

Livingston Parish Sheriff

Annual Financial Statements

As of and for the Year Then Ended June 30, 2016
With Supplemental Information Schedules



BRUCE HARRELL & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS
A Professional Accounting Corporation

**Livingston Parish Sheriff
Livingston, Louisiana**

**Annual Financial Statements
As of and for the Year Ended June 30, 2016
With Supplemental Information Schedules**

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**Livingston Parish Sheriff
Livingston, Louisiana**

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Independent Auditor's Report

To the Honorable Jason Ard
Livingston Parish Sheriff
Ex-Officio Parish Tax Collector
Livingston Parish, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Livingston Parish Sheriff as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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CERTIFIED PUBLIC ACCOUNTANTS

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Livingston Parish Sheriff
Independent Auditor's Report
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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Livingston Parish Sheriff as of June 30, 2016, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Adjustment to Prior Period Financial Statements

The financial statements of the Livingston Parish Sheriff as of June 30, 2015, were audited by us and our opinion dated December 29, 2015, on those statements was unmodified. As discussed in Note 21 to the accompanying financial statements, the Sheriff restated its 2015 financial statements in the current year to correct an adjustment that occurred during implementation of GASB Statement 68 and 71 at June 30, 2015. We reported on the 2015 financial statements before this adjustment.

As part of our audit of the 2016 financial statements, we also audited the adjustments described in Note 21 that were applied to restate the 2015 financial statements. In our opinion, such adjustments are appropriate and have been properly applied.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 8–15 and 61-62, as well as, the schedule of funding progress for retiree benefits on page 63, the schedule of proportionate share of the net pension liability on page 64, and the schedule of contributions on page 65 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 an opinion on the financial statements that comprise the Sheriff's basic financial statements. Other information, including the schedule of compensation, benefits, and other payments to agency head and the tax collector account affidavit, is presented for the purpose of additional analysis and per legislative requirement, and is not a required part of the basic financial statements. This other

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Livingston Parish Sheriff
Independent Auditor's Report
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information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2016, on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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.



Bruce Harrell & Company, CPAs
A Professional Accounting Corporation
Kentwood, Louisiana

December 20, 2016

Required Supplemental Information (Part I)
Management's Discussion and Analysis

Livingston Parish Sheriff

Management's Discussion and Analysis As of and for the Year Ended June 30, 2016

Introduction

As management of the Livingston Parish Sheriff, Livingston, Louisiana, we offer readers of the Sheriff's financial statements this narrative overview and analysis of the financial activities of the Sheriff for the fiscal year ended June 30, 2016. This management discussion and analysis ("MD&A") is designed to provide an objective and easy to read analysis of the Livingston Parish Sheriff's financial activities based on currently known facts, decisions, or conditions. It is intended to provide readers with a broad overview of the Sheriff's finances. It is also intended to provide readers with an analysis of the Sheriff's short-term and long-term activities based on information presented in the financial report and fiscal policies that have been adopted by the Sheriff. Specifically, this section is designed to assist the reader in focusing on significant financial issues, provide an overview of the Livingston Parish Sheriff's financial position (its ability to address the next and subsequent year challenges), identify any material deviations from the financial plan (the approved budget), and identify individual fund issues or concerns.

As with other sections of this financial report, the information contained within this MD&A should be considered only a part of a greater whole. The readers of this statement should take time to read and evaluate all sections of this report, including the footnotes and the other Required Supplemental Information ("RSI") that is provided in addition to this MD&A.

Financial Highlights

- The Sheriff's government wide assets exceeded its liabilities by \$6,464,812 (net position, previously reported as net assets). Of this amount, (\$149,947) (unrestricted) may be used to meet the Sheriff's ongoing obligations to the Parish. An amount of \$6,614,727 is invested in capital assets, net of related debt.
- For the year ended June 30, 2016, the Sheriff's total government wide net position increased by \$2,058,788.
- At June 30, 2016, the Sheriff's governmental funds reported ending fund balances of \$6,698,769, a decrease of \$1,488,627 for the year. Of this total amount, \$6,698,734 is available for spending at the Sheriff's discretion (unassigned fund balance). The remaining \$35 is restricted for capital project use.

Overview of the Annual Financial Report

This discussion and analysis is intended to serve as an introduction to the Livingston Parish Sheriff's financial statements. The Livingston Parish Sheriff's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Livingston Parish Sheriff

Management's Discussion and Analysis As of and for the Year Ended June 30, 2016

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Livingston Parish Sheriff's finances in a manner similar to a private-sector business.

The *statement of net position (formerly reported as statement of net assets)* presents information on all of the Livingston Parish Sheriff's assets and liabilities using the accrual basis of accounting. The difference between the assets and the liabilities is reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Livingston Parish Sheriff is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be found on pages 17 - 18 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Livingston Parish Sheriff, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related and legal requirements. All of the funds of the Sheriff can be divided into two categories: governmental funds and fiduciary funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term effects of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Livingston Parish Sheriff maintains one individual governmental fund. Information is presented separately in the governmental fund statements of revenues, expenditures, and changes in fund balances for the General Fund, which is considered to be a major fund.

The Livingston Parish Sheriff adopts an annual appropriated budget for its general fund. A budgetary comparison statement for the major fund has been provided herein to demonstrate compliance with the budget. The basic governmental fund financial statements can be found on pages 20 and 22 of this report.

Livingston Parish Sheriff

Management's Discussion and Analysis As of and for the Year Ended June 30, 2016

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the Livingston Parish Sheriff's own programs. The Sheriff reports its Post-Retirement Benefits Trust Fund as a fiduciary fund, and has three agency funds, including the Sheriff's Fund, Tax Collector Fund, and Inmate Deposit Fund.

The basic fiduciary fund financial statements can be found on pages 25 - 27 of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29 - 59 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. These can be found on page 61 through 65 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The following table provides a summary of the Sheriff's net position for the current year as compared to the prior year. For more detailed information, see the Statement of Net Position on page 17 of this report.

Net Position 2016 and 2015

	Governmental Activities	
	2016	2015
Assets:		Restated
Current and Other Assets	\$ 9,172,235	\$ 10,758,654
Capital Assets	8,877,127	7,106,676
Total Assets	18,049,362	17,865,330
Deferred Outflows of Resources	2,206,497	2,187,273
Total Assets and Deferred Outflows of Resources	20,255,859	20,052,603
Liabilities:		
Long-Term Debt Outstanding	9,794,711	9,208,892
Other Liabilities	1,833,631	2,044,342
Total Liabilities	11,628,342	11,253,234
Deferred Inflows of Resources	2,162,705	4,393,345
Total Liabilities and Deferred Inflows of Resources	13,791,047	15,646,579
Net Position:		
Invested in Capital Assets, Net of Related Debt	6,614,727	4,558,676
Restricted	32	20,450
Unrestricted	(149,947)	(173,102)
Total Net Position	\$ 6,464,812	\$ 4,406,024

Livingston Parish Sheriff

Management's Discussion and Analysis As of and for the Year Ended June 30, 2016

One of the largest portions of the Livingston Parish Sheriff's net position (102 percent) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The Livingston Parish Sheriff uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Livingston Parish Sheriff's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

At the end of the current fiscal year, the Livingston Parish Sheriff is able to report a positive balance in the investment in capital assets category of net position, but there was a deficient balance in unrestricted net position due to the implementation of GASB Statements 68 and 71. The Sheriff was able to report positive balances in all categories of fund balance in the separate governmental activities.

The Sheriff's activities increased its total net position by \$2,058,788 during the current fiscal year.

In order to further understand what makes up the changes in net position, the table on the following page provides a summary of the results of the Sheriff's activities for the current year as compared to the prior year. An analysis of the primary sources of these changes follows the table. For more detailed information, see the Statement of Activities on page 18 of this report.

Livingston Parish Sheriff

Management's Discussion and Analysis As of and for the Year Ended June 30, 2016

Changes in Net Position

For the years ended June 30, 2016 and 2015

	Governmental Activities		Variance	
	2016	2015	Amount	Percentage
Revenues:		Restated		
Program Revenues:				
Charges for Services	\$ 4,149,765	\$ 4,028,368	\$ 121,397	3%
Operating Grants and Contributions	877,906	865,453	12,453	1%
Capital Grants and Contributions	5,278	48,287	(43,009)	-89%
General Revenues:				
Property Taxes	10,817,273	10,429,804	387,469	4%
Sales Taxes	8,686,732	8,029,228	657,504	8%
Intergovernmental	3,378,989	2,860,251	518,738	18%
Interest Income	40,936	26,708	14,228	53%
Miscellaneous	1,764,537	1,573,307	191,230	12%
Gain (Loss) on Sale of Assets	44,616	7,456	37,160	498%
Total Revenues	<u>29,766,032</u>	<u>27,868,862</u>	<u>1,897,170</u>	7%
Expenses:				
Public Safety	27,841,121	25,503,521	2,337,600	9%
Total Expenses	<u>27,841,121</u>	<u>25,503,521</u>	<u>2,337,600</u>	9%
Extraordinary Items:				
Deep water Horizon Settlement	133,877	-	133,877	100%
Total Extraordinary Items	<u>133,877</u>	<u>-</u>	<u>133,877</u>	100%
Increase (Decrease) in Net Position	<u>2,058,788</u>	<u>2,365,341</u>	<u>(306,553)</u>	-13%
Net Position - Beginning	5,978,591	12,713,465	(6,734,874)	-53%
Prior Period Adjustments-Note 21	(1,572,567)	(10,672,782)	9,100,215	85%
Net Position - Beginning (Restated)	<u>4,406,024</u>	<u>2,040,683</u>	<u>2,365,341</u>	116%
Net Position, Ending	<u>\$ 6,464,812</u>	<u>\$ 4,406,024</u>	<u>\$ 2,058,788</u>	47%

Livingston Parish Sheriff

Management's Discussion and Analysis As of and for the Year Ended June 30, 2016

Governmental Activities

Governmental activities increased the Livingston Parish Sheriff's net position by \$2,058,788. Key elements of this change in net position as shown on the previous page are as follows:

- Sales taxes increased \$657,504 or 8 percent in 2016.
- Intergovernmental revenues increased \$518,738 or 18 percent in 2016.
- Property Taxes increased \$387,469 or 4 percent in 2016.
- Capital grants decreased by \$43,009 or 89 percent in 2016.

Fund Financial Analysis

As noted earlier, the Sheriff uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Sheriff's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Sheriff's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the Sheriff's net resources available for spending at the end of the year.

The general fund is the chief operating fund of the Livingston Parish Sheriff. At the end of the current fiscal year, total fund balance of the general fund was \$6,698,734, a decrease of (\$770,334). The total amount constitutes *unassigned fund balance*, which is available for spending at the government's discretion.

The capital project fund is used to account for and report financial resources that are restricted, committed, or assigned for capital outlays. At the end of the current fiscal year, total fund balance of the capital project fund was \$35, a decrease of (\$718,293). The total amount constitutes *restricted fund balance*, which is restricted for spending on construction of the work release building.

As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total fund operating expenditures plus other financing uses totaling \$30,035,092.

Major Fund Budgetary Highlights

Differences between the original and final amended budgets of the major funds budgeted for revenues and other sources were more than the final budget by \$1,125,881.

Livingston Parish Sheriff

Management's Discussion and Analysis As of and for the Year Ended June 30, 2016

Capital Assets and Debt Administration

Capital Assets

The Livingston Parish Sheriff's investment in capital assets for its governmental activities as of June 30, 2016, amounted to \$8,877,127 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, machinery and equipment, and infrastructure.

The following table provides a summary of the Sheriff's capital assets (net of depreciation) at the end of the current year as compared to the prior year. For more detailed information, see Note 5 to the financial statements on page 40 of this report.

Capital Assets (Net of Depreciation) 2016 and 2015

Capital Assets	Governmental Activities		Increase (Decrease)	Percentage Increase (Decrease)
	2016	2015		
Land	\$ 269,558	\$ 269,557	\$ 1	-
Construction in Progress	935,263	2,147,118	(1,211,855)	-56%
Buildings and Tower	4,656,527	1,468,506	3,188,021	217%
Equipment and Furniture	4,388,362	4,479,840	(91,478)	-2%
Vehicles	6,426,464	5,883,884	542,580	9%
Subtotal Capital Assets	<u>16,676,174</u>	<u>14,248,905</u>	<u>2,427,269</u>	17%
Less: Accumulated Depreciation	<u>(7,799,047)</u>	<u>(7,142,229)</u>	<u>656,818</u>	9%
Capital Assets, Net	<u>\$ 8,877,127</u>	<u>\$ 7,106,676</u>	<u>\$ 1,770,451</u>	25%

Long Term Debt

At the end of the fiscal year, the Sheriff had long term debt consisting of revenue bonds and net pension liability in the amount of \$10,074,711. For more detailed information on Revenue Bonds Payable see Note 14 to the financial statements on page 52 of this report.

Outstanding Debt 2016 and 2015

	Governmental Activities	
	2016	2015
Debt backed by the Government		
Revenue Bonds	\$ 2,240,000	\$ 2,520,000
Subtotal of Debt backed by the Government	<u>2,240,000</u>	<u>2,520,000</u>
Other long term Indebtedness		
Net Pension Liability	<u>7,834,711</u>	<u>6,968,892</u>
Subtotal Other long term Indebtedness	<u>7,834,711</u>	<u>6,968,892</u>
Total Long Term Debt	<u>\$ 10,074,711</u>	<u>\$ 9,488,892</u>

Livingston Parish Sheriff

Management's Discussion and Analysis As of and for the Year Ended June 30, 2016

Other Post-Employment Benefits

Effective with the year ending June 30, 2009, the Livingston Parish Sheriff implemented Government Accounting Standards Board Statement No. 45, Accounting and Financial Reporting by Employees for Post-employment Benefits Other Than Pensions (GASB 45). The statement was implemented prospectively. Using this method, the beginning other post-employment benefits (OPEB) liability is set at zero and the actuarially determined OPEB liability relative to past service (prior to July 1, 2008) will be amortized and recognized as an expense over thirty years.

The Livingston Parish Sheriff's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The total ARC for the Fiscal year ending June 30, 2016 is \$873,510 for medical and life combined.

Economic Factors and Next Year's Budgets and Rates

The following factors were considered in preparing the Livingston Parish Sheriff's budget for the 2016 fiscal year:

- The two major revenue sources for the general fund are ad valorem taxes and sales and use taxes. Ad valorem tax increased by \$387,469 between 2015 and 2016.
- Sales tax revenues increased by approximately \$657,504 between 2015 and 2016.
- Livingston Parish was affected by a federally declared flood disaster. See Note 22 to the financial statements on page 58.

Request for Information

This financial report is designed to provide a general overview of the Livingston Parish Sheriff's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report for June 30, 2016, or requests for additional financial information should be addressed to Jamie Felder, Chief Fiscal Officer of the Livingston Parish Sheriff, at (225) 686-2241.

Basic Financial Statements

Government-Wide Financial Statements

**Livingston Parish Sheriff
Statement of Net Position
As of June 30, 2016**

Statement A

		<u>Primary Governmental Activities</u>
Assets		
Current Assets:		
Cash and Cash Equivalents	\$	6,116,268
Receivables, Net:		2,113,700
Total Current Assets		<u>8,229,968</u>
Restricted Assets:		
Restricted Cash and Cash Equivalents		32
Net Other Post Employment Benefit Asset		942,235
Total Restricted Assets		<u>942,267</u>
Capital Assets:		
Land		269,558
Construction in Progress		935,263
Capital Assets, Net		7,672,306
Total Capital Assets		<u>8,877,127</u>
Total Assets		<u>18,049,362</u>
Deferred Outflows:		
Pension Related		2,206,497
Total Deferred Outflows		<u>2,206,497</u>
Total Assets and Deferred Outflows of Resources	\$	<u>20,255,859</u>
Liabilities		
Current Liabilities:		
Accounts Payable	\$	454,089
Accrued Interest Payable		22,400
Other Accrued Payables		404,494
Due to Livingston Parish Library		672,648
Current Portion of Long Term Indebtedness		
Bonds Payable		280,000
Total Current Liabilities		<u>1,833,631</u>
Long Term Liabilities:		
Bonds Payable		1,960,000
Net Pension Liability		7,834,711
Total Long Term Liabilities		<u>9,794,711</u>
Total Liabilities		<u>11,628,342</u>
Deferred Inflows:		
Pension Related		2,162,705
Total Deferred Inflows		<u>2,162,705</u>
Net Position		
Net Investment in Capital Assets		6,614,727
Capital Projects and Debt Service		32
Unrestricted		(149,947)
Total Net Position		<u>6,464,812</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$	<u>20,255,859</u>

The accompanying notes are an integral part of this statement.

Statement B

**Livingston Parish Sheriff
Statement of Activities
For the year ended June 30, 2016**

		Program Revenues				Net (Expenses) Revenues and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions		Primary Government Governmental Activities
Governmental Activities						
Public Safety	\$ (27,841,121)	\$ 4,149,765	\$ 877,906	\$ 5,278	\$	(22,808,172)
Total Governmental Activities	(27,841,121)	4,149,765	877,906	5,278	\$	(22,808,172)
General Revenues:						
Taxes:						
Property Taxes						10,817,273
Sales Taxes						8,686,732
Intergovernmental						
For Support of Prisoners						2,733,154
State Revenue Sharing						645,835
Investment Earnings						42,194
On Behalf Payments - State Supplemental Pay						716,633
Miscellaneous						1,046,646
Gain (Loss) on Sale of Assets						44,616
Total General Revenues and Transfers						24,733,083
Extraordinary Items:						
Deepwater Horizon Settlement						133,877
Total Extraordinary Items						133,877
Change in Net Position						2,058,788
Net Position - Beginning						5,978,591
Prior Period Adjustments (Note 21)						(1,572,567)
Net Position - Beginning (Restated)						4,406,024
Net Position - Ending					\$	6,464,812

The accompanying notes are an integral part of this statement.

Basic Financial Statements

Fund Financial Statements

Livingston Parish Sheriff
Balance Sheet, Governmental Funds
As of June 30, 2016

	<u>General Fund</u>	<u>Capital Project Fund</u>	<u>Total Governmental Funds</u>
Assets			
Cash and Equivalents	\$ 6,116,233	\$ 35	\$ 6,116,268
Receivables, Net:			
Due from Other Governments	1,208,599	-	1,208,599
Others	905,101	-	905,101
Restricted Cash	32	-	32
Total Assets	\$ 8,229,965	\$ 35	\$ 8,230,000
Liabilities and Fund Balances			
Liabilities:			
Accounts Payable	\$ 453,600	\$ -	453,600
Other Accrued Liabilities	489	-	489
Accrued Wages and Employee Benefits	404,494	-	404,494
Due to Other Governments	672,648	-	672,648
Total Liabilities	1,531,231	-	1,531,231
Fund Balances:			
Restricted	-	35	35
Unassigned	6,698,734	-	6,698,734
Total Fund Balances	6,698,734	35	6,698,769
Total Liabilities and Fund Balances	\$ 8,229,965	\$ 35	\$ 8,230,000

The accompanying notes are an integral part of this statement.

Livingston Parish Sheriff
Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Financial Statement of Net Position
As of June 30, 2016

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

Fund Balances, Total Governmental Funds (Statement C)	\$ 6,698,769
Capital assets used in governmental activities are not financial resources and are therefore not reported in the governmental funds.	
Governmental capital assets net of depreciation	8,877,127
Deferred Outflows-Pension Related	2,206,497
Interest payable used in the governmental activities is not payable from current resources and therefore is not reported in the Governmental Funds	(22,400)
General Long-term liabilities of governmental activities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the Governmental fund. These liabilities are:	
Bonds Payable	(2,240,000)
Net Pension Liability	(7,834,711)
Deferred Inflows-Pension Related	(2,162,705)
The liability associated with the net unfunded long-term Other Post Employment Benefit Obligation Asset is also not payable in the current period. Therefore, the amount is not reported in the Governmental fund.	942,235
Net Position of Governmental Activities (Statement A)	\$ <u>6,464,812</u>

The accompanying notes are an integral part of this statement.

Livingston Parish Sheriff
Statement of Revenues, Expenditures and
Changes in Fund Balances-Governmental Funds
For the year ended June 30, 2016

	General Fund	Capital Project Fund	Total Governmental Funds
Revenues			
Taxes			
Ad valorem	\$ 10,817,273	\$ -	\$ 10,817,273
Sales and Use	8,686,732	-	8,686,732
Intergovernmental			
Grants	225,073	-	225,073
Support of Prisoners	2,736,065	-	2,736,065
State Revenue Sharing	645,835	-	645,835
Service Contract Revenue	1,032,448	-	1,032,448
Fines, Forfeitures and Other Fees	3,117,317	-	3,117,317
Use of Money and Property	40,936	1,258	42,194
Miscellaneous	1,043,735	-	1,043,735
On Behalf Payments - State Supplemental Pay	716,633	-	716,633
Total Revenues	<u>29,062,047</u>	<u>1,258</u>	<u>29,063,305</u>
Expenditures			
Public Safety			
Personal Services and Related Benefits			
Salaries	13,735,196	-	13,735,196
Employee Benefits	7,356,652	-	7,356,652
Operating Services	3,424,678	-	3,424,678
Professional Services	568,947	-	568,947
Materials and Supplies	2,248,070	-	2,248,070
Other	-	-	-
Total Public Safety	<u>27,333,543</u>	<u>-</u>	<u>27,333,543</u>
Capital Outlays	2,019,066	1,021,234	3,040,300
Debt Service			
Principal	280,000	-	280,000
Interest	100,800	-	100,800
Debt Issuance Cost	-	-	-
Total Expenditures	<u>29,733,409</u>	<u>1,021,234</u>	<u>30,754,643</u>
Excess (Deficiency) of Revenues Over (Under) (Expenditures)	<u>(671,362)</u>	<u>(1,019,976)</u>	<u>(1,691,338)</u>
Other Financing Sources (Uses)			
Operating Transfers In	-	301,683	301,683
Operating Transfers (Out)	(301,683)	-	(301,683)
Proceeds from Sale of Capital Assets	68,834	-	68,834
Proceeds from Bonds	-	-	-
Total Other Financing Sources (Uses)	<u>(232,849)</u>	<u>301,683</u>	<u>68,834</u>
Extraordinary Items			
Deepwater Horizon Settlement	133,877	-	133,877
Total Extraordinary Items	<u>133,877</u>	<u>-</u>	<u>133,877</u>
Net Change in Fund Balances	<u>(770,334)</u>	<u>(718,293)</u>	<u>(1,488,627)</u>
Fund Balances, Beginning	<u>7,469,068</u>	<u>718,328</u>	<u>8,187,396</u>
Fund Balances, Ending	<u>\$ 6,698,734</u>	<u>\$ 35</u>	<u>\$ 6,698,769</u>

The accompanying notes are an integral part of this statement.

Livingston Parish Sheriff
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Government-Wide Statement of Activities
For the year ended June 30, 2016

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

Net Change in Fund Balances, Total Governmental Funds, Statement E \$ (1,488,627)

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period net of the gain on the sale of capital assets, which also is not reflected in the fund basis financial statements.

Expenditures for capital assets	\$ 3,040,300	
Less:		
Loss on sale of capital assets	44,616	
Proceeds from the sale of capital assets	(68,834)	
Current year depreciation	<u>(1,245,631)</u>	
		1,770,451

Certain revenues are deferred in the fund financial statements until they are considered available to finance current expenditures, but such revenues are recognized when assessed in the government-wide financial statements.

The issuance of long-term debt (bonds, leases, etc.) provides current financial resources to		
Bond Repayment of Principal	<u>280,000</u>	280,000

Interest Expense reported in the statement of activities does not require the use of current financial resources and is therefore not reported as expenditures in governmental funds.		5,600
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(Increases) or decreases in the unfunded post-employment benefit obligations for medical and life insurance netted against the assets in trust to fund those estimated liabilities in future periods are not recorded for governmental funds on the fund basis.		134,819
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Non-employer contributions to cost-sharing pension plan		658,111
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Pension Expense		698,434
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Change in Net Position of Governmental Activities, Statement B		\$ <u><u>2,058,788</u></u>
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The accompanying notes are an integral part of this statement.

Basic Financial Statements

Fiduciary Fund Financial Statements

Livingston Parish Sheriff
Statement of Net Position - Fiduciary Funds
As of June 30, 2016

	Trust Fund	Agency Funds		
	Retired Employees Benefit Fund	Sheriff's Fund	Tax Collector Fund	Inmate Deposit Fund
Assets				
Current Assets:				
Cash and Cash Equivalents	\$ 7,043	\$ 1,165,740	\$ 28	\$ 78,262
Investments	7,204,957	-	-	-
Total Assets	7,212,000	1,165,740	28	78,262
Liabilities				
Held for taxing bodies and others	-	1,165,740	28	78,262
Total Liabilities	-	1,165,740	28	78,262
Total Net Position	\$ 7,212,000	\$ -	\$ -	\$ -

The accompanying notes are an integral part of this statement.

Livingston Parish Sheriff
Statement of Changes in Net Position - Fiduciary Trust Fund
For the year ended June 30, 2016

Statement H

	Trust Fund
	Retired
	Employees Benefit
	Fund
Additions	
Investment Interest	\$ 295,270
Realized Gain (Loss) on Investments	(317,860)
Total Additions	(22,590)
Deductions	
Investment Expenses	28,988
Miscellaneous Expenses	4,615
Total Deductions	33,603
Change in Net Position	(56,193)
Net Position - Beginning	7,268,193
Net Position - Ending	\$ 7,212,000

The accompanying notes are an integral part of this statement.

Livingston Parish Sheriff
Statement of Changes in Net Position - Fiduciary Agency Funds
For the year ended June 30, 2016

	<u>Agency Funds</u>		
	<u>Sheriff's Fund</u>	<u>Tax Collector Fund</u>	<u>Inmate Deposit Fund</u>
Additions			
Suits and Sales	\$ 6,411,173	\$ -	\$ -
Fines and Bonds	3,900,748	-	-
Advance Deposits	306,122	-	-
Garnishments	351,311	-	-
Property Taxes	-	54,801,691	-
Parish Occupational Licenses	-	1,117,328	-
State Revenue Sharing	-	2,553,513	-
Redemptions and Refunds	-	918,889	-
Interest on Delinquent Taxes	7,615	133,202	-
Other	-	175,263	955,584
Total Additions	<u>10,976,969</u>	<u>59,699,886</u>	<u>955,584</u>
Distributions			
By Funding Source			
Property Taxes	-	54,730,285	-
Parish Occupational Licenses	-	949,729	-
State Revenue Sharing	-	2,553,513	-
Redemptions and Refunds	481,605	918,848	-
Earned Interest	-	184,351	-
Pension Funds	5,303,442	-	-
By Location			
State of Louisiana			
Livingston Parish			
Clerk of Court	423,288	-	-
Parish Council	220,031	-	-
Sheriff	1,355,937	310,657	-
Twenty-first Judicial District			
District Attorney	2,112,555	-	-
Other Parties			
Advertising	162,900	-	-
Appraisers and Helpers	35,575	-	-
Attorneys and Litigants	301,700	-	-
Municipalities	226,452	-	-
Other	234,710	52,462	936,496
State Crime Laboratory	7,108	-	-
Total Distributions	<u>10,865,303</u>	<u>59,699,845</u>	<u>936,496</u>
Change in Net Position	<u>\$ 111,666</u>	<u>\$ 41</u>	<u>\$ 19,088</u>

The accompanying notes are an integral part of this statement.

Basic Financial Statements

Notes to the Financial Statements

Livingston Parish Sheriff
Notes to the Financial Statements
As of and for the Year Ended June 30, 2016

Introduction

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

As the chief law enforcement officer of the parish, the Sheriff has the responsibility for enforcing state and local laws and ordinances within the territorial boundaries of the parish. The Sheriff provides protection to the residents of the parish through on-site patrols and investigations and serves the residents of the parish through the establishment of the neighborhood watch programs, and anti-drug abuse programs. Additionally, the Sheriff, when requested, 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, sportsman's licenses and fines, costs and bond forfeitures imposed by the district court.

The Reporting Entity

For financial reporting purposes, the Sheriff includes all funds, account groups and activities 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 the employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. The Sheriff is financially independent, other than certain operating expenditures of the Sheriff's office that are paid or provided by the parish council as required by Louisiana Law. Accordingly, the Sheriff is a separate governmental reporting entity.

Certain units of local government which the Sheriff exercises no oversight responsibility such as the parish government, 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.

1. Summary of Significant Accounting Policies

A. Government-Wide and Fund Financial Statements

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

Livingston Parish Sheriff
Notes to the Financial Statements
As of and for the Year Ended June 30, 2016

These financial statements are presented in accordance with GASB Statement No. 34, *Basic Financial Statements, Management's Discussion and Analysis, for State and Local Governments*. Statement No. 34 established standards for financial reporting, with presentation requirements originally including a statement of net assets (or balance sheet), a statement of activities, and a statement of cash flows. The definition and composition of these statements, as originally defined in GASB Statement No. 34, are as amended by GASB Statements included in the following paragraphs. The Sheriff has also adopted the provisions of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, that require capital contributions to the Sheriff to be presented as a change in net position.

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, effective for financial statement periods ending after December 15, 2012, provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. Concepts Statement No. 4, *Elements of Financial Statements*, introduced and defined *Deferred Outflows of Resources* as a consumption of net assets by the government that is applicable to a future reporting period, and *Deferred Inflows of Resources* as an acquisition of net assets by the government that is applicable to a future reporting period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. GASB Concepts Statement 4 identifies net position as the residual of all other elements presented in a statement of financial position. This Statement amends the net asset reporting requirements in Statement No. 34, *Basic Financial Statements— and Management's Discussion and Analysis—for State and Local Governments*, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. The definition and reporting of net position is further described in *Footnote I –Net Position*.

The Sheriff has also adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all non-fiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are presented as separate columns in the fund financial statements.

Livingston Parish Sheriff
Notes to the Financial Statements
As of and for the Year Ended June 30, 2016

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements (Statement of Net Position and Statement of Activities) are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are susceptible to accrual (i.e., when they become measurable and available). Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Ad valorem taxes and the related state revenue sharing are recorded in the year taxes are due and payable. Intergovernmental revenues and fees, and 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 the Sheriff is entitled to the funds.

Expenditures, including capital outlays, are recorded when the related fund liability is incurred. When both restricted and unrestricted resources are available for use, it is the Sheriff's policy to use restricted resources first, then unrestricted resources as they are needed. When committed, assigned or unassigned fund balances are available, the Sheriff considers amounts to have been spent out of committed funds, then assigned funds, and finally unassigned funds as needed, unless the Sheriff has provided otherwise in his commitment or assignment actions.

The Sheriff reports the following major governmental funds:

- The *General Fund* is the Sheriff's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *Capital Project Fund* is used to account for and report financial resources that are restricted, committed, or assigned to expenditure capital outlays, including the acquisition or construction of capital facilities and other capital assets not reported in the other governmental funds.

The following fiduciary funds are reported separately:

Trust Fund

Retired Employees Benefit Fund: This fund accounts for the resources that are held in trust for the members and beneficiaries of the Sheriff's other post-employment benefit plan.

Agency Funds

Sheriff's Fund, Tax Collector Fund, and the Inmate Deposit Fund: The agency funds are used as depositories for civil suits, cash bonds, taxes, fees, and inmate monies. Disbursements from these funds are made to various parish agencies, litigants in suits, inmates, or deputies as prescribed by law. The agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency funds have no measurement focus, but use the modified accrual basis of accounting.

Livingston Parish Sheriff
Notes to the Financial Statements
As of and for the Year Ended June 30, 2016

The Sheriff's fiduciary funds are presented in the fiduciary fund financial statements by type. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government wide statements.

When both restricted and unrestricted resources are available for use, it is the Sheriff's policy to use restricted resources first, then unrestricted resources as they are needed.

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

C. Budget Practices

The proposed budget for the year ended June 30, 2016, was made available for public inspection and comments from taxpayers at the Sheriff's Office during June 2015. The proposed budget, per the June 4, 2015, public notice was available for public inspection Monday through Friday, 8:00 a.m. to 4:00 p.m. The public notice also noted that all interested parties may be present at 10:00 a.m., at the Sheriff's Office on June 16, 2015, to express their views concerning the Sheriff's Fiscal Budget. The budget is legally adopted and amended, as necessary, by the Sheriff.

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

Encumbrance accounting is not used. However, the budget is integrated into the accounting records, which allows monthly comparison of budget and actual amounts. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

D. Deposits and Investments

The Sheriff's cash and cash equivalents are considered to be cash on hand, demand deposits, time deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the Sheriff's investment policy allow the Sheriff to invest in collateralized certificates of deposit, government-backed securities, commercial paper, the state-sponsored investment pool, and mutual funds consisting solely of government-backed securities.

Investments are limited by Louisiana Revised Statutes and the Sheriff's Investment Policy. Investments held by the Sheriff at June 30, 2016, were limited to investments for Other Post-Employee Benefits (OPEB) invested per the requirements of Louisiana Revised Statute 33:5162 and consisted of funds invested in a newly created investment trust account. Investments, when held, are reported at fair market value.

E. Revenues

Ad valorem taxes and the related state revenue sharing, which is based on population and homesteads in the parish, are recorded in the year taxes are assessed. Ad valorem taxes are assessed and become due on November fifteenth of each year and become delinquent on December thirty-first. The taxes are generally collected in December of the current year and January and February of the ensuing year. The ad valorem tax was assessed pursuant to an election on April 9, 1977, with the tax assessed in perpetuity at an original assessment of an additional fifteen (15) mills on all property subject to taxation.

**Livingston Parish Sheriff
Notes to the Financial Statements
As of and for the Year Ended June 30, 2016**

Federal and state grants are recorded when the law enforcement district is entitled to the funds. Sales and use tax revenues are collected by the Livingston Parish School Board and are recognized by the law enforcement district as revenue in the month the tax is collected. The Sheriff receives a half a cent parish-wide sales tax to help cover the cost of operating expenses, which does not expire. The current sales tax of one-half of one percent was approved by election on March 10, 1992, and was approved in perpetuity. On April 23, 2005, voters approved a re-dedication and use for a limited time an amount equal to 72% of the proceeds of the one-half percent sales and use tax collected within the boundaries of the Denham Springs Economic Development District for the payment of debt service on sales tax increment revenue bonds issued to finance a Bass Pro retail outlet and related improvements and infrastructure. The 1995 rededication of sales and use taxes within the Denham Springs Economic Development is to continue until the bonds remain outstanding. The balance of 28% of the sales and use tax remains payable to the Livingston Law Enforcement District, with the percentage increasing to 100% as the bonds are paid in full. The sales tax revenue is recorded in the month it was collected. Interest on investments and all other revenues are recorded when the income is measurable and available.

F. Capital Assets

Capital assets, which include property, plant, equipment, and vehicles, are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Sheriff maintains a threshold level of \$1,500 or more for capitalizing capital assets.

When surplus items are sold for an immaterial amount after being declared un-needed for public purposes, no salvage value is utilized for depreciation purposes. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset's lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings & Tower	40 Years
Furniture and Fixtures	5 Years
Vehicles	5 Years
Equipment	5 - 20 Years

G. Compensated Absences

The Sheriff has the following policy related to vacation and sick leave:

Vacation. Paid vacation is a benefit of employment given to eligible employees of LPSO. For purposes of this policy, "eligible employees" are those employees who are regularly employed to work more than 30 hours per week for the LPSO and who have completed one uninterrupted year of service with LPSO.

Each year all eligible employees are granted up to four weeks of vacation depending on the number of years employed. All vacation time must be taken during the fiscal year in which it is due. Any unused vacation is forfeited at the year end of each fiscal year and employees will not be compensated for unused vacation upon separation of employment.

Livingston Parish Sheriff
Notes to the Financial Statements
As of and for the Year Ended June 30, 2016

Personal Leave. Paid personal leave is a benefit of employment given to eligible employees of LPSO. For purposes of this policy, “Eligible employees” are those employees who are regularly employed to work more than 30 hours per week for the LPSO and who have completed their introductory period.

Each 8 hour per day employee is granted eighty (80) hours of personal leave and each 12 hour per day employee is granted one hundred twenty (120) hours of personal leave each fiscal year.

Effective July 1, 2013, policy was changed to state that unused personal leave may not be carried over and accumulated in subsequent fiscal years. Any unused personal leave is forfeited at the end of each fiscal year and employees will not be compensated for unused personal leave upon separation of employment.

The Sheriff's recognition and measurement criteria for compensated absences follow:

GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

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

GASB Statement No. 16 provides that a liability for sick leave should be accrued using one of the following termination approaches:

1. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.
2. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments.

The entire compensated absence liability, which includes both accrued vacation and sick leave, is reported on the government-wide financial statements. For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account “compensated absences payable” in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported.

For the fiscal year ending June 30, 2013, the compensated absences liability was recorded as a long-term liability on the government-wide financial statements. Effective July 1, 2013 policy was changed stating that all leave shall be forfeited upon termination of employment. Compensated absences payable for prior years was paid out in July 2013.

H. Long-Term Debt

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the

Livingston Parish Sheriff
Notes to the Financial Statements
As of and for the Year Ended June 30, 2016

effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt. As detailed in *Footnote 14 – Long-Term Debt*, the Livingston Parish Sheriff on July 9, 2014 signed an agreement to pay commission to the Livingston Parish Library in the amount of \$786,272. The payment schedule includes \$90,000 paid from escrow funds in July 2014 and annual payments of \$12,000 with no interest thereafter. Also detailed in *Footnote 14 – Long-Term Debt*, the Livingston Parish Sheriff on July 18, 2014 issued \$2,800,000 in Revenue Bonds, Series 2014, to construct a facility that will provide housing for inmates participating in the Louisiana Workforce, L.L.C. work release program. The bonds were issued at an annual interest rate of 4%, and are due in semi-annual interest and annual principal installments, with the bonds maturing on April 1, 2024.

The Sheriff has implemented GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, and with the implementation of GASB 65, the recognition of bond-related costs, including the costs related to issuance and refunding of debt, are revised. This standard was intended to compliment GASB Statement No. 63 *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*.

GASB Statement 23, as amended, establishes accounting and financial reporting for current refundings and advance refundings resulting in defeasance of debt. Refundings involve the issuance of new debt whose proceeds are used to repay previously issued ("old") debt. The new debt proceeds may be used to repay the old debt immediately (a current refunding); or the new debt proceeds may be placed with an escrow agent and invested until they are used to pay principal and interest on the old debt at a future time (an advance refunding). As described in paragraphs 3 and 4 of GASB Statement No. 7, *Advance Refundings Resulting in Defeasance of Debt*, an advance refunding may result in the in-substance defeasance of the old debt provided that certain criteria are met.

For current refundings and advance refundings resulting in defeasance of debt reported by governmental activities, the difference between the reacquisition price and the net carrying amount of the old debt should be reported as a deferred outflow of resources or a deferred inflow of resources and recognized as a component of interest expense in a systematic and rational manner over the remaining life of the old debt or the life of the new debt, whichever is shorter. The Series 2014 Revenue bonds issued by the Sheriff on July 18, 2014, represent new debt for constructing a facility to house inmates participating in a work release program.

Paragraph 187 of GASB Statement 62 establishes standards of accounting and financial reporting for debt issuance costs. Paragraph 12 of Statement 7 indicates that debt issuance costs include all costs incurred to issue the bonds, including but not limited to insurance costs (net of rebates from the old debt, if any), financing costs (such as rating agency fees), and other related costs (such as printing, legal, administrative, and trustee expenses). Debt issuance costs, except any portion related to prepaid insurance costs, should be recognized as an expense in the period incurred. Prepaid insurance costs should be reported as an asset and recognized as an expense in a systematic and rational manner over the duration of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts as well as bond issuance costs during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Livingston Parish Sheriff
Notes to the Financial Statements
As of and for the Year Ended June 30, 2016

I. Net Position

GASB Statement No. 34, *Basic Financial Statements, Management's Discussion and Analysis, for State and Local Governments*, required reclassification of net assets into three separate components. GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, revised the terminology by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. GASB Statement No. 63 requires the following components of net position:

- **Net Investment in Capital Assets Component of Net Position** - The *net investment in capital assets* component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflows of resources attributable to the unspent amount should not be included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflows of resources should be included in the same net position component (restricted or unrestricted) as the unspent amount.
- **Restricted Component of Net Position** - The *restricted* component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported.
- **Unrestricted Component of Net Position** - The *unrestricted* component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

In the fund statements, governmental fund equity is classified as fund balance. The Sheriff adopted GASB 54 for the year ended December 31, 2011. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used.

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

Livingston Parish Sheriff
Notes to the Financial Statements
As of and for the Year Ended June 30, 2016

- **Unassigned.** These are all other spendable amounts. This also includes expenditure amounts incurred for specific purposes which exceed the amounts restricted, committed, or assigned to those purposes.

J. Comparative Data/Reclassifications

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

K. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the Sheriff, which are either unusual in nature or infrequent in occurrence.

L. Deferred Revenues

The Sheriff reports deferred revenues on its statement of net position and its fund financial statements balance sheet. Deferred revenues arise when resources are received by the Sheriff before it has a legal claim to them, as when grant money is received before the incurrence of qualifying expenditures. In subsequent periods, when the Sheriff has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

M. Estimates

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

N. Reconciliations of Government-Wide and Fund Financial Statements

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets is presented in Statement D of the basic financial statements. Explanation of certain differences between the governmental fund statement of revenues, expenses, and changes in fund balances and the government-wide statement of activities is presented in Statement F of the basic financial statements.

O. Pension Plans

The Livingston Parish Sheriff is a participating employer in a cost-sharing, multiple-employer defined benefit pension plan as described in Note 11. 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 each of the plans, and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. 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.

Livingston Parish Sheriff
Notes to the Financial Statements
As of and for the Year Ended June 30, 2016

2. Deposits and Investments

At June 30, 2016, the Sheriff has cash and cash equivalents (book balances) totaling, as follows:

	2016
Governmental Funds	
Cash on Hand	\$ 2,400
Interest Bearing Demand Deposits	6,113,900
Subtotal Deposits in Governmental Fund	6,116,300
Fiduciary Funds	
Demand Deposits	1,251,073
Subtotal Deposits in Fiduciary Funds	1,251,073
 Total Deposits	 \$ 7,367,373

Fiduciary funds are not reflected in the Statement of Net Assets.

These demand deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. 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.

At June 30, 2016, the Sheriff has \$8,407,444 in deposits (collected bank balances), entirely consisting of demand deposits. The demand deposits are secured from risk by \$250,000 of federal deposit insurance and \$8,157,444 of pledged securities. The \$8,157,444 of deposits is exposed to custodial credit risk because while the amount is secured by pledged securities, such securities are held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten days of being notified by the Sheriff that the fiscal agent has failed to pay deposited funds upon demand.

Custodial Credit Risk: Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Sheriff does not have a formal policy for custodial risk. However, under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank.

3. Investments

In the fiscal year ending June 30, 2016, the Investment Advisory Board, which governs the Livingston Parish Retired Employees Insurance Fund (LREIF), began implementation of a relationship with a professional investment manager. The LREIF is included in the Retired Employees Benefits Trust Fund as an investment asset. The Sheriff reports the Retired Employees Benefits Trust Fund as a fiduciary fund.

Livingston Parish Sheriff
Notes to the Financial Statements
As of and for the Year Ended June 30, 2016

The Advisory Board began moving investments from the Louisiana Asset Management Pool (LAMP) in June of 2011 and completed the transfer in July of 2011. The Advisory Board adopted an investment policy which outlines asset allocation strategy, investment structure, monitoring and evaluation criteria, as well as performance measurement milestones. The Investment Advisory Board selected an initial asset allocation of thirty-five percent equities and sixty-five percent fixed income with an expected long-term return of six percent. As of June 30, 2016, assets transferred to the investment manager totaled \$7,204,957.

Investments held in (LREIF)	<u>Composite Ratings</u>	<u>Percentage</u>
Mutual Funds	Varies	100%

4. Receivables

The Governmental Fund receivables at June 30, 2016 consist of the following:

Government Receivables	<u>General Fund</u>	<u>Capital Project Fund</u>	<u>Total</u>
Due from Fiduciary Funds			
Due from Tax Collector Fund	\$ 110,787	\$ -	\$ 110,787
Due from Other Fund Accounts	200,157	-	200,157
Due from Other Governments			
Due from Livingston Parish Council	101,654	-	101,654
Due from Livingston Parish School Board	764,248	-	764,248
Grants	57,342	-	57,342
Other	785,730	-	785,730
Due from Private Entities for Security Services	24,653	-	24,653
Due from Private Trade Entities	69,129	-	69,129
Total Government Receivables	<u>\$ 2,113,700</u>	<u>\$ -</u>	<u>\$ 2,113,700</u>

Livingston Parish Sheriff
Notes to the Financial Statements
As of and for the Year Ended June 30, 2016

5. Capital Assets

Capital assets and depreciation activity as of and for the year ended June 30, 2016 for governmental activities is as follows:

Governmental Activities Capital Assets:	<u>Beginning Balance</u>	<u>Reclassifications</u>	<u>Increases</u>	<u>Decrease</u>	<u>Ending Balance</u>
Capital Assets Not Being Depreciated:					
Land	\$ 269,558	\$ -	\$ -	\$ -	\$ 269,558
Construction in Progress (Note 18)	2,147,117	-	1,976,167	(3,188,021)	935,263
Total Capital Assets Not Being Depreciated	<u>2,416,675</u>	<u>-</u>	<u>1,976,167</u>	<u>(3,188,021)</u>	<u>1,204,821</u>
Capital Assets Being Depreciated:					
Buildings and Tower	1,468,506	-	3,188,021	-	4,656,527
Equipment and Furniture	4,479,840	(249,981)	198,303	(39,800)	4,388,362
Vehicles	5,883,884	249,981	865,830	(573,231)	6,426,464
Total Capital Assets Being Depreciated	<u>11,832,230</u>	<u>-</u>	<u>4,252,154</u>	<u>(613,031)</u>	<u>15,471,353</u>
Less Accumulated Depreciation for:					
Buildings and Tower	(190,985)	-	(52,423)	-	(243,408)
Equipment and Furniture	(3,608,786)	154,312	(363,904)	39,800	(3,778,578)
Vehicles	(3,342,458)	(154,312)	(829,304)	549,013	(3,777,061)
Total Accumulated Depreciation	<u>(7,142,229)</u>	<u>-</u>	<u>(1,245,631)</u>	<u>588,813</u>	<u>(7,799,047)</u>
Total Capital Assets Being Depreciated, Net	<u>4,690,001</u>	<u>-</u>	<u>3,006,523</u>	<u>(24,218)</u>	<u>7,672,306</u>
Total Governmental Activities Capital Assets, Net	<u>\$ 7,106,676</u>	<u>\$ -</u>	<u>\$ 4,982,690</u>	<u>\$ (3,212,239)</u>	<u>\$ 8,877,127</u>
Depreciation was charged to governmental functions as follows:					
Public Safety					\$ <u>1,245,631</u>

6. Accounts, Salaries, and Other Payables

Governmental Funds Payable	<u>General Fund</u>	<u>Capital Project Fund</u>	<u>Total</u>
Accounts	\$ 454,089	\$ -	\$ 454,089
Retainage Payable	-	-	-
Accrued Wages and Employee Benefits			
Accrued Salaries	107,881	-	107,881
Accrued Health Claims	296,613	-	296,613
Other Accrued Liabilities			
Due to Livingston Parish Library	672,648	-	672,648
Total Government Funds Payable	<u>\$ 1,531,231</u>	<u>\$ -</u>	<u>\$ 1,531,231</u>

Livingston Parish Sheriff
Notes to the Financial Statements
As of and for the Year Ended June 30, 2016

As of June 30, 2016, the Livingston Parish Sheriff owes the Livingston Parish Library \$672,648 which is recorded as a liability of the general fund.

Future requirements are as follows:

Fiscal Year				
Ended June 30	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2017	\$ 12,000	\$ -	\$ 12,000	
2018	12,000	-	12,000	
2019	12,000	-	12,000	
2020	12,000	-	12,000	
2021	12,000	-	12,000	
2022 to 2026	60,000	-	60,000	
2027 to 2031	<u>552,648</u>	<u>-</u>	<u>552,648</u>	
	<u>\$ 672,648</u>	<u>\$ -</u>	<u>\$ 672,648</u>	

7. Interfund Balances

Interfund Balances	<u>Due From</u> <u>Other Funds</u>	<u>Due To</u> <u>Other Funds</u>
General Fund	\$ -	\$ -
Capital Project Fund	-	-
Total Interfund Balances	<u>\$ -</u>	<u>\$ -</u>

8. State Revenue Sharing

The revenue sharing funds provided by Act 525 were distributed as follows for the year ended June 30, 2016.

Livingston Parish School Board	\$ 950,296
Livingston Parish Council	379,335
Livingston Parish Library	168,040
Livingston Parish Fire Protection Districts	289,108
Livingston Parish Sheriff	645,835
Livingston Parish Assessor	123,616
Livingston Parish Juvenile Justice Commission	21,247
Livingston Parish Gravity Drainage District	29,158
Pension Funds	26,363
Total Revenue Sharing Funds Distributed	<u>\$ 2,632,998</u>

9. Taxes Paid Under Protest

There were no unsettled balances due to taxing bodies and others in the agency funds at June 30, 2016.

Livingston Parish Sheriff
Notes to the Financial Statements
As of and for the Year Ended June 30, 2016

10. Group Health Self Insurance

Beginning in March of 2005, the Sheriff started self-insuring the group health coverage for employees. Each month the Sheriff funds an account with an amount equal to what would be required for premiums if the previous policy had continued. From this account, the health claims of employees are paid, as well as a premium for stop-loss insurance which caps the claims per employee at \$30,000 per policy year. As of June 30, 2016, the account used to pay claims had a book balance of \$90,034, which represents a commitment of the General Fund. The Sheriff has accrued a liability for claims incurred but not reported as of June 30, 2016 in the amount of \$296,613 based on a search of actual claims subsequent to the balance sheet date.

The officers of the Louisiana Sheriff's Association may adopt a self-insurance plan to provide group coverage for health, medical and surgical expenses of participating sheriffs and deputy sheriffs. Any self-insurance plan adopted by the Louisiana Sheriff's Association shall not be subject to any of the provisions of Subpart P or Part I of Chapter 2 of Title 22 of the Louisiana Revised Statutes of 1950.

11. Retirement Systems

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

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

The Sheriff's office implemented Governmental Accounting Standards Board (GASB) Statement 68 on Accounting and Financial Reporting for Pension and Statement 71 on Pension Transition for Contributions Made Subsequent to the measurement date - an amendment of GASB 68. The standards require the sheriff's office to record its proportional share of the Pension's plan Net Pension Liability and report the following disclosures:

The remaining employees are members of the Federal Social Security System.

A. Federal Social Security System

All employees who are not eligible to participate in the Louisiana Sheriff's Pension and Relief Fund are members of the Federal Social Security System. The Sheriff contributes 6.2 percent for social security and 1.45 percent for Medicare, and its employees contribute 6.2 percent for social security and 1.45 percent for Medicare of each employee's taxable compensation. The Sheriff's contributions during the year ended June 30, 2016 were \$77,872 for social security and \$201,538 for Medicare.

B. Louisiana Sheriff's Pension and Relief Fund (System)

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 11:271.

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 or creditable service and age

Livingston Parish Sheriff
Notes to the Financial Statements
As of and for the Year Ended June 30, 2016

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 retire 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 are entitled to 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 services 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 earning 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% or final average compensation or the 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 four children. If a member is eligible for normal retirement at the time of death, the surviving spouse receives an automatic option 2 benefit. The additional benefit payable to children shall be the same as those available for members who die in the line of duty. In lieu of receiving option 2 benefit, the surviving spouse may receive a refund of the member's accumulated contributions. All benefits payable to surviving children shall be extended through age twenty two, if the child is a full time student in good standing enrolled at a board approved or accredited school, college, or university.

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

Livingston Parish Sheriff
Notes to the Financial Statements
As of and for the Year Ended June 30, 2016

individuals with thirty or more years, the Back-DROP period is the lesser of four years or service accrued between the time a member first becomes eligible for retirement and his actual date of retirement. At retirement the member's maximum monthly retirement benefit is based upon his service, final average compensation and plan provisions in effect on the last day of creditable service immediately prior to the commencement of the Back-DROP period. In addition to the monthly benefit at retirement, the member receives a lump-sum payment equal to the maximum monthly benefit as calculated above multiplied by the number of months in the Back-DROP period. In addition, the member's Back-DROP account will be credited with employee contributions received by the retirement fund during the Back-Drop period. Participants have the option to opt out of this program and take a distribution, if eligible, or to rollover the assets to another qualified plan.

Cost of living provision of 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, 2015, the actual employer contribution rate was 14.25% with no additional amount 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 for 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, 2015.

Plan members are required by state statute to contribute 10.25% of their annual covered salary and the Livingston Parish Sheriff is required to contribute at an actuarially determined rate. The current rate for the year ended June 30, 2016 was 13.75% 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 Livingston Parish Sheriff are established and may be amended by state statute. As provided by R.S. 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 Livingston Parish Sheriff's contributions to the System for the years ending June 30, 2016 and 2015, were \$1,796,266 and \$1,681,271 respectively, equal to the required contributions for each year.

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

At June 30, 2016, the Sheriff reported a liability of \$7,834,711 for its proportionate share of the net pension liability of the System. The net pension liability was measured as of June 30, 2015 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 employers actuarially determined. At June 30, 2015 the Sheriff's proportion was 1.757640%, which was a decrease of .002179% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016 the sheriff recognized pension expense of \$698,434 representing its proportional share of the System's net expense, including amortization of deferred amounts.

Livingston Parish Sheriff
Notes to the Financial Statements
As of and for the Year Ended June 30, 2016

At June 30, 2016, 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 experiences	\$ -	\$ (929,564)
Changes of assumptions	423,988	-
Net differences between projected and actual earnings on pension plan investments	-	(911,450)
Changes in proportion and differences between employer contributions and proportionate share of contributions	9,121	(321,691)
Employer contributions subsequent to the measurement date	1,773,388	
Total	\$ 2,206,497	\$ (2,162,705)

The sheriff reported a total of \$1,773,388 as deferred outflows of resources related to pension contributions made subsequent to the measurement period of June 30, 2015 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 in pension expense as follows:

Year		
2016	\$	(620,163)
2017		(620,163)
2018		(620,163)
2019		193,647
2020		(70,827)
	\$	(1,737,669)

Livingston Parish Sheriff
Notes to the Financial Statements
As of and for the Year Ended June 30, 2016

Actuarial Assumptions - A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2015 is as follows:

Valuation Date	June 30, 2015
Acturial Cost Method	Entry Age Normal
Acturial Assumptions:	
Expected Remaining Service Lives	6 years
Investment Rate of Return	7.7%, net of investment expense
Discount Rate	7.6%
Projected Salary Increases	5.5% (2.875% inflation, 2.625% merit)
Mortality	RP-2000 Employee Mortality Table (see back 1 year) RP-2000 Disabled Lives Mortality Table RP-2000 Healthy Annuitant Mortality Table (see 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 increase. The projected benefit payments do not include provisions for potential future increase not yet authorized by the board of Trustees as they were deemed not to be substantively automatic.

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, 2015 are summarized in the following table:

Asset Class	Target Allocation	Real Return Arithmetic Basis	Long-Term Expected Real Rate of Return
Equity Securities	60%	6.50%	3.90%
Bonds	25%	1.90%	0.50%
Alternative Investments	15%	5.50%	0.80%
Total	100.00%		5.20%
Inflation			2.90%
Expected Arithmetic Nominal Return			8.10%

Mortality Rate -- The mortality rate assumptions were set after reviewing an experience study performed over the period July 1, 2010, through June 30, 2015. 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.

Discount Rate -- The discount rate used to measure the total pension liability was 7.6%. 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 participating employers will be made at the actuarially determined rates, actuarially determined. Based on those assumptions, the pension plan's

**Livingston Parish Sheriff
Notes to the Financial Statements
As of and for the Year Ended June 30, 2016**

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% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Louisiana Sheriff Pension & Relief Fund -Rates	6.60%	7.60%	8.60%
Livingston Parish Sheriff's Share of Net Pension Liability	\$ 15,024,793	\$ 7,834,711	\$ 1,790,111

12. Other Post-Employment Benefits

Plan Description: The Livingston Parish Sheriff contributes to a single-employer defined benefit health care plan (The Livingston Parish Retired Employees Insurance Fund, LREIF.) The plan provides lifetime healthcare and life insurance for eligible retirees through the Sheriff's group health insurance plan. Benefit provisions are established by state law (L.R.S. 33:1448(G)). The LREIF does not issue a publically available financial report.

Effective with the year ending June 30, 2009, the Livingston Parish Sheriff implemented Government Accounting Standards Board Statement 45, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other than Pensions* (GASB 45). The statement was implemented prospectively. The beginning other post-employment benefit (OPEB) liability was set at zero and the actuarially determined OPEB liability relative to past service (prior to July 1, 2008) is being amortized and recognized as an expense over thirty years.

The Livingston Parish Sheriff pays one hundred percent of the medical coverage for the retiree only (not dependents). Retirees are eligible for benefits once they meet the retirement eligibility requirements of the Louisiana Sheriff's Pension and Relief Fund. Eligibility requirements of the Louisiana Sheriff's Pension and Relief Fund are age fifty-five with at least twelve years of service or any age with at least thirty years of service.

Life insurance coverage is continued to retirees in the same amount as while active but there is a reduction schedule whereby the amount of life insurance is reduced to the following percentages: 65% at age 65, 45% at age 70, 30% at age 75, 20 % at age 80, 15% at age 85 and 10% at age 90. The employer pays 100% of the cost of life insurance after retirement for retirees (not dependents), but it is based on the blended active/retired rate and there is thus an implied subsidy. Since GASB 45 requires the use of "unblended" rates, the Sheriff uses the 94GAR mortality table described below to "un-blend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption. Zero trend was used for life insurance.

GASB 45: Accounting for Other Post Employment Benefit (OPEB) Obligations requires governmental entities to record the present value of the unfunded employer costs associated with non-retirement-based expected payments to current and former employees for post employment benefits such as health and life

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insurance. The Sheriff utilized a specialist to estimate the present value of the full costs of all promised health and life insurance benefits to all current and former employees included in the current benefit population utilizing such factors as the age, retirement age, expected increases in health costs, expected employer contributions, historical health claims by employee population, and other factors.

The rationale behind the implementation of GASB 45 relates to the fact that the former and current employees to the balance sheet date have provided services to the entity and have created a cost in the current period that will need to be paid in future periods based on the current employer-employee agreement. The unfunded portion of these costs will require future cash flows, which need to be considered in combination with other expected future cash outflows in order to avoid budget deficits in those fiscal periods.

Contribution Rates. All premium costs are paid by the Sheriff for active retirees.

Fund Policy. Until 2008, the Livingston Parish Sheriff recognized the cost of providing post-employment medical and life benefits (Livingston Parish Sheriff's portion of the retiree medical and life benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis.

During the Fiscal Year beginning June 30, 2009, Livingston Parish Sheriff implemented Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions* (GASB 45) and created the Livingston Parish Retired Employees Insurance Fund (LREIF), a trust to finance future payments of retired employee's premium costs. The Sheriff is required by R.S. 1448.2.B. to deposit one percent of the money received in Livingston Parish Sheriff's general fund and any other money that the Sheriff may contribute to the trust fund each year until the total amount of money, including principal and earnings, equals the sum of six million dollars.

On July 1, 2008, the Sheriff contributed the total amount of six million dollars to the trust. The earnings of the trust fund are available for withdrawal only for the purpose of paying the insurance premium costs for retired sheriffs and retired deputy sheriffs of Livingston Parish. The trust provides that no such earnings shall be withdrawn until the amount of principal and accumulated earnings in the trust fund is equal to the sum of six million dollars. In the event that the total amount of money derived from deposits and investment earnings falls below the sum of six million dollars, no earnings shall be withdrawn.

Annual Required Contribution. Livingston Parish Sheriff's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The Annual Required Contribution (ARC) is the sum of the Normal Cost plus the contribution to amortize the Actuarial Accrued Liability (AAL). A level dollar, closed amortization period of thirty years (the maximum amortization period allowed by GASB 43/45) has been used for the post-employment benefits.

	2016	2015
Normal Cost	\$ 357,868	\$ 337,611
30-year UAL (Unfunded Liability) amortization amount	515,642	486,455
Annual required contributions (ARC)	\$ 873,510	\$ 824,066

Net Post-employment Benefit Obligation (Asset). The table below shows Livingston Parish Sheriff's Net Other Post-employment Benefit (OPEB) Obligation (Asset) for fiscal year ending June 30, 2016:

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	2016	2015
Beginning Net OPEB Obligation	\$ (807,416)	\$ (697,207)
Annual required contribution (ARC)	873,510	824,066
Interest on Net OPEB Obligation (Asset)	(48,445)	(41,832)
ARC Adjustment	58,658	50,651
OPEB Cost	883,723	832,885
Contribution to Irrevocable Trust	-	-
Current year retiree premium	(1,018,542)	(943,094)
Change in Net OPEB Obligation	(134,819)	(110,209)
Ending Net OPEB Obligation (Asset)	\$ (942,235)	\$ (807,416)

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

Post Employment Benefit	Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual Cost Contributed	Net OPEB Obligation (Asset)
Medical and Life	6/30/2016	\$ 883,723	-115.26%	\$ (807,416)
Medical and Life	6/30/2015	\$ 832,885	-113.23%	\$ (807,416)

Funded Status and Funding Progress. In 2016 and 2015, the Livingston Parish Sheriff made no contributions to its post-employment benefits plan. However, in July of 2011, a lump sum contribution of \$2,000,000 was transferred within the meaning of paragraph 141 of GASB 45.

The plan had assets of \$7,204,957 as of June 30, 2016. Based on July 1, 2014, the most recent actuarial valuation, the Actuarial Accrued Liability (AAL) was \$14,494,913, which is defined as that portion, as determined by a particular actuarial cost method (Livingston Parish Sheriff uses the Unit Credit Actuarial Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost.

The development of the funded ratio and UAAL as a percentage valuation of payroll as of June 30, 2016 are shown in the following table.

	2016	2015
Actuarial Accrued Liability (AAL)	\$ 15,364,607	\$ 14,494,913
Actuarial Value of Plan Assets	7,204,957	7,278,172
Unfunded Act. Accrued Liability (UAAL)	8,159,650	7,216,741
Funded Ratio (Act. Val. Assets / AAL)	46.89%	50.21%
Covered Payroll (active plan members)	\$ 13,720,796	\$ 12,393,673
UAAL as a percentage of covered payroll	59.47%	58.23%

Actuarial Methods and Assumptions. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption);

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and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by Livingston Parish Sheriff and its employee plan members) at the time of the valuation and on the pattern of sharing costs between Livingston Parish Sheriff and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between Livingston Parish Sheriff and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

Actuarial Cost Method. The ARC is determined using the Unit Credit Actuarial Cost Method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality, and turnover.

Actuarial Value of Plan Assets. The actuarial value of assets is at market value.

Turnover Rate. An age-related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce a composite average annual turnover of approximately 15%.

Post employment Benefit Plan Eligibility Requirements. Since employees are eligible to retire (or enter the five year D.R.O.P.) at age 55 and 12 years of service, but employees must have at least 15 years for retiree medical benefits coverage, we have assumed that actual retirement (and commencement of OPEB benefits) occurs five years after the earliest of 30 years of service, attainment of age 55 and 20 years of service and attainment of age 60 and 15 years of service. The five years is to accommodate the D.R.O.P. period. Medical benefits are provided to employees upon actual retirement.

Investment Return Assumption (Discount Rate). GASB Statement 45 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the returns currently obtained in the investments held in the trust, a six percent annual investment return has been used in this valuation. This is a conservative estimate of the expected long term return of a balanced and conservative investment portfolio under professional management.

Health Care Cost Trend Rate. The expected rate of increase in medical cost is based on a graded schedule beginning with 8% annually, down to an annual rate of 5% for ten years out.

Mortality Rate. The 1994 Group Annuity Reserving (94GAR) table, projected to 2002 based on a fixed blend of 50% of the unloaded male mortality rate and 50% of the unloaded female mortality rates, was used. This is a recently published mortality table which has been used in determining the value of accrued benefits in defined benefit pension plans. Projected future mortality improvement has not been used since it is the actuary's opinion that this table contains sufficiently conservative margin for the population involved in this valuation.

Method of Determining Value of Benefits. The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The medical rates

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provided are "blended" rates for active and retired both before and after Medicare eligibility, so we have estimated the "unblended" rates for retirees before Medicare eligibility as 130% of the blended rate and Medicare eligibility as 80% of the blended rate, as required by GASB 45 for valuation purposes.

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

Projected Salary Increase. This assumption is not applicable since neither the benefits structure nor the methodology involves salary.

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

Below is a summary of OPEB cost and contribution for the last three fiscal calendar years:

	OPEB Costs and Contributions		
	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>
OPEB Cost	\$ 343,983	\$ 832,885	\$ 883,723
Contribution	-	-	-
Retiree Premium	350,041	943,094	1,018,542
Total Contribution and premium	<u>350,041</u>	<u>943,094</u>	<u>1,018,542</u>
Change in net OPEB obligation	<u>\$ (6,058)</u>	<u>\$ (110,209)</u>	<u>\$ (134,819)</u>
% of contribution to cost	0.00%	0.00%	0.00%
% of contribution plus premium to cost	101.76%	113.23%	115.26%

13. Deferred Compensation Plan

All of the employees of the Livingston Parish Sheriff are eligible to participate in the State of Louisiana deferred compensation plan. Employees hired after July 1, 2012 do not receive employer match deferred compensation plan. Employees hired before July 1, 2012 continue to receive an employer match according to the following schedule:

Years of Service	Match
0-4	2.00%
5-9	4.00%
10-14	7.00%
15-19	10.00%
20-24	12.00%
25+	14.31%

Employees may contribute up to twenty-five percent of their salary (not to exceed \$17,500 a year) to the plan on a pre-tax basis. Participants in the plan have two different opportunities to catch up and contribute more during the final years of their career. "Standard Catch-Up" allows participants in the three calendar years prior to normal retirement age to contribute more to the plan (up to double the annual contribution limit of \$35,000 in 2013). The additional amount that you may be able to contribute under the Standard Catch-Up option will depend upon the amounts that you were eligible to contribute in previous years but did not.

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Also, participants turning age 50 or older in 2014 may contribute an additional \$5,500. The Standard Catch-Up provision and the Age 50+ Catch Up provision cannot be used in the same year.

The contributions are withheld from the employees' paycheck and the Sheriff matches employees' contributions according to plan specifications. The contributions are fully vested immediately and are remitted to a third-party administrator each payday, where they are deposited in an account in the employee's name. The Livingston Parish Sheriff does not assume any liability for the funds and does not have any control over the funds once they are remitted to the third-party administrator. During the year ended June 30, 2016, the Sheriff contributed \$435,672 to the plan.

14. Long Term Debt

On July 18, 2014, the Livingston Parish Sheriff issued \$2,800,000 in Revenue Bonds, Series 2014, to construct a facility that will provide housing for inmates participating in the Louisiana Workforce, L.L.C. work release program. The bonds were issued at annual interest rate of 4.0% with interest installments due semi-annually and principal payments due annually, with the bonds maturing on April 1, 2024.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Current Portion</u>	<u>Long-Term Portion</u>
Revenue Bonds, Series 2014	\$ 2,520,000	\$ -	\$ (280,000)	\$ 2,240,000	\$ 280,000	\$ 1,960,000

The annual requirements to amortize the Series 2014 Revenue Bonds, including interest payments of \$403,200, are as follows:

<u>Fiscal Year Ended June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 280,000	\$ 89,600	\$ 369,600
2018	280,000	78,400	358,400
2019	280,000	67,200	347,200
2020	280,000	56,000	336,000
2021	280,000	44,800	324,800
2022 to 2024	840,000	67,200	907,200
	<u>\$ 2,240,000</u>	<u>\$ 403,200</u>	<u>\$ 2,643,200</u>

Total interest incurred and recorded as an expense in the Statement of Activities was \$95,200 for the fiscal year ended June 30, 2016.

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15. Tax Collector Account

Cash on Hand at Fiscal Year End

The balance in the Tax Collector Account at June 30, 2016, consisted of the following:

Tax Collector Operating Account	\$	-	
Tax Collector Protested Taxes Account		28	
		28	
Cash Balance at Fiscal Year End	\$	28	

The total of \$28 within the Tax Collector Protested Taxes account at June 30, 2016, consisted of tax payments and accumulated interest income, for tax payments placed in escrow pending legal settlement.

Amounts in escrow at June 30, 2016, consisted of the following:

Taxpayer	Accumulated Interest Income	Total Tax Payments Escrowed	Total Taxes and Interest
Library Maintenance	\$ 28	\$ -	\$ 28
Total Taxes and Interest	\$ 28	\$ -	\$ 28

Louisiana Revised Statutes (R.S. 24:513B), as amended by Act 711 of the Louisiana Legislative Session, require that the audit report for parish sheriffs include footnote disclosures for the amount of taxes collected and disbursed per taxing entity. For the Livingston Parish Sheriff, this requires disclosure of current and prior year ad valorem tax collections and distributions, and disclosure of occupational license fees collected and disbursed. For ad valorem taxes, amounts collected vary to disbursements by tax refunds, fees, commissions, Louisiana Tax Commission (LTC) change orders, and other corrections. The amount of collections and disbursements are presented in the following sections.

Livingston Parish Sheriff
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The schedule of taxes assessed and settled is as follows for the fiscal year ending June 30, 2016:

Taxing District	Adjusted Tax Roll	Adjudications	Refunds	Uncollected	Tax to be Collected	Amount Settled
Livingston Parish Assessor	\$ 3,955,085	\$ (198,093)	\$ 11,969	\$ 3,980	\$ 4,137,229	\$ 4,137,229
Livingston Gravity Drainage District No. 1	766,634	(32,401)	1,438	714	796,883	796,883
Livingston Fire Protection District No. 1	180,263	(12,374)	406	41	192,190	192,190
Livingston Fire Protection District No. 2	295,382	(27,141)	997	299	321,227	321,227
Livingston Fire Protection District No. 4	2,021,963	(66,407)	7,804	2,392	2,078,174	2,078,174
Livingston Fire Protection District No. 5	995,769	(33,180)	1,793	636	1,026,520	1,026,520
Livingston Fire Protection District No. 7	53,340	(8,067)	199	21	61,187	61,187
Livingston Fire Protection District No. 8	179,926	(13,750)	520	81	193,075	193,075
Livingston Fire Protection District No. 9	178,299	(8,268)	630	211	185,726	185,726
Livingston Fire Protection District No. 10	171,532	(5,775)	552	226	176,529	176,529
Livingston Fire Protection District No. 11	19,666	(746)	266	34	20,112	20,112
Livingston Fire Protection District No. 4 (User Fees)	703,008	(8,960)	352	1,184	710,432	710,432
Livingston Fire Protection District No. 7 (User Fees)	34,048	(736)	-	64	34,720	34,720
Livingston Fire Protection District No. 9 (User Fees)	67,904	(1,664)	-	128	69,440	69,440
Livingston Fire Protection District No. 11 (User Fees)	16,352	(480)	32	64	16,736	16,736
Livingston Parish Library - LBM	464,212	(23,250)	1,405	467	485,590	485,590
Livingston Parish Library - LIB Tax	3,437,233	(148,400)	11,987	2,267	3,571,379	3,571,379
Livingston Parish Council - PTX	2,142,089	(128,288)	5,080	3,209	2,262,088	2,262,088
Livingston Parish Council - Road Equip & Mtce	2,321,059	(116,251)	7,024	2,335	2,427,951	2,427,951
Livingston Parish Council - Health Unit	1,160,530	(58,126)	3,512	1,168	1,213,976	1,213,976
Livingston Recreation District No. 2	851,098	(27,975)	2,577	415	876,081	876,081
Livingston Recreation District No. 3	2,353,565	(99,471)	4,416	2,192	2,446,428	2,446,428
Livingston Recreation District No. 5	288,859	(58,902)	1,119	432	346,210	346,210
Livingston Parish School Board - S01	2,061,345	(78,675)	5,175	1,709	2,133,136	2,133,136
Livingston Parish School Board - S04	1,079,599	(39,767)	4,114	1,837	1,113,415	1,113,415
Livingston Parish School Board - S04-1	1,838,094	(69,241)	6,866	3,172	1,897,297	1,897,297
Livingston Parish School Board - S22	1,106,431	(36,367)	3,350	540	1,138,908	1,138,908
Livingston Parish School Board - S32A	207,057	(15,390)	596	260	221,591	221,591
Livingston Parish School Board - S33	144,759	(8,045)	584	55	152,165	152,165
Livingston Parish School Board - Construction	1,527,258	(76,493)	4,622	1,537	1,597,592	1,597,592
Livingston Parish School Board - Special Mtce	3,249,483	(162,752)	9,833	3,270	3,399,132	3,399,132
Livingston Parish School Board - Additional Mtce	3,333,041	(166,937)	10,086	3,354	3,486,538	3,486,538
Livingston Parish School Board - District No. 5	2,321,059	(116,251)	7,024	2,335	2,427,951	2,427,951
Livingston Parish Law Enforcement	5,157,393	(258,311)	15,607	5,189	5,394,908	5,394,908
Livingston Parish Law Enforcement - Special	4,897,449	(245,292)	14,820	4,928	5,122,993	5,122,993
Florida Parish Juvenile District	1,276,594	(63,939)	3,863	1,285	1,335,385	1,335,385
City of Denham Springs	306,269	(12,064)	224	315	317,794	317,794
Comite River District	109,375	(3,014)	181	29	112,179	112,179
Carter Plantation Community Dev District - SBF 2004	(28,172)	(28,172)	-	-	-	-
Carter Plantation Community Dev District - SMF	54,250	(250)	-	-	54,500	54,500
Livingston Parish Council on Aging	928,422	(46,501)	2,809	934	971,180	971,180
Louisiana Tax Commission - BKN	867	-	-	-	867	867
Louisiana Tax Commission - PBS	4,199	-	3	-	4,196	4,196
Louisiana Forestry	18,956	(2,112)	8	106	20,954	20,954
Lien for the City of Walker	(2,386)	(3,408)	-	-	1,022	1,022
Rounding	(1)	-	-	(3)	2	2
Total Current Taxes	\$ 52,249,157	\$ (2,511,686)	\$ 153,843	\$ 53,412	\$ 54,553,588	\$ 54,553,588

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The amount of Current Year taxes collected and disbursed is as follows for the fiscal year Ending June 30, 2016:

<u>Taxing District</u>	<u>Current Taxes Collected</u>	<u>Current Taxes Disbursed</u>
Livingston Parish Assessor	\$ 4,137,229	\$ 4,137,229
Livingston Gravity Drainage District No. 1	796,883	796,883
Livingston Fire Protection District No. 1	192,190	192,190
Livingston Fire Protection District No. 2	321,227	321,227
Livingston Fire Protection District No. 4	2,078,174	2,078,174
Livingston Fire Protection District No. 5	1,026,520	1,026,520
Livingston Fire Protection District No. 7	61,187	61,187
Livingston Fire Protection District No. 8	193,075	193,075
Livingston Fire Protection District No. 9	185,726	185,726
Livingston Fire Protection District No. 10	176,529	176,529
Livingston Fire Protection District No. 11	20,112	20,112
Livingston Fire Protection District No. 4 (User Fees)	710,432	710,432
Livingston Fire Protection District No. 7 (User Fees)	34,720	34,720
Livingston Fire Protection District No. 9 (User Fees)	69,440	69,440
Livingston Fire Protection District No. 11 (User Fees)	16,736	16,736
Livingston Parish Library - LBM	485,590	485,590
Livingston Parish Library - LIB Tax	4,855,903	4,855,903
Livingston Parish Council - PTX	977,565	977,565
Livingston Parish Council - Road Equip & Mtce	2,427,951	2,427,951
Livingston Parish Council - Health Unit	1,213,976	1,213,976
Livingston Recreation District No. 2	876,081	876,081
Livingston Recreation District No. 3	2,446,428	2,446,428
Livingston Recreation District No. 5	346,210	346,210
Livingston Parish School Board - S01	2,133,136	2,133,136
Livingston Parish School Board - S04	1,113,415	1,113,415
Livingston Parish School Board - S04-1	1,897,297	1,897,297
Livingston Parish School Board - S22	1,138,908	1,138,908
Livingston Parish School Board - S32A	221,591	221,591
Livingston Parish School Board - S33	152,165	152,165
Livingston Parish School Board - Construction	1,597,592	1,597,592
Livingston Parish School Board - Special Mtce	3,399,132	3,399,132
Livingston Parish School Board - Additional Mtce	1,486,538	1,486,538
Livingston Parish School Board - District No. 5	2,427,951	2,427,951
Livingston Parish Law Enforcement	5,394,908	5,394,908
Livingston Parish Law Enforcement - Special	5,122,993	5,122,993
Florida Parish Juvenile District	1,335,385	1,335,385
City of Denham Springs	317,794	317,794
City of Walker	1,022	1,022
Comite River District	112,179	112,179
Carter Plantation Community Development District - SMF	54,500	54,500
Livingston Parish Council on Aging	971,180	971,180
Louisiana Tax Commission - BKN	867	867
Louisiana Tax Commission - PBS	4,196	4,196
Louisiana Forestry	20,954	20,954
Interest Collected on Taxes	22,337	22,337
Total Current Taxes	\$ 52,575,924	\$ 52,575,924

Livingston Parish Sheriff
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The amount of Prior Year advalorem taxes collected and disbursed is as follows for the fiscal year ending June 30, 2016:

Taxing District	Prior Year Taxes Collected	Prior Year Taxes Disbursed
Livingston Parish Assessor	\$ 13,627	\$ 13,627
Livingston Gravity Drainage District No. 1	586	586
Livingston Fire Protection District No. 1	733	733
Livingston Fire Protection District No. 2	488	488
Livingston Fire Protection District No. 4	11,913	11,913
Livingston Fire Protection District No. 5	1,130	1,130
Livingston Fire Protection District No. 7	185	185
Livingston Fire Protection District No. 9	922	922
Livingston Fire Protection District No. 10	454	454
Livingston Fire Protection District No. 11	44	44
Livingston Fire Protection District No. 4 (User Fees)	4,244	4,244
Livingston Fire Protection District No. 7 (User Fees)	192	192
Livingston Fire Protection District No. 9 (User Fees)	1,159	1,159
Livingston Fire Protection District No. 11 (User Fees)	320	320
Livingston Parish Library - LBM	1,736	1,736
Livingston Parish Library - LIB Tax	16,361	16,361
Livingston Parish Council	2,887	2,887
Livingston Parish Council - Health Unit	7,485	7,485
Livingston Parish Council - Road Equip & Maint	7,884	7,884
Livingston Recreation District No. 2	281	281
Livingston Recreation District No. 3	1,932	1,932
Livingston Recreation District No. 5	428	428
Livingston Parish School Board - S01	4,330	4,330
Livingston Parish School Board - S04	13,825	13,825
Livingston Parish School Board - S22	397	397
Livingston Parish School Board - S24	89	89
Livingston Parish School Board -S27A	35	35
Livingston Parish School Board - S32A	91	91
Livingston Parish School Board - S33	1,726	1,726
Livingston Parish School Board - Construction	5,445	5,445
Livingston Parish School Board - Special Maint	11,586	11,586
Livingston Parish School Board - Additional Maint	11,884	11,884
Livingston Parish School Board - District No. 5	8,195	8,195
Livingston Parish Law Enforcement	26,532	26,532
Livingston Parish Law Enforcement - Special	9,425	9,425
Florida Parish Juvenile District	4,614	4,614
City of Denham Springs	236	236
Comite River District	18	18
Livingston Parish Council on Aging	3,196	3,196
Louisiana Forestry	38	38
Filing Fees, Cost and Interest	71,405	71,405
Total	\$ 248,058	\$ 248,058

Livingston Parish Sheriff
Notes to the Financial Statements
As of and for the Year Ended June 30, 2016

Occupational License fees collected and disbursed are as follows for the fiscal year Ending June 30, 2016:

Gross Collections	\$	1,117,328
Less Refunds		-
Net Collections		1,117,328
Less Distribution to Livingston Parish Council (at 85%)		(949,729)
Less Commission to Livingston Parish Sheriff (at 15%)		(167,599)
Balance Not Distributed	\$	-

There were no uncollected taxes at June 30, 2016, and all tax collections were disbursed to taxing districts at June 30, 2016, or held in escrow at fiscal year-end pending legal determination for distributions.

16. Risk Management

The Sheriff is exposed to various risks of loss related to law enforcement liabilities: torts, theft, damage or destruction of assets, errors and omissions, and injuries to employees. To handle such risks of loss, the Sheriff maintains commercial insurance policies covering automobile liability, general liability, commercial crime, law enforcement, public official’s liability, worker’s compensation and employer’s liability. There have been no significant reductions in insurance coverage for the current year or in the three prior years.

17. Contingent Liabilities

At June 30, 2016, the Livingston Parish Sheriff is involved in several lawsuits and claims, which are either adequately covered by liability insurance or in the opinion of legal counsel, will not result in any liability to the Sheriff.

18. Construction Commitments

On August 21, 2014, the Livingston Parish Sheriff entered into a construction agreement with the Brunt Construction, Inc. to facilitate construction of a new work release facility for a total project cost of \$2,702,673 including current change orders. As of June 30, 2016, the facility was completed with a total cost of \$3,188,021.

During the fiscal year ended June 30, 2016, the Livingston Parish Sheriff began construction of a new firing range and training center. As of June 30, 2016, a total of \$935,263 had been included in construction in progress for this project. A contract with Pipe and Steel Industrial for the fabrication of the shooting range totaled \$460,791. The amount remaining on this contract at June 30, 2016 was \$85,791.

19. Expenditures of the Sheriff’s Office Paid by the Parish Council

The Sheriff’s administration offices are located in the parish courthouse building. The cost of maintaining and operating the courthouse, as required by Louisiana Revised Statute 33:4715, is paid by the Livingston Parish Council. These costs are not included in the accompanying financial statements.

20. On-Behalf Payments for Fringe Benefits and Salaries

A portion of the salaries of the Sheriff’s deputies are paid through a supplement from the State of Louisiana. These payments provide the deputies of the Sheriff with an additional \$500 per month, which is added to their base salary. For the fiscal year ended June 30, 2016, in accordance with GASB 24, the Sheriff recorded \$716,633, of on behalf payments as revenue and as an expenditure in the General Fund.

Livingston Parish Sheriff
Notes to the Financial Statements
As of and for the Year Ended June 30, 2016

21. Prior Period Adjustment

The effect of correcting an adjustment during implementation of GASB 68 to the government-wide statement of net position for the prior year is as follows:

Total Net Position, June 30, 2015, as previously reported	\$	5,978,591
Net Pension Liability at June 30, 2015 (Measurement at June 30, 2014)		(1,572,567)
Total Net Position, June 30, 2015, restated	\$	4,406,024

22. Subsequent Events

In mid-August 2016 a slow moving low pressure weather system moved across Livingston Parish and the surrounding region. As a consequence, devastating rain fell along the area in an amount in excess of 30 plus inches within a 48 hour period. The entire Parish received similar amounts of rain. Drainage systems were unable to handle the runoff. As a result, there was catastrophic flooding from rain and from back water flooding from the Amite River and its tributaries combined with backwater flooding from other rivers located within Livingston Parish. This rain event was described as a “1000 year rain event” by the Mississippi River Forecast Center.

The event had serious and far reaching consequences for the Livingston Parish Sheriff. Department equipment was lost or damaged beyond repair, the detention facility was flooded, the Communications District (911 Center) was flooded, the aircraft hangar was flooded, thirty-nine law enforcement units were damaged beyond repair, and there was significant overtime by deputies engaged in search and rescue operations.

Since there were significant additional expenditures resulting from the closure of the detention center and the relocation of prisoners; closure of the communications center and the relocation of necessary services and personnel; replacement of lost equipment; and overtime for deputies combined with a loss of receipts from closed businesses, the Sheriff requested and was authorized to issue bonds in an amount up to \$10,000,000 at 4% with a 10 year payback. The bonds were set up to be drawn down as needed and with no early repayment penalty.

The estimated effect of the flooding and its recovery at the date of the issuance of this report is as follows:

Revenues:

- According to the Livingston Parish Assessor, property taxes for the 2016 tax year will be decreased by approximately 25%. The 2016 property tax bills which are normally mailed in November of each year will be delayed until February or March of 2017. This represents a reduction of approximately 2.5 million dollars and a delay of receipt of the taxes of at least three months. Long term effects on the taxes for 2017 and beyond cannot be estimated at this time.
- Sales tax represents approximately one-third of total revenue for the Livingston Parish Sheriff. Sales tax collections for the 2016-2017 fiscal years are projected to be similar or slightly higher than in previous years. In spite of the significant number of retail stores that were closed after flooding, sales tax collections were bolstered by purchases of vehicles to replace flooded vehicles and by the large amount of building materials and appliances purchased in the recovery effort. The Livingston Parish Sheriff projects that sales tax collections will be diminished for fiscal years 2017-2018 and for several subsequent years due to the lack of need to replace vehicles and reconstruction supplies and the resulting reduction of disposable income in the future.

Livingston Parish Sheriff
Notes to the Financial Statements
As of and for the Year Ended June 30, 2016

Expenditures:

- Due to the flooding of the jail, the Livingston Parish Sheriff lost related reimbursements of approximately \$108,000.
- Thirty-nine law enforcement vehicles were lost in flooding with an estimated replacement cost of \$1.4 million.
- Approximately \$200,000 of ammunition was destroyed by flooding.
- Law enforcement equipment was lost or destroyed with an estimated replacement cost of \$300,000.
- Overtime related to flood rescue and recovery is estimated to be approximately \$1.3 million.
- The aviation hangar was flooded with repairs of the damages estimated at approximately \$700,000.

Livingston Parish Sheriff should receive partial reimbursement of these flood related expenditures through the Federal Emergency Management Agency. Claims for reimbursement are being prepared and processed presently. No reimbursements have yet been received.

Subsequent events have been evaluated by management through December 20, 2016, the date the financial statements were available for issuance. No other events were noted that require recording or disclosure in the financial statements for the fiscal year ending June 30, 2016.

Required Supplemental Information (Part II)

Livingston Parish Sheriff
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
General Fund
For the year ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance Favorable</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes				
Ad valorem	\$ 10,300,000	\$ 10,770,000	\$ 10,817,273	\$ 47,273
Sales and Use	8,100,000	8,500,000	8,686,732	186,732
Intergovernmental				
Grants	190,000	200,000	225,073	25,073
Support of Prisoners	2,000,000	2,050,000	2,736,065	686,065
State Revenue Sharing	660,000	645,000	645,835	835
Service Contract Revenue	1,000,000	1,050,000	1,032,448	(17,552)
Fines, Forfeitures and Other Fees	2,550,000	3,070,000	3,117,317	47,317
Use of Money and Property	25,000	45,000	40,936	(4,064)
Miscellaneous	1,175,000	975,000	1,043,735	68,735
On Behalf Payments - State Supplemental Pay	675,000	700,000	716,633	16,633
Total Revenues	<u>26,675,000</u>	<u>28,005,000</u>	<u>29,062,047</u>	<u>1,057,047</u>
Expenditures				
Public Safety				
Personal Services and Related Benefits				
Salaries	12,700,000	13,800,000	13,735,196	64,804
Employee Benefits	6,300,000	7,500,000	7,356,652	143,348
Travel & Training	200,000	235,000	216,066	18,934
Operating Services	5,735,000	6,285,000	3,208,612	3,076,388
Professional Services	-	-	568,947	(568,947)
Materials and Supplies				
General	-	-	565,786	(565,786)
Prisoners	-	-	1,648,727	(1,648,727)
Vehicles	-	-	33,557	(33,557)
Other	10,000	10,000	-	10,000
Total Public Safety	<u>24,945,000</u>	<u>27,830,000</u>	<u>27,333,543</u>	<u>496,457</u>
Capital Outlays	1,350,000	1,800,000	2,019,066	(219,066)
Debt Service				
Principal	-	-	280,000	(280,000)
Interest	380,000	380,800	100,800	280,000
Total Expenditures	<u>26,675,000</u>	<u>30,010,800</u>	<u>29,733,409</u>	<u>277,391</u>
Excess Revenues (Expenditures)	<u>-</u>	<u>(2,005,800)</u>	<u>(671,362)</u>	<u>1,334,438</u>
Other Financing Sources (Uses)				
Operating Transfers (Out)			(301,683)	(301,683)
Proceeds from Sale of Capital Assets	-	-	68,834	68,834
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(232,849)</u>	<u>(232,849)</u>
Extraordinary Items				
Deepwater Horizon Settlement	-	-	133,877	133,877
Total Extraordinary Items	<u>-</u>	<u>-</u>	<u>133,877</u>	<u>133,877</u>
Net Change in Fund Balances	<u>\$ -</u>	<u>\$ (2,005,800)</u>	<u>(770,334)</u>	<u>\$ 1,235,466</u>
Fund Balances, Beginning			7,469,068	
Fund Balances, Ending			<u>\$ 6,698,734</u>	

See Independent Auditor's Report.

Livingston Parish Sheriff
Notes to Budget Comparison Schedules
For the Year Ended June 30, 2016

Budgetary procedures applicable to the Livingston Parish Sheriff are defined in state law, Louisiana Revised Statutes 39:1301-1315. The Sheriff uses the following budget practices:

Proposed budgets are prepared on the modified accrual basis of accounting and published in the official journal at least ten days prior to the public hearing. Public hearings are held at the Livingston Parish Sheriff's office during the month of June for comments from taxpayers. The budgets are then legally adopted by the Sheriff and amended during the year, as necessary. Budgets are established and controlled by the Sheriff at the object level of expenditures. Appropriations lapse at year-end and must be re-appropriated for the following year to be expended.

Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and one budget amendment. The Sheriff must adopt a budget each year for the general fund and each special revenue fund, if applicable. The Sheriff must prepare and submit the proposed budget for consideration not later than fifteen days prior to the beginning of each fiscal year. At the same time, if total proposed expenditures are \$500,000 or more, a notice of public hearing on the proposed budget must be published in the official journal in the parish.

All action necessary to adopt and implement the budget must be completed prior to the beginning of the fiscal year. Budgetary amendments involving the transfers of funds from one program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Sheriff. The Sheriff adopts necessary budget amendments when actual operations are different from those anticipated in the original budget, and they are made available for public inspection.

Schedule 2

Livingston Parish Sheriff
Schedule of Funding Progress for the Retiree Benefits
June 30, 2016

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/2010	\$ 6,082,861	\$ 12,002,327	\$ 5,919,466	50.68%	\$ 9,772,241	60.57%
7/1/2012	\$ 7,151,790	\$ 8,904,335	\$ 1,752,545	80.32%	\$ 12,099,643	14.48%
7/1/2014	\$ 7,278,172	\$ 14,773,661	\$ 7,495,489	49.26%	\$ 12,393,673	60.48%

See Independent Auditor's Report.

Livingston Parish Sheriff
Schedule of the Sheriff's Proportionate Share of the Net Pension Liability
For the year ended June 30, 2016

Louisiana Sheriff's Pension and Relief Fund:

	<u>2016</u>	<u>2015</u>
Employer's Proportion of the Net Pension Liability (Assets)	1.757640%	1.759819%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 7,834,711	\$ 6,968,892
Employer's Covered-Employee Payroll	\$ 12,889,810	\$ 11,652,728
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	60.7822%	59.8048%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.60652%	87.34472%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available

See Independent Auditor's Report.

Livingston Parish Sheriff
Schedule of the Sheriff's Contributions
June 30, 2016

Louisiana Sheriff's Pension and Relief Fund:

	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 1,772,117	\$ 1,660,514
Contributions in relation to contractually required contributions	<u>1,772,117</u>	<u>1,660,514</u>
Contribution deficiency (excess)	-	-
Employer's Covered Employee Payroll	12,889,810	11,652,728
Contributions as a % of Covered Employee Payroll	13.7482%	14.2500%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available

See Independent Auditor's Report.

Other Supplemental Information (Part III)

STATE OF LOUISIANA, PARISH OF LIVINGSTON

AFFIDAVIT

JASON ARD, SHERIFF AND TAX COLLECTOR, OF LIVINGSTON PARISH, LOUISIANA

BEFORE ME, the undersigned authority, personally came and appeared, JASON ARD, the sheriff of LIVINGSTON PARISH, State of Louisiana, who after being duly sworn, deposed and said:

The following information is true and correct:

\$28.02 is the amount of cash on hand in the tax collector account on JUNE 30, 2016;

He further deposed and said:

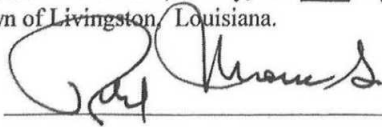
All itemized statements of the amount of taxes collected for tax year 2015, by taxing authority, are true and correct.

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



Signature
Sheriff of Livingston Parish

SWORN to and subscribed before me, Notary, this 11th day of OCTOBER 2016, in my office in the Parish of Livingston, Town of Livingston, Louisiana.



(Signature)

~~RONALD J. MORSE, SR.~~ (Print), # _____
NOTARY PUBLIC #42632,
PARISH OF LIVINGSTON (Commission)
MY COMMISSION IS FOR LIFE

See Independent Auditor's Report.

Livingston Parish Sheriff
Schedule of Compensation, Benefits and Other Payments to Agency Head
For the Year Ended June 30, 2016

Agency Head Name: Jason Ard, Sheriff

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 156,119
Benefits-Insurance	22,008
Benefits-Retirement	22,669
Employer Paid Payroll Taxes	2,391
Travel-Per Diem	1,570
Travel-Lodging	3,838
Travel-Airfare	412
Conference Registration Fees	1,795
	<u>\$ 210,802</u>

See Independent Auditor's Report.

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2016

Part I: Summary of Auditor's Results

Financial Statements

Type of Auditor's Report Issued: Unqualified.

Internal Control Over Financial Reporting:

Material Weakness(es) Identified: No

Significant Deficiency(ies) that are not considered to be
Material Weaknesses: No

Noncompliance Material to the Financial Statements: No

Federal Awards - None

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2016**

Part II: Findings which are required to be reported in accordance with generally accepted *Governmental Auditing Standards*:

A. Compliance Findings –

None.

B. Internal Control Findings -

None.

Part III: Findings and Questioned Costs for Federal Awards which include audit findings as defined in Section 510(a) of Circular A-133:

There are no findings that are required to be reported.

Part IV: Management Letter Items:

None.

Livingston Parish Sheriff
Livingston, Louisiana

Schedule 8

Summary Schedule of Prior Year Audit Findings
For the Year Ended June 30, 2016

Compliance Findings (Reported in Accordance with Government Auditing Standards)

There were no compliance findings.

Internal Control Findings (Reported in Accordance with Government Auditing Standards)

There were no internal control findings.

Internal Control and Compliance Material to Federal Awards

There were no findings related to federal awards.

Management Letter

No management findings.

Corrective Action Plan for Current Year Audit Findings
For the Year Ended June 30, 2016

Compliance Findings (Reported in Accordance with Government Auditing Standards)

There were no compliance findings.

Internal Control Findings (Reported in Accordance with Government Auditing Standards)

There were no internal control findings.

Internal Control and Compliance Material to Federal Awards

There were no findings related to federal awards.

Management Letter

No management findings.

Bruce C. Harrell, CPA

Dale H. Jones, CPA
Kristi U. Bergeron, CPA
Jessica H. Jones, CPA
Brandy Westcott Garcia, CPA
Denise R. LeTard, CPA

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

To Livingston Parish Sheriff
Livingston, 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, each major fund, and the aggregate remaining fund information of the Livingston Parish Sheriff, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Livingston Parish Sheriff's basic financial statements, and have issued our report thereon dated December 20, 2016.

Internal Control Over Financial Reporting

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

BRUCE HARRELL & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

A Professional Accounting Corporation

To Livingston Parish Sheriff

Livingston, Louisiana

Page 2

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Livingston Parish 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.

This report is intended solely for the information of management, federal awarding and pass-through entities and the Louisiana Legislative Auditor and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Bruce Harrell & Company, CPAs
A Professional Accounting Corporation

December 20, 2016