (1,370,944)

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

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

STATEMENT OF ACTIVITIES
GOVERNMENTAL ACTIVITIES

For the Year Ended June 30, 2017

<u>ACTIVITIES</u>	<u>EXPENSES</u>	<u>PROGRAM REVENUES</u>			<u>NET (EXPENSE) REVENUE AND CHANGES IN NET POSITIONS</u>
		<u>FEEES, FINES AND CHARGES FOR SERVICES</u>	<u>OPERATING GRANTS</u>	<u>CAPITAL GRANTS</u>	
Governmental Activities					
General Government - Public safety	\$ 1,530,636	\$ 344,942	\$ 55,583	\$ 51,573	\$ (1,078,538)
Total	<u>\$ 1,530,636</u>	<u>\$ 344,942</u>	<u>\$ 55,583</u>	<u>\$ 51,573</u>	<u>(1,078,538)</u>
General revenues					
Property taxes					759,272
State revenue sharing					45,096
Interest and investment earnings					455
Miscellaneous					<u>111,862</u>
Total general revenues					<u>916,685</u>
Change in net position					(161,853)
Net position (deficit) - at beginning of year					<u>(1,209,091)</u>
Net position (deficit) - at end of year					<u>\$ (1,370,944)</u>

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

FUND FINANCIAL STATEMENT (FFS)

WEST CARROLL PARISH SHERIFF

Oak Grove, Louisiana

GOVERNMENTAL FUNDS - GENERAL FUND

BALANCE SHEET

June 30, 2017

ASSETS

Cash and cash equivalents	\$	9,986
Receivables		<u>32,587</u>
Total assets	\$	<u><u>42,573</u></u>

LIABILITIES AND FUND BALANCE**Liabilities**

Accounts payable and accrued expenses	\$	<u>33,682</u>
Total liabilities		<u>33,682</u>

Fund balance

Unassigned		<u>8,891</u>
Total fund balance		<u>8,891</u>

Total liabilities and fund balance	\$	<u><u>42,573</u></u>
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The accompanying notes are an integral part of the basic financial statements.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

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

Total fund balance (deficit) - Governmental Funds	\$	8,891
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The cost of capital assets (a building and furniture and equipment) purchased is reported as an expenditure in the Governmental Funds. The Statement of Net Assets includes those capital assets among the assets of the Sheriff as a whole. The cost of those capital assets is allocated over their estimated useful lives in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in the Governmental Funds.

Cost of capital assets	803,741	
Accumulated depreciation	<u>(717,675)</u>	86,066

Deferred Outflows of Resources - Pensions		130,513
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governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long term - are reported in the Statement of Net Assets. At June 30, 2017, the Sheriff had the following balances in long-term liabilities:

Compensated Absences	(8,253)	
Net Pension Liability	(548,588)	
Other Post Employment Benefits	<u>(932,219)</u>	(1,489,060)

Deferred Inflows of Resources - Pensions		<u>(107,354)</u>
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NET POSITION (DEFICIT)		\$ <u>(1,370,944)</u>
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The accompanying notes are an integral part of the basic financial statements.

Statement D

**West Carroll Parish Sheriff
Oak Grove, Louisiana**

**Statement of Revenues, Expenditures, and Changes in Fund Balance -
Governmental Fund - General Fund**

For the Year Ended June 30, 2017

REVENUES	
Ad valorem taxes	\$ 759,272
Intergovernmental revenues:	
Grant Income	51,573
State grants:	
State revenue sharing (net)	45,096
State supplemental pay	55,583
Fees, charges, and commissions for services:	
Commissions on licenses, etc.	44,727
Civil and criminal fees	81,937
Court attendance	3,570
Transporting prisoners	21,658
Feeding and keeping prisoners	168,105
Tax notices, etc.	11,781
Officer witness fees	13,164
Use of money and property	455
Miscellaneous	111,862
TOTAL REVENUES	<u>1,368,783</u>
 EXPENDITURES	
Public safety	
Current:	
Personal services and related benefits	1,022,146
Operating services	86,197
Statutory charges	89,341
Materials and supplies	135,079
Travel and other charges	3,569
Capital outlay	54,203
TOTAL EXPENDITURES	<u>1,390,535</u>
Excess of revenues over expenditures	<u>(21,752)</u>
Fund Balance (Deficit) at Beginning of Year	<u>30,643</u>
FUND BALANCE AT END OF YEAR	<u>\$ 8,891</u>

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

**WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana**

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

Net change in fund balance - Governmental Funds \$ (21,752)

Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in Governmental Funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceed capital outlays in the period and the amount proceeds from sale of assets exceeded the gain from the sales of capital assets:

Capital Outlays	\$ 54,203	
Depreciation	<u>(29,199)</u>	25,004

In the Statement of Activities, certain operating expenses are measured by the amounts earned during the year. In the Governmental Funds however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid):

Compensated Absences (vacation pay) earned exceeded amounts used	2,374	
Change in Net Pension Liability	(111,205)	
Annual Other Post-Employment Benefits costs exceeded the premiums paid	<u>(56,274)</u>	<u>(165,105)</u>

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ (161,853)

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

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

FIDUCIARY FUNDS - AGENCY FUNDS
COMBINING STATEMENT OF ASSETS AND LIABILITIES

June 30, 2017

	SHERIFF'S FUND	TAX COLLECTOR FUND	TOTAL
ASSETS			
Cash and cash equivalents	\$ 20,788	\$ 26,251	\$ 47,039
Total assets	\$ 20,788	\$ 26,251	\$ 47,039
LIABILITIES			
Due to taxing bodies and others	\$ 20,788	\$ 26,251	\$ 47,039
Total liabilities	\$ 20,788	\$ 26,251	\$ 47,039

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

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

Notes to the Basic Financial Statements
For the Year Ended June 30, 2017

INTRODUCTION

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the West Carroll Parish Sheriff (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 also 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. 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 Tax Collector collects and disburses ad valorem taxes for various governmental units in the parish of West Carroll. The Tax Collector also collects and disburses various fees assessed to taxpayers by the parish.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and the component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Codification Section 2100, the Sheriff includes all funds, activities, et cetera, that are controlled by the Sheriff as an independently elected parish official. As an independently elected parish official, the Sheriff is solely responsible for the operations of his office, which include the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. Other than certain operating expenditures of the Sheriff's office that are paid by the parish police jury as required by Louisiana law, the Sheriff is financially independent. Accordingly, the Sheriff is a

WEST CARROLL PARISH SHERIFF
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Notes to the Basic Financial Statements
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separate governmental reporting entity. Certain units of local government over which the Sheriff exercises no oversight responsibility, such as the parish police jury, parish school board, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the Sheriff.

B. BASIS OF PRESENTATION

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

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the Sheriff as a whole. These statements include all the financial activities of the Sheriff. However, fiduciary funds are not included. 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 each of the functions of the Sheriff's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of services offered by the Sheriff, and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

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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 funds of the Sheriff are described below:

Governmental Funds -

General Fund - The General Fund is the primary operating fund of the Sheriff and it accounts for all financial resources, except those required to be accounted for in other funds. 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 policies. The General Fund is the only major fund of the Sheriff.

Fiduciary Funds -

Fiduciary fund reporting focuses on assets and liabilities and the changes therein. 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 and inmate funds. These funds are custodial in nature (assets equal liabilities) and do not involve measurements 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

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities displays information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the Statement of Fiduciary Fund – Agency Funds Statement of Fiduciary Assets and Liabilities at the fund financial statement level.

WEST CARROLL PARISH SHERIFF
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Notes to the Basic Financial Statements
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The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Non-exchange transactions are recognized when the Sheriff has an enforceable legal claim to the revenues, expenses, gains, losses, assets and liabilities.

Fund Financial Statements

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

The amounts reflected in the General Fund 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 the 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

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

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.

WEST CARROLL PARISH SHERIFF
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Notes to the Basic Financial Statements
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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.

D. BUDGET PRACTICES

The Sheriff adopts an annual cash budget on the General Fund prior to the beginning of each fiscal year. In accordance with Louisiana Revised Statutes 39:1301-1314 the Sheriff amends the budget when actual revenues are not meeting anticipated revenues by 5 percent or more and when actual expenditures are exceeding budgeted expenditures by 5 percent or more.

E. ENCUMBRANCES

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not used by the Sheriff in his accounting practices.

F. CASH AND INTEREST-BEARING DEPOSITS

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

G. UNCOLLECTIBLE ALLOWANCE

The statements contain no provision for uncollectible accounts. The Sheriff is of the opinion that such allowance would be immaterial in relation to the basic financial statements taken as a whole.

H. CAPITAL ASSETS

Capital assets, which include a building and furniture and equipment, are capitalized at historical cost, where the actual cost is known. Capital assets provided by the parish police jury through grants are recorded as capital assets at actual cost. The capital assets are depreciated over their estimated useful lives. The Sheriff considers assets with an initial individual cost of more than \$100 and an estimated useful life of 2 years or more as a capital asset.

WEST CARROLL PARISH SHERIFF
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Notes to the Basic Financial Statements
For the Year Ended June 30, 2017

Capital assets are recorded in the Statement of Position and depreciation expense is recorded in the Statement of Activities. Estimated useful life is the Sheriff's estimate of how long the asset is expected to meet service demands. Capital assets have not been assigned a salvage value because the Sheriff feels that the salvage value is immaterial.

Straight-line depreciation is used on all capital assets based on the following estimated useful lives:

Building	5 years
Furniture and equipment	2 to 10 years

I. DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

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

J. COMPENSATED ABSENCES

Full-time deputies of the Sheriff's office earn from 40 to 104 hours of annual leave each year depending on length of service with the Sheriff's office. Annual leave is earned each month. A maximum of 36 hours of vacation can be accumulated and carried forward into a new calendar year along with any accumulated compensatory time earned. Upon termination of employment, unused annual leave and compensatory time is paid to deputies at the deputies' current rates of pay.

Annual leave that has been claimed by deputies as of the end of the fiscal year is recorded as an expenditure in the year claimed. Annual leave accrued as of the end of the fiscal year is valued using deputies' current rates of pay and the total is included in the Statement of Net Assets as a long-term liability. The Sheriff and the deputies are not required to contribute to the retirement system for annual leave payments. Accrued annual leave will be paid from future years' resources.

Full-time deputies earn 80 hours of sick leave each year. Sick leave may not be accumulated and carried forward to a new calendar year. Upon termination of employment, unused sick leave is not paid to employees. At June 30, 2017, there

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Notes to the Basic Financial Statements
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was \$8,253 in accumulated and vested benefits relating to sick leave that require accrual or disclosure to conform with GASB Codification Section C60.

K. EQUITY CLASSIFICATIONS

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

- i. 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 borrowing that are attributable to the acquisition, construction, or improvement of those assets.
- ii. Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- iii. Unrestricted net position - All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

In the fund financial statements, equity is classified as "fund balance". Fund balance is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. Fund balance is classified according to its useful purpose or function of restriction at year-end in one or more of the following categories:

Nonspendable - represents amounts that are not expected to be converted to cash because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted - represents balances where constraints have been established by parties outside the Sheriff's office or imposed by law through constitutional provisions or enabling legislation.

Committed - represents balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the Sheriff's highest level of decision-making authority.

Assigned - represents balances that are constrained by the government's intent to be used for specific purposes, but are not restricted nor committed.

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Notes to the Basic Financial Statements
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Unassigned - represents balances that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund.

When expenditures are incurred for the purposes for which both restricted and unrestricted amounts are available, the Sheriff reduces restricted amounts first, followed by unrestricted amounts. When expenditures are incurred for purposes for which committed, assigned and unassigned amounts are available, the Sheriff reduces committed amounts first, followed by assigned amounts and the unassigned amounts.

L. ESTIMATES

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

M. CONTINGENCIES

The Sheriff is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. To handle such risk of loss, the Sheriff maintains commercial insurance policies covering its property, automobiles, law enforcement professional liability, and surety bond coverage. The West Carroll Parish Police Jury maintains insurance coverage on the building and its contents. No claims were paid on any of the policies during the past three years that exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended June 30, 2017.

N. NEW ACCOUNTING PRONOUNCEMENTS

In June, 2012 the GASB approved Statement No. 67, *Financial Reporting for Pension Plans* and Statement No. 68, *Accounting and Financial Reporting for Pensions*. GASB Statement No. 67 replaces the requirements of GASB Statements Nos. 25 and 50 relating to financial reporting and note requirements related to pensions for governments whose employees are provided with pensions through plans covered by Statement No. 67. The provisions of GASB Statement No. 67 has been implemented by the Louisiana Sheriff's Pension and Relief Fund for the year ending June 30, 2014 and provisions of GASB Statement No. 68 has

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Notes to the Basic Financial Statements
For the Year Ended June 30, 2017

been implemented by the Sheriff for the year ending June 30, 2015.

The West Carroll Parish Sheriff's Office adopted Government Accounting Standards Board (GASB) Statement Number 68 - *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, and Statement Number 71 - *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. The net effect to the entity-wide Statement of Net Position for the year ended June 30, 2014 that resulted from the adoption of GASBs 68 and 71 is as follows:

	Governmental Activities
Total Net Position, June 30, 2014 as previously reported	\$ (648,949)
Net Pension Liability at June 30, 2014	(642,998)
Deferred Outflow of Resources	56,674
	\$ (1,235,273)

O. PENSION PLANS

The West Carroll Parish Sheriff's Office is a participating employer in the Louisiana Sheriffs' Pension and Relief Fund (Fund) as described in Note 6. For purposes of measuring the Net Pension Liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Fund, and additions to/deductions from the Fund's fiduciary net position have been determined on the same basis as they are reported by the Fund. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within the Plan.

Note 2 - LEVIED TAXES

The following is a summary of authorized and levied ad valorem taxes for the year ended June 30, 2017:

WEST CARROLL PARISH SHERIFF
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Authorized Millage	12.99
Levied Millage	12.99

The following are the top five principal taxpayers and their related ad valorem tax revenue for the Sheriff:

Tax Payer	Assessed Value	Ad valorem Tax Revenue for Sheriff
Trunkline Gas Company	\$ 21,090,912	\$ 278,026
Entergy Louisiana Holdings, Inc	\$ 2,068,080	\$ 26,864
Agspring Mississippi Region LLC	\$ 2,059,341	\$ 26,751
Southern Natural Gas Company	\$ 1,964,050	\$ 25,513
A N R Pipeline Company	\$ 1,048,060	\$ 13,614

Note 3 - CASH AND CASH EQUIVALENTS

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 in national banks. At June 30, 2017, the Sheriff has cash and interest-bearing deposits (book balances) totaling \$57,025 as follows:

	Government-wide Statement of Net Assets	Fiduciary Funds Statement of Assets and Liabilities	Total
Petty Cash	\$ 500	\$ -	\$ 500
Interest-bearing deposits	9,486	47,039	56,525
Noninterest-bearing deposits	-	-	-
Total	\$ 9,986	\$ 47,039	\$ 57,025

Custodial credit risk – deposits. These deposits are stated at cost, which approximates market. Under state law, these deposits (or 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 pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. 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.

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Cash and cash equivalents (bank balances other than these backed by the U.S. government) at June 30, 2017, are secured, as follows:

Bank balances	\$ <u>142,710</u>
Federal deposit insurance	142,710
Pledged securities	<u>-</u>
Total	\$ <u>142,710</u>

Credit risk. Under state law, the Sheriff may invest funds in obligations of the United States, in federally-insured investments, or in time deposits with state banks organized under Louisiana law, the laws of any other state in the union, or the laws of the United States. The Sheriff's cash balances are not exposed to credit risk.

Concentration of credit risk. The Sheriff does not limit the amount that may be invested in securities of any one issuer. Applicable state statutes do not place limits on credit concentration.

Interest rate risk. The Sheriff manages exposure to declines in fair values by limiting the maturity of its investments to no longer than one year.

Note 4 - RECEIVABLES

The General Fund receivables of \$32,587 at June 30, 2017, are as follows:

Class of Receivable	Amount
Revenues:	
Feeding and keeping prisoners	\$ 17,852
Supplemental Pay	8,726
Civil and criminal fees	3,843
Commissions	1,834
Miscellaneous revenue	<u>332</u>
Total	\$ <u>32,587</u>

**WEST CARROLL PARISH SHERIFF
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For the Year Ended June 30, 2017**

Note 5 - CAPITAL ASSETS

A summary of changes in capital assets (building and furniture and equipment) and depreciation follows:

	June 30, 2016	Additions	Deletions	June 30, 2017
Governmental Activities				
Capital assets, being depreciated				
Building	\$ 1,336	\$ -	\$ -	\$ 1,336
Furniture and	714,012	54,203	-	768,215
Total capital assets, being depreciated	715,348	54,203	-	769,551
Less accumulated depreciation				
Building	(1,336)	-	-	(1,336)
Furniture and equipment	(652,950)	(29,199)	-	(682,149)
Total	(654,286)	(29,199)	-	(683,485)
Governmental activities capital assets, net	\$ 61,062	\$ 25,004	\$ -	\$ 86,066

Depreciation expense for the year ended June 30, 2017 of \$29,199 was charged to public safety.

Note 6 - PENSION PLAN

Substantially all employees of the Sheriff are members of the Louisiana Sheriff's Pension and Relief Fund (the System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

The System issues an annual financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Sheriffs Pension and Relief Fund, 1225 Nicholson Dr, Baton Rouge, Louisiana 70802 or by calling (225) 219-0500.

The Sheriff's office implemented Government Accounting Standards Board (GASB) Statement 68 on Accounting and Financial Reporting for Pensions and Statement 71 on Pension Transition for Contributions Made Subsequent to the Measurement Date-an Amendment of GASB 68. These standards require the Sheriff's office to record its proportional share of each of the pension plans Net Pension Liability and report the following disclosures:

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Plan Description:

The Louisiana Sheriff's Pension and Relief Fund is the administrator of a cost-sharing, multiple employer defined benefit plan. The plan provides retirement, disability and survivor benefits to employees of sheriff's offices throughout the state of Louisiana, employees of the Louisiana Sheriff's Association and the Sheriff's Pension and Relief Fund's office as provided for in LRS 11:2171.

Members who joined the system on or before December 31, 2011, are eligible for regular retirement benefits upon attaining 30 years of creditable service at any age, or 12 years of creditable service and aged 55 years is entitled to retirement benefit payable monthly for life, equal to 3.33 percent of his final average compensation for each year of creditable service, not to exceed (after reduction for optional payment form) 100% of average final compensation. Active, contributing members with at least 10 years of creditable service may retire at age 60. The accrued normal retirement benefit is reduced actuarially for each month or fraction thereof that retirement begins prior to the member's earliest normal retirement date assuming continuous service. Members who joined the system on or after January 1, 2012, who retires at or after age 62 with at least 12 years of creditable service, at or after age 60 with at least 20 years of creditable service, or at 55 with 30 years of creditable service is entitled to a retirement benefit payable monthly for life, equal to 3.00 percent. For members with 30 or more years of service; the accrual rate is 3.33 percent. The retirement allowance is equal to the benefit accrual times the member's final average compensation each year of creditable service. In any case, the retirement benefit cannot exceed 100 percent of their final average salary. Members with 20 or more years of service may retire with a reduced retirement at age 55. For members eligible on or before June 30, 2006, final average compensation is based on the average monthly earnings during the highest 36 consecutive months (60 highest consecutive months for member employed between July 1, 2006 and July 1, 2013) or joined months if service was interrupted. The earnings to be considered for each 12 month period within the 36 month (or 60 month) period shall not exceed 125% of the preceding 12 months. For members joining after July 1, 2013, final compensation is based on the average monthly earnings during the highest 60 consecutive months and the earnings to be considered for each 12 month period within the 60 months shall not exceed 115% of the preceding 12 month period.

A member is eligible to receive disability benefits if the member has at least 10 years of creditable service when a non-service related disability is incurred; there are no service requirements for a service related disability. Disability benefits shall be the lesser of a sum equal to the greatest of 45% of final average compensation or the

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members' accrued retirement benefit at the time of termination of employment due to disability, or the retirement benefit which would be payable assuming continued service to the earliest normal retirement age. Members who become partially disabled receive 75% of the amount payable for total disability.

Survivor benefits for death solely as a result of injuries received in the line of duty are based on the following. For a spouse alone, a sum equal to 50% of the member's final average compensation with a minimum of \$150 per month. If a spouse is entitled to benefits and has a child or children under 18 years of age (or over said age if physically or mentally incapacitated and dependent upon the member at the time of his death), an additional sum of 15% of the member's final average compensation is paid to each child with total benefits paid to spouse and children not to exceed 100%. If a member dies with no surviving spouse, surviving children under age eighteen will receive monthly benefits of 15% of the member's final average compensation up to a maximum of 60% of final average compensation if there are more than 4 children. If a member is eligible for normal retirement at the time of death, the surviving spouse receives an automatic option 2 benefit.

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

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

In lieu of receiving a service retirement allowance, any member of the Fund who has more than sufficient service for a regular service retirement may elect to receive a "Back-DROP" benefit. The Back-DROP benefit is based upon the Back-DROP period selected and the final average compensation prior to the period selected. The Back-DROP period is the lesser of three years or the service accrued between the time a member first becomes eligible for retirement and his actual date of retirement. For those individuals with thirty or more years, the Back-DROP period is the lesser of four years or service accrued between the time a member first becomes eligible for retirement and his actual date of retirement. At retirement the member's maximum monthly retirement benefit is based upon his service, final average compensation and plan provisions in effect on the last day of creditable service immediately prior to the commencement of the Back-DROP period. In addition to the monthly benefit at

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retirement, the member receives a lump-sum payment equal to the maximum monthly benefit as calculated above multiplied by the number of months in the Back- DROP period. In addition, the member's Back-DROP account will be credited with employee contributions received by the retirement fund during the Back-DROP period. Participants have the option to opt out of this program and take a distribution, if eligible, or to rollover the assets to another qualified plan.

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

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2017, the actual employer contribution rate was 13.75% with an additional 0% allocated from the Funding Deposit Account. In accordance with state statute, the Fund receives ad valorem taxes, insurance premium taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations. Non-employer contributions are recognized as revenue and excluded from pension expense for the year ended June 30, 2017.

Plan members are required by state statute to contribute 10.25 percent of their annual covered salary and the Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 13.25 percent of annual covered payroll.

Contributions to the System also include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and funds as required and available from insurance premium taxes. The contribution requirements of plan members and the Parish Sheriff are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Parish Sheriff's contributions to the System, for the years ending June 30, 2017, 2016, and 2015, were \$152,365, \$141,676, and \$132,749 respectively.

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

At June 30, 2017, the Sheriff reported a liability of \$548,588 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Sheriff's proportion of the net pension liability was based on a projection of the Sheriff's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2016, the Sheriff's proportion was .08643%, which was an increase of 0.0471% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the Sheriff recognized pension expense of \$71,895 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, (\$11,888).

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (57,541)
Changes of assumptions	44,818	-
Net difference between projected and actual earnings on pension plan investments	-	-
Changes in proportion and differences between Employer contributions and proportionate share of contributions	-	(49,813)
Employer contributions subsequent to the measurement date	85,695	-
Total	\$ 130,513	\$ (107,354)

The Sheriff reported a total of \$85,695 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2016 which will be recognized as a reduction in net pension liability in the year ended June 30, 2017.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows:

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Year	LSRPF
2018	\$ 2,932
2019	2,932
2020	42,952
2021	38,005
2022	4,683
2023	4,684
	<hr style="border-top: 1px solid black;"/> <u>\$ 96,188</u> <hr style="border-top: 1px solid black;"/>

Actuarial Assumptions

Valuation Date	June 30, 2016
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	2016 - 7 years
	2015 - 6 years
	2014 - 6 years
Investment Rate of Return	7.60%, net of investment expense
Discount Rate	7.5%
Projected salary increases	5.5% (2.875% inflation, 2.625% merit)
Mortality	RP-2000 Employee Mortality Table (set back 1 year)
	RP-2000 Disabled Lives Mortality Table
	RP-2000 Healthy Annuitant Mortality Table (set back 1 year)

Cost of Living Adjustments The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

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

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For the Year Ended June 30, 2017

The mortality rate assumptions were set after reviewing an experience study performed over the period July 1, 2011 through June 30, 2016. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the Fund's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that these tables would produce liability values approximating the appropriate generational mortality tables used.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Real Return Arithmetic Basis</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity securities	60%	6.40%	3.90%
Bonds	25%	1.90%	0.50%
Alternative Investments	15%	4.30%	0.60%
Total	<u>100%</u>		<u>5.00%</u>
Inflation			<u>2.70%</u>
Expected Arithmetic Nominal Return			<u>7.70%</u>

Discount Rate

The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from

**WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana**

**Notes to the Basic Financial Statements
For the Year Ended June 30, 2017**

participating employers will be made at the actuarially determined rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following table presents the Sheriff's proportionate share of the net pension liability (NPL) using the discount rate of each Retirement System as well as what the Sheriff's proportionate share of the NPL would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate used by each of the Retirement Systems:

	<u>1.0% Decrease</u>	<u>Current Discount Rate</u>	<u>1.0% Increase</u>
LSPRF			
Rates	6.50%	7.50%	8.50%
WCSO Share of NPL	\$ 930,735	\$ 548,588	\$ 233,170

Note 7 - OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Plan Description. The Sheriff participates in a group defined health, life and dental insurance benefit retirement plan authorized by Louisiana Revised Statute RS:33-1448, which is administered by the Louisiana Sheriffs' Association. The Plan provides health insurance for regular employees that retire at age 55 or older and at least 15 years of full-time service or that retire at any age with at least 30 years of service. The Sheriff pays 100% of the retirees' insurance premiums.

The Sheriff has implemented GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. In adopting the requirements of GASB Statement No. 45 during the year ended June 30, 2010, the Sheriff recognizes the cost of postemployment benefits in the year when employee services are rendered, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the Sheriff's future cash flows. Because the Sheriff has 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 2010 liability.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

Notes to the Basic Financial Statements
For the Year Ended June 30, 2017

Annual OPEB Cost and Net OPEB Obligation. The Sheriff's annual other post-employment benefit (OPEB) cost is calculated based on the annual required contribution (ARC). The Sheriff has elected to calculate the ARC and related information using the alternative measurement method permitted by GASB Statement No. 45 for employers with plans that have fewer than 100 total members. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. 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 Sheriff's net OPEB obligation to the Plan:

Annual required contribution	\$	147,777
Interest on net OPEB obligation		26,278
Adjustment to annual required contribution		(43,388)
Annual OPEB		130,667
Contributions made		(74,392)
Increase in net OPEB obligation		56,274
Net OPEB obligation, beginning of year		875,944
Net OPEB obligation, end of year	\$	932,219

The Sheriff's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal years 2014 through 2017 is as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contribution	Net OPEB Obligation
June 30, 2017	\$ 130,667	56.9%	\$ 932,219
June 30, 2016	\$ 132,042	46.7%	\$ 875,944
June 30, 2015	\$ 133,745	34.8%	\$ 805,545
June 30, 2014	\$ 167,397	18.8%	\$ 718,366
June 30, 2013	\$ 170,246	14.3%	\$ 582,377

Funding Policy, Funded Status, and Funding Progress. The Plan is financed on a pay-as-you-go basis, therefore no funds are reserved for payment of future health insurance premiums. As of July 1, 2014, the actuarial accrued liability for benefits was \$1,553,615 all of which was unfunded. The covered payroll (annual payroll of active employees covered by the Plan) was \$641,245 and the ratio of the unfunded actuarial accrued liability (UAAL) to the covered payroll was 242%.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

Notes to the Basic Financial Statements
For the Year Ended June 30, 2017

The projection of future benefits for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of future events far into the future. Amounts determined regarding the funded status of a plan and the employer's annual required contributions are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

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 the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The following simplifying assumptions were made:

Retirement age for active employees - Active members were assumed to retire at the greater of the average historical retirement age of 58 years old or the age of attainment of eligibility for the retirement benefit.

Marital status - Marital status of members at the calculation date was assumed to continue throughout retirement.

Mortality - Life expectancies were based on mortality tables from the National Center for Health Statistics.

Turnover - Non-group-specific age-based turnover data from GASB Statement 45 were used as the basis for assigning active members a probability of remaining employed until the assumed retirement age and for developing an expected future working lifetime assumption for purposes of allocating to periods the present value of total benefits to be paid.

Healthcare cost trend rate - The expected rate of increase in healthcare insurance premiums was based on projections of the Office of the Actuary at the Centers for Medicare & Medicaid Services. A rate of 5.2 percent initially, increased to an ultimate rate of 6.6 percent after eight years, was used.

Inflation rate - The expected long-term inflation assumption of 2.8 percent was based on projected changes in the Consumer Price Index (CPI) in *The 2009 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds* for an intermediate growth scenario.

**WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana**

**Notes to the Basic Financial Statements
For the Year Ended June 30, 2017**

Payroll growth rate - The expected long-term payroll growth rate was assumed to equal the rate of inflation.

Based on the historical and expected returns of the Sheriff's short-term investment portfolio and revenue growth, a discount rate of 3 percent was used. In addition, a simplified version of the unit credit actuarial cost method was used. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis over thirty years.

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

OPEB Costs and Contributions			
	FY 2015	FY 2016	FY 2017
OPEB Cost	\$ 133,745	\$ 132,042	\$ 130,667
Contribution	-	-	-
Retiree premium	46,566	61,643	74,392
Total contribution and premium	<u>46,566</u>	<u>61,643</u>	<u>74,392</u>
Change in net OPEB obligation	<u>\$ 87,179</u>	<u>\$ 70,399</u>	<u>\$ 56,275</u>
% of contribution to cost	0.00%	0.00%	0.00%
% of contribution plus premium to cost	34.82%	46.68%	56.93%

Note 8 - DEFERRED COMPENSATION PLAN

The Sheriff offers a deferred compensation plan to employees of his office under the provisions of Internal Revenue Service Code 457 (Deferred Compensation Plan). The deferred compensation plan is strictly on a voluntary basis with only employee contributions being made to the Plan. The assets in the Plan are held in trust solely for the benefit of participants and their beneficiaries. Therefore, in accordance with GASB Statement No. 31, they are not reported in the Sheriff's financial statements.

Note 9 - COMPENSATED ABSENCES

At June 30, 2017, employees of the Sheriff have accumulated and vested \$8,253 of employee leave benefits, which were computed in accordance with GASB Codification Section C60. The leave benefits have been recorded in the Government-wide Financial Statements' Statement of Net Assets as a long-term liability and in the Statement of Activities as an expense.

**WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana**

**Notes to the Basic Financial Statements
For the Year Ended June 30, 2017**

Note 10 - LONG-TERM OBLIGATIONS

At the end of the fiscal year, the Sheriff had total Long-Term Obligations of \$1,489,060 which consists of \$8,253 accrued annual vacation and compensated absences, \$932,219 in other post-retirement benefits payable (OPEB) and \$548,588 in net pension liability.

Note 11 - CHANGES IN AGENCY FUND BALANCES

A summary of changes in Agency Fund balances due to taxing bodies and others for the year ended June 30, 2017 is as follows:

	Sheriff's Fund	Tax Collector Fund	Total
Balance July 1, 2016	\$ 4,870	\$ 33,880	\$ 38,750
Additions	371,043	364,002	735,045
Deductions	(355,125)	(371,631)	(726,756)
Balance June 30, 2017	<u>\$ 20,788</u>	<u>\$ 26,251</u>	<u>\$ 47,039</u>

Note 12 - TAX COLLECTIONS OTHER THAN AD VALOREM AND DISBURSEMENTS

Act 711 of the 2010 Louisiana legislative session amended LRS 24:51 (B) to provide required footnote disclosure in the financial statements for local governments that collect tax for other taxing jurisdictions.

For the year ended June 30, 2017, the Sheriff collected and disbursed the following:

	<u>Occupational Licenses</u>	<u>Collection Fee</u>	<u>Final Distribution</u>
West Carroll Parish Police Jury	\$ 71,380	\$ 10,707	\$ 62,041

Note 13 - LITIGATION AND CLAIMS

At June 30, 2017, the Sheriff was not involved in any lawsuits. The Sheriff's legal counsel was not aware of any unasserted claims or assessments.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

Notes to the Basic Financial Statements
For the Year Ended June 30, 2017

Note 14 - ON-BEHALF PAYMENTS

The Sheriff's office is located in the parish courthouse. Expenditures for operation and maintenance of the parish courthouse, as required by statute, are paid by the West Carroll Parish Police Jury. These expenditures are not included in the accompanying Basic Financial Statements.

Certain employees of the West Carroll Parish Sheriff receive supplemental pay from the state of Louisiana. In accordance with GASB Statement No. 24, the Sheriff recorded revenues and expenditures for these payments in the General Fund. Revenues and expenditures under this arrangement totaled \$55,583.

Note 15 - SHORT TERM BANK LOANS

The Sheriff obtained various bank loans during the year from a local bank to help his cash flow until his ad valorem taxes were collected. The Sheriff was authorized by the Louisiana State Bond Commission to borrow up to \$300,000 and did borrow the \$300,000 during the year however the amount was paid and there was no balance at June 30, 2017. Interest at the rate of 2.0% paid on these loans amounted to \$2,581 for the year ended June 30, 2017. The Sheriff was authorized by the Louisiana State Bond Commission to borrow up to \$300,000 for the year ending June 30, 2017 at interest rates not to exceed 2.0%.

Note 16 - SUBSEQUENT EVENT REVIEW

The Sheriff has evaluated subsequent events through December 27, 2017 the date which the financial statements were available to be issued resulting in no adjustments.

**REQUIRED SUPPLEMENTAL INFORMATION
(PART B)**

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

GENERAL FUND
Budgetary Comparison Schedule

For the Year Ended June 30, 2017

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>
	<u>BUDGET</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>POSITIVE</u>
				<u>(NEGATIVE)</u>
BUDGETARY FUND BALANCE (DEFICIT)				
AT BEGINNING OF YEAR	\$ 4,864	\$ 21,208	\$ 30,643	\$ 9,435
RESOURCES (Inflows)				
Ad valorem taxes	752,000	759,000	759,272	272
Intergovernmental revenues:				
Grants-Federal and Local	15,000	35,000	51,573	16,573
Commission on state revenue sharing	46,000	46,000	45,096	(904)
State and local supplemental pay	125,000	153,420	155,003	1,583
Fees, charges, and commissions for services:				
Commissions on licenses, etc.	45,000	45,000	44,727	(273)
Civil and criminal fees	87,100	87,100	81,937	(5,163)
Court attendance	10,000	10,000	3,570	(6,430)
Transporting prisoners	15,000	19,000	21,658	2,658
Feeding and keeping prisoners	176,000	183,000	168,105	(14,895)
Tax notices, etc.	8,000	8,000	11,781	3,781
Use of money and property - interest earnings	100	100	455	355
Miscellaneous	5,000	8,000	25,606	17,606
Other sources:				
Proceeds from sale of assets	3,000	3,000	-	(3,000)
Total resources	<u>1,287,200</u>	<u>1,356,620</u>	<u>1,368,783</u>	<u>12,163</u>
Amounts available for appropriations	1,292,064	1,377,828	1,399,426	21,598
CHARGES TO APPROPRIATIONS (Outflows)				
Current:				
Public safety:				
Personal services and related benefits	924,600	1,014,200	1,022,146	(7,946)
Operating services	80,900	78,900	86,197	(7,297)
Statutory charges	113,000	95,000	89,341	5,659
Materials and supplies	146,000	131,000	135,079	(4,079)
Travel and other charges	11,000	11,000	3,569	7,431
Capital outlay	15,000	21,000	54,203	(33,203)
Total charges to appropriations	<u>1,290,500</u>	<u>1,351,100</u>	<u>1,390,535</u>	<u>(39,435)</u>
BUDGETARY FUND BALANCE				
AT END OF YEAR	<u>\$ 1,564</u>	<u>\$ 26,728</u>	<u>\$ 8,891</u>	<u>\$ (17,837)</u>

**WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana**

**Employee Health Care Plan - Schedule of Funding Progress
For the Year Ended June 30, 2017**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities (AAL)	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
July 1, 2010	\$ -	\$ 1,553,615	\$ 1,553,615	0.0%	\$ 641,245	242%
July 1, 2011	\$ -	\$ 1,890,998	\$ 1,890,998	0.0%	\$ 623,946	303%
July 1, 2014	\$ -	\$ 1,622,478	\$ 1,622,478	0.0%	\$ 581,368	279%

WEST CARROLL PARISH SHERIFF'S OFFICE
Oak Grove, Louisiana

Schedule of Proportionate Share of Net Pension Liability
Sheriffs' Pension and Relief Fund
For the Year Ended June 30, 2017

	<u>2015</u>	<u>2016</u>	<u>2017</u>
Employer's Proportion of the Net Pension Liability (Asset)	0.0853%	0.0817%	0.0864%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 76,238	\$ 77,224	\$ 81,245
Employer's Covered-Employee Payroll	\$ 581,368	\$ 635,239	\$ 675,375
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	13.11%	12.16%	12.03%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.34%	87.34%	82.10%

This schedule is to be built prospectively. Until a full 10-year trend is compiled, the schedule will show information for those years for which data is available, beginning with FYE June 30, 2015.

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

WEST CARROLL PARISH SHERIFF'S OFFICE
Oak Grove, Louisiana

Schedule of the Employer's Contributions
Sheriffs' Pension and Relief Fund
For the Year Ended June 30, 2017

	<u>2015</u>	<u>2016</u>	<u>2017</u>
Contractually Required Contribution ¹	\$ 77,210	\$ 81,167	\$ 85,695
Contributions in Relation to Contractually Required Contribution ²	<u>77,210</u>	<u>81,167</u>	<u>85,695</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Employer's Covered Employee Payroll ³	\$ 581,368	\$ 635,239	\$ 675,375
Contributions as a % of Covered Employee Payroll	13.28%	12.78%	12.69%

This schedule is to be build prospectively. Until a full 10-year trend is compiled, the schedule will show information for those years for which data is available, beginning with FYE June 30, 2015.

For reference only:

¹ *Employer contribution rate multiplied by employer's covered employee payroll*

² *Actual employer contributions remitted to the Sheriffs' Pension and Relief Fund*

³ *Employer's covered employee payroll amount for the fiscal year ended noted*

OTHER SUPPLEMENTAL INFORMATION

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

AGENCY FUNDS
COMBINING SCHEDULE OF CHANGES IN BALANCES
DUE TO TAXING BODIES AND OTHERS

For the Year Ended June 30, 2017

	<u>SHERIFF'S FUND</u>	<u>TAX COLLECTOR FUND</u>	<u>TOTAL</u>
BALANCES AT BEGINNING OF YEAR	\$ 4,870	\$ 33,880	\$ 38,750
ADDITIONS			
Deposits			
Suits, seizures, sales and other additions	371,043	364,002	735,045
Interest earnings	-	-	-
Taxes, fees, etc., paid to tax collector	-	-	-
Total additions	<u>371,043</u>	<u>364,002</u>	<u>735,045</u>
Total available to distribute	<u>375,913</u>	<u>397,882</u>	<u>773,795</u>
REDUCTIONS			
Taxes, fees, etc., distributed to taxing bodies and others	-	371,631	371,631
Deposits settled to:			
Sheriff's General Fund	23,947	-	23,947
Clerk of Court	93,870	-	93,870
Litigants	219,015	-	219,015
Attorneys, appraisers, etc.	2,450	-	2,450
Other settlements	15,843	-	15,843
Total reductions	<u>355,125</u>	<u>371,631</u>	<u>726,756</u>
BALANCES AT END OF YEAR	<u>\$ 20,788</u>	<u>\$ 26,251</u>	<u>\$ 47,039</u>

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

SCHEDULE OF CASH ON HAND IN TAX COLLECTOR ACCOUNT
June 30, 2017

Cash on hand	\$ <u>2,413</u>
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**WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana**

**SCHEDULE OF TAXES COLLECTED
For the Year Ended June 30, 2017**

Taxing Authority	<u>Taxes Collected</u>
LA Department of Agriculture and Forestry	\$ 339
LA Tax Commission	12,497
West Carroll Parish School Board Parish Wide	686,991
West Carroll Parishwide Drainage	81,785
Tensas Basin Levee District	86,500
West Carroll Parish School Board Ward 1	122,072
West Carroll Parish Library	276,902
West Carroll Assessment District	303,190
West Carroll Parish School Board Regular	363,944
West Carroll Parish Police Jury (General Fund)	339,406
West Carroll Parish School Board Constitutional	422,361
West Carroll Parish Road and Bridge	591,186
West Carroll Parish Law Enforcement	<u>758,848</u>
Total	<u>\$ 4,046,021</u>

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

SCHEDULE OF UNCOLLECTED TAXES
June 30, 2017

Taxing Authority	Uncollected Taxes
LA Department of Agriculture and Forestry	\$ -
LA Tax Commission	-
West Carroll Health Unit	-
West Carroll Parishwide Drainage	89
Tensas Basin Levee District	-
West Carroll Parish School Board Ward 1	-
West Carroll Parish Library	301
West Carroll Assessment District	330
West Carroll Parish School Board Regular	396
West Carroll Parish Police Jury (General Fund)	369
West Carroll Parish School Board Constitutional	460
West Carroll Parish Road and Bridge	643
West Carroll Parish School Board Parish Wide	747
West Carroll Parish Law Enforcement	826
	<hr/>
Total	\$ <u><u>4,161</u></u>

STATE OF LOUISIANA

PARISH OF WEST CARROLL

AFFIDAVIT

JERRY L. PHILLEY, SHERIFF OF WEST CARROLL PARISH

BEFORE ME, the undersigned authority, personally came and appeared, Jerry L. Philley, the sheriff of West Carroll Parish, State of Louisiana, who after being duly sworn, deposed and said:

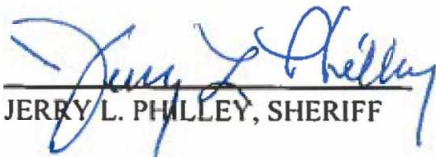
The following information is true and correct:

\$2,412.97 is the amount of cash on hand in the tax collector account on June 30, 2017;

He further deposed and said:

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

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


JERRY L. PHILLEY, SHERIFF

Sworn to and subscribed before me, Notary, this 27th day of December, 2017, in my office in

Oak Grove, Louisiana.

 (Signature)

(Print), # _____

Notary Public
 **DARLENE FULLER #74991**
DEPUTY CLERK OF COURT
WEST CARROLL PARISH (Commission)



Jerry L. Philley
 Sheriff and Ex-Officio Tax Collector
 West Carroll Parish

P. O. Box 744
 305 East Main
 Oak Grove, LA 71263

Phone: (318) 428-2331
 Fax: (318) 428-8889

jerryphilley435@yahoo.com
 wcs01@bellsouth.net

SCHEDULE OF COMPENSATION, REIMBURSEMENTS, BENEFITS
AND OTHER PAYMENTS TO AGENCY HEAD
JUNE 30, 2017

Agency Head

Salary \$160,337.72

Benefits

Retirement	\$21,139
Medical Insurance	\$ 7,388
Dental Insurance	\$ 191
Life Insurance	\$ 1,312
AD&D Insurance	\$ 114
Vision	\$ 68
Insurance adjustment	\$ 1,080

Total Benefits \$ 31,292

Travel/Meals	\$ 1,664
Dues	\$ 1,457
Fuel Expenses/vehicle maintenance	\$ 6,795
Cell Phone	\$ 2,279
Equipment	\$ 61

Total Expenses \$ 12,256

TOTAL **\$203,886**



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**OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

CAMERON, HINES & COMPANY

(A Professional Accounting Corporation)

Certified Public Accountants

104 Regency Place

West Monroe, Louisiana 71291

Mailing Address

P. O. Box 2474

West Monroe, LA 71294-2474

Phone (318) 323-1717

Fax (318) 322-5121

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

**West Carroll Parish Sheriff
Oak Grove, 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, the major fund, and the aggregate remaining fund information of the West Carroll Parish Sheriff (the Sheriff) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements and have issued our report thereon dated December 27, 2017.

Internal Control Over Financial Reporting

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

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

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

West Carroll Parish Sheriff
Oak Grove, Louisiana

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Sheriff'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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Cameron Hines & Company (APAC)

West Monroe, Louisiana
December 27, 2017

WEST CARROLL PARISH SHERIFF

**Schedule of Findings and Questioned Costs
As of and For the Year Ended June 30, 2017**

We have audited the financial statements of the West Carroll Parish Sheriff as of and for the year ended June 30, 2017, and have issued our report thereon dated December 27, 2017. 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. Our audit of the financial statements as of June 30, 2017, resulted in an unmodified opinion.

Section I- Summary of Auditors' Results

A. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weakness yes no

Significant Deficiencies not considered to be
Material Weaknesses yes no

Compliance

Compliance Material to Financial Statements yes no

Section II- Financial Statement Findings

None

Section III- Federal Award Findings and Question Costs- N/A

WEST CARROLL PARISH SHERIFF

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

There were no audit findings reported in the audit for the year ended June 30, 2016.

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the West Carroll Parish Sheriff and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the West Carroll Parish Sheriff (Sheriff) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2016 through June 30, 2017. The Sheriff's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Written Policies and Procedures

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

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the Sheriff's ethics policy. Note: Ethics requirements are not applicable to nonprofits.
- j) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Findings: Thirty-six exceptions noted. The Sheriff does not have written policies and procedures as set forth by the Louisiana Legislative Auditor.

Board (or Finance Committee, if applicable)

- 2. Obtain and review the board/committee minutes for the fiscal period, and:
 - a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.
 - b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the Sheriff's prior audit (GAAP-basis).
 - If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.
 - c) Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.

Findings: The Sheriff does not have Board or Committee meetings. Therefore, this step is not applicable.

Bank Reconciliations

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

Findings: We obtained the listing and management's representation.

4. Using the listing provided by management, select all of the Sheriff's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:
 - a) Bank reconciliations have been prepared;
 - b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and
 - c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.
- d) **Findings:** Five exceptions noted where the bank reconciliations did not include evidence that a member of management had reviewed the bank reconciliation. Two exceptions noted where there was no documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

Collections

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

Findings: We obtained the listing and management's representation.

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

- a) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.
- b) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the Sheriff has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.
- c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:
 - Using Sheriff's collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.
 - Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

Findings: Four exceptions noted where the employee responsible for cash collections also reconciles the bank account and makes deposits. Four exceptions where there is no documentation for the formal process to reconcile cash collections to the general ledger. Four exceptions noted where the employee who collects the funds also reconciles the collections to the general ledger. Four exceptions noted where the collections were not deposited in one business day.

7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the Sheriff has a process specifically defined (identified as such by the Sheriff) to determine completeness of all collections, including electronic transfers, for each revenue source and agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation) by a person who is not responsible for collections.

Findings: Four exceptions noted where there was no written documentation on a process to determine the completeness of all collections.

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

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

Findings: We obtained the general ledger and management's representation.

9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the Sheriff had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:
- a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.
 - b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.
 - c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.

Findings: No exceptions noted.

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

Findings: No exceptions noted.

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

12. **Findings:** Twenty-five exceptions noted where the persons with signatory authority or who make the final authorization for disbursements have responsibility for initiating or recording purchases.

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

Findings: No exceptions noted.

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

Findings: No signature stamp or signature machine is used by the Sheriff. This step is not applicable.

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

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

Findings: We obtained the listing and management's representation.

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

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

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

Findings: Six exceptions noted where there is no evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder.

16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e. each of the 10 cards should have one month of transactions subject to testing).
- a) For each transaction, report whether the transaction is supported by:
 - An original itemized receipt (i.e., identifies precisely what was purchased)
 - Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.
 - Other documentation that may be required by written policy (e.g., purchase order, written authorization.)
 - b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the Sheriff's written purchasing/disbursement policies and the Louisiana Public Bid Law (i.e. transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.
 - c) For each transaction, compare the Sheriff's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

Findings: One exception noted where charges on the cards did not have proper supporting documentation.

Travel and Expense Reimbursement

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

Findings: We obtained the general ledger and the Sheriff's travel and related expense reimbursements. We obtained management's representation.

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

Findings: The Sheriff does not have written policies related to travel and expense reimbursements. This step is not applicable.

19. Using the listing or general ledger from #17 above, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expenses selected:
- a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the Sheriff does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.
 - b) Report whether each expense is supported by:
 - An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]
 - Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).
 - Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)
 - c) Compare the Sheriff's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.
 - d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Findings: One exception noted where the documentation was not in accordance with the Sheriff's policies. One exception noted where an itemized receipt was not attached to the travel reimbursement form. Three exceptions noted where there was no approval of the employee's travel reimbursement form.

Contracts

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

Findings: We obtained the general ledger and noted any contracts in effect during the fiscal period. We obtained management's representation.

21. Using the listing above, select the five contract “vendors” that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:
- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.
 - b) Compare each contract’s detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:
 - If yes, obtain/compare supporting contract documentation to legal requirements and report whether the Sheriff complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder)
 - If no, obtain supporting contract documentation and report whether the Sheriff solicited quotes as a best practice.
 - c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.
 - d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.
 - e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).

Findings: No exceptions noted.

Payroll and Personnel

22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management’s representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:
- a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.
 - b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.

Findings: No exceptions noted.

23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the Sheriff had less than 25 employees during the fiscal period), and:
- a) Report whether all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.
 - c) Report whether there is written documentation that the Sheriff maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

Findings: No exceptions noted.

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

Findings: No exceptions noted.

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

Findings: No exceptions noted.

Ethics (excluding nonprofits)

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

Findings: Five exceptions were noted where the Sheriff did not maintain documentation to demonstrate that required ethics training was completed.

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

Findings: We noted that no alleged ethics violations were reported to the Sheriff during the fiscal period.

Debt Service (excluding nonprofits)

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

Findings: No exceptions were noted.

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

Findings: We noted that the outstanding debt was in the form of a line of credit from a local bank. This debt does have debt covenants. This step is not applicable.

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

Findings: We noted that the Sheriff does not have tax millages relating to debt service.

Other

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

Findings: We noted that there were no misappropriations of public funds or assets reported to the Sheriff.

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

Findings: One exception noted where the Sheriff did not have the notice posted on its website.

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

Findings: We did not observe or otherwise identify any exceptions regarding management's representations in the procedures above.

We concur with the exceptions noted above and are working diligently to improve our internal controls.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Cameron Hines & Company (APAC)

West Monroe, Louisiana

December 15, 2017