LAFAYETTE PARISH SHERIFF
Lafayette, Louisiana

Financial Report

Year Ended June 30, 2017

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mark Garber
Lafayette Parish Sheriff
Lafayette, 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 Lafayette Parish Sheriff (hereinafter "Sheriff"), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules, schedule of funding progress, schedule of employer's share of net pension liability, and schedule of employer contributions on pages 43 through 47, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Sheriff's basic financial statements. The other supplementary information on pages 47 through 54 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The comparative and combining statements on pages 49 through 55 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the comparative and combining statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole. The prior year comparative amounts on the comparative and combining statements were derived from the Lafayette Parish Sheriff's 2016 financial statements, which were subjected to the auditing procedures applied by other auditors in the audit of the basic financial statements and, in their opinion, were fairly presented in all material respects in relation to the basic financial statements as a whole.

The budgetary comparison schedules and the affidavit on pages 49 through 55 and 56 have not been subjected to the auditing procedures applied in the audit of the 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 28, 2017, on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, 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.

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

Lafayette, Louisiana
December 28, 2017

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

LAFAYETTE PARISH SHERIFF
Lafayette, Louisiana

Statement of Net Position
June 30, 2017

	Governmental Activities
ASSETS	
Current assets:	
Cash and interest-bearing deposits	$ 15,994,632
Investments	134,628
Receivables	17,024
Due from other governmental agencies	3,038,742
Inventory	305,335
Prepaid items	219,645
Total current assets	19,710,006
Noncurrent assets:	
Capital assets, net	32,104,243
TOTAL ASSETS	51,814,249
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pension	14,622,678
LIABILITIES	
Current liabilities:	
Accounts and other payables	1,042,820
Due to other governmental agencies	603,298
Long-term liabilities due within one year	3,702,141
Total current liabilities	5,348,259
Noncurrent liabilities:	
Long-term liabilities due in more than one year	20,191,175
Postemployment benefit obligation payable	45,540,405
Net pension liability	29,387,196
Total noncurrent liabilities	95,118,776
TOTAL LIABILITIES	100,467,035
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pension	3,229,020
NET POSITION	
Net investment in capital assets	13,795,396
Unrestricted (deficit)	(51,054,524)
TOTAL NET POSITION	$ (37,259,128)

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

LAFAYETTE PARISH SHERIFF
Lafayette, Louisiana

Statement of Activities
For the Year Ended June 30, 2017

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue And Changes in Net Position
Governmental activities:					
Public safety:					
Police	$ 70,586,410	$14,630,063	$2,413,430	$ 106,782	$ (53,436,135)
Interest on long-term debt	507,046	-	-	-	(507,046)
	$ 71,093,456	$14,630,063	$2,413,430	$ 106,782	(53,943,181)
	Taxes:				
	Property, levied for general purposes				37,347,174
	Sales taxes				4,673,914
	State sources:				
	Revenue sharing				867,748
	Supplemental pay				2,104,517
	Interest and investment earnings				189,735
	Non-employer pension contributions				1,798,612
	Miscellaneous				2,191,670
	Total general revenues				49,173,370
	Change in net position				(4,769,811)
	Net position - July 1, 2016				(32,489,317)
	Net position - June 30, 2017				$ (37,259,128)

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

FUND FINANCIAL STATEMENTS (FFS)

FUND DESCRIPTIONS

General Fund

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

Special Revenue Fund

Inmate Welfare Fund

The Inmate Welfare Fund is used to account for sales of commissary goods as well as the operations of the inmate industries program - LAPCORR. These funds are used to pay inmate work crews, to purchase recreation equipment to be used by inmates and to provide miscellaneous benefits for indigent inmates.

LAFAYETTE PARISH SHERIFF
Lafayette, Louisiana

Balance Sheet - Governmental Funds
June 30, 2017

	General Fund	Special Revenue Fund Non-Major	Total Governmental Funds
ASSETS			
Cash and interest-bearing deposits	$ 15,760,456	$ 234,176	$ 15,994,632
Investments	134,628	-	134,628
Receivables -			
Due from other governmental agencies	2,999,735	39,007	3,038,742
Due from other funds	6,711	40	6,751
Other	15,629	1,395	17,024
Inventory	168,286	137,049	305,335
Prepaid items	219,645	-	219,645
Total assets	$ 19,305,090	$ 411,667	$ 19,716,757
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	$ 775,215	$ 59,840	$ 835,055
Due to other governmental agencies	603,298	-	603,298
Due to other funds	40	6,711	6,751
Other accrued liabilities	612,827	223	613,050
Total liabilities	1,991,380	66,774	2,058,154
Fund balances:			
Nonspendable for inventory and prepaid items	387,931	137,049	524,980
Committed	-	207,844	207,844
Unassigned	16,925,779	-	16,925,779
Total fund balances	17,313,710	344,893	17,658,603
Total liabilities and fund balance	$ 19,305,090	$ 411,667	$ 19,716,757

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

LAFAYETTE PARISH SHERIFF
Lafayette, Louisiana

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

Total fund balances for governmental funds at June 30, 2017		$ 17,658,603
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Buildings and improvements other than buildings, net of $8,123,521 accumulated depreciation	$28,178,170	
Vehicles, net of $5,281,334 accumulated depreciation	1,900,250	
Equipment, net of $5,642,909 accumulated depreciation	1,883,020	32,104,243
The deferred outflows of contributions for the Sheriffs' Pension and Relief Fund are not available resources, and therefore, are not reported in the fund financial statements		14,622,678
Interest expense is accrued at year-end in the government-wide financial statements, but is recorded only if due and payable on the governmental fund financial statements		(165,437)
Long-term liabilities at June 30, 2017:		
Capital lease payable	(1,018,847)	
Compensated absences payable	(3,312,569)	
Claims payable	(1,450,838)	
Bonds payable	(17,540,340)	
Net OPEB obligation	(45,540,405)	
Net pension liability	(29,387,196)	(98,250,195)
The deferred inflows of contributions for the Sheriffs' Pension and Relief Fund are not available resources, and therefore, are not reported in the fund financial statements		(3,229,020)
Net position at June 30, 2017		$ (37,259,128)

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

LAFAYETTE PARISH SHERIFF
Lafayette, Louisiana

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

	General Fund	Special Revenue Fund Non-Major	Total Governmental Funds
Revenues:			
Ad valorem taxes	$ 37,347,174	$ -	$ 37,347,174
Sales taxes	4,673,914	-	4,673,914
Intergovernmental revenues -			
Federal grants	263,122	-	263,122
State grants - state revenue sharing (net)	867,748	-	867,748
State supplemental pay	2,104,517	-	2,104,517
State, city and parish grants	1,786,546	-	1,786,546
Fees, charges, and commissions for services -			
Civil and criminal fees	2,989,749	-	2,989,749
Court attendance	41,993	-	41,993
Feeding, keeping, and transporting prisoners	4,749,940	-	4,749,940
Commissary commissions and sales	-	589,386	589,386
Community corrections	2,279,686	-	2,279,686
Contractual agreements	3,979,310	-	3,979,310
Interest income	186,917	2,818	189,735
Miscellaneous	2,182,659	9,011	2,191,670
Total revenues	63,453,275	601,215	64,054,490
Expenditures:			
Current -			
Public safety:			
Personal services and related benefits	39,283,682	66,110	39,349,792
Operating services	9,574,714	87,330	9,662,044
Operations and maintenance	10,159,075	363,386	10,522,461
Travel and other charges	294,882	1,727	296,609
Capital outlay	2,917,213	82,767	2,999,980
Debt service	1,317,413	-	1,317,413
Total expenditures	63,546,979	601,320	64,148,299
Deficiency of revenues over expenditures	(93,704)	(105)	(93,809)
Other financing sources:			
Proceeds from capital lease	1,185,523	-	1,185,523
Appropriation from Lafayette Metro Investigations	470,546	-	470,546
Total other financing sources	1,656,069	-	1,656,069
Net change in fund balance	1,562,365	(105)	1,562,260
Fund balance, beginning	15,751,345	344,998	16,096,343
Fund balance, ending	$ 17,313,710	$ 344,893	$ 17,658,603

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

LAFAYETTE PARISH SHERIFF
Lafayette, Louisiana

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

Total net changes in fund balances for the year ended June 30, 2017 per statement of revenues, expenditures and changes in fund balances		$ 1,562,260
The change in net position reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay which is considered expenditures on statement of revenues, expenditures and changes in fund balance	$2,999,980	
Depreciation expense for the year ended June 30, 2017	(2,623,976)	
Loss on disposition of assets	(34,537)	341,467
Differences between the amounts reported as expenses in the statement of activities and those reported as expenditures in the fund financial statements		
Interest on long-term debt	5,367	
Proceeds from capital lease	(1,185,523)	
Principal payments- bonds and capital lease	971,676	
Compensated absences	(577,049)	
Claims payable	(1,450,838)	
Postemployment benefits	(2,457,536)	
Pension expense	(3,778,247)	(8,472,150)
Non-employer pension contributions to the Sheriffs' Pension and Relief Fund		1,798,612
Total changes in net position for the year ended June 30, 2017 per statement of activities		$ (4,769,811)

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

LAFAYETTE PARISH SHERIFF
Lafayette, Louisiana

Statement of Assets and Liabilities - Fiduciary Funds
June 30, 2017

	Agency Funds
ASSETS	
Cash	$ 281,553
Interest-bearing deposits	3,354,408
Due from inmates and others	34,892
Total assets	$ 3,670,853
LIABILITIES	
Liabilities:	
Due to taxing bodies and others	3,429,467
Due to inmates	241,386
Total liabilities	$ 3,670,853

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

INTRODUCTION

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

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

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

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

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

(1) Summary of Significant Accounting Policies

A. Reporting Entity

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

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

B. Basis of Presentation

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

Government-Wide Financial Statements (GWFS)

The statement of net position and the statement of activities display information about the Sheriff as a whole. These statements include all the financial activities of the Sheriff. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from nonexchange transactions are recognized in accordance with professional standards.

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

Fund Financial Statements (FFS)

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

Governmental Funds –

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

Special Revenue Fund – This fund is used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects). These revenues are legally restricted or committed to expenditures for specified purposes.

Fiduciary Funds -

Fiduciary fund reporting focuses on net position and changes in net position. The only funds accounted for in this category are agency funds. The agency funds account for assets held by the Sheriff as an agent for various taxing bodies (tax collections) and for deposits held pending court action. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Accordingly, it presents only a statement of fiduciary net position and does not present a statement of changes in fiduciary net position. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Sheriff's own programs. Fiduciary funds are presented on an economic resources measurement focus and the modified accrual basis of accounting.

C. Measurement Focus/Basis of Accounting

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

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

Revenues

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

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

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

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

Expenditures

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

Other Financing Sources

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

D. Cash and Interest-Bearing Deposits

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

E. Investments

Under state law, the Sheriff may deposit funds with a fiscal agent organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The Sheriff may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana Law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a nonprofit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. In accordance with GASB Codification Section I50, investments meeting the criteria specified in the Statement are stated at fair value, which is quoted market prices.

F. Internal Balances

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables are classified as "due from other funds" or "due to other funds" on the governmental funds balance sheet. These internal balances are eliminated for reporting in the statement of position.

G. Inventories

Inventories consist of (1) office supplies, (2) ammunition and (3) raw materials and finished goods of the inmate industries program - LAPCORR. Inventories are valued at the lower of cost or market, using the first-in/first-out (FIFO) method.

H. Prepaid Items

Payments made for insurance premiums that will benefit periods beyond the end of the fiscal year are recorded as prepaid items.

I. Capital Assets

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Sheriff maintains a threshold level of $1,000 or more for capitalizing capital assets.

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

Asset Class	Estimated Useful Lives
Buildings and improvements	20-30 years
Vehicles	3-5 years
Equipment and furniture	3-10 years

J. Compensated Absences

Employees of the Sheriff's office earn from ten to sixteen hours of annual compensated leave per month depending on total years of service. Annual compensated leave shall be granted in lieu of vacation, sick leave and family time. All accumulated annual leave, as of June 30th of each year, that exceeds the employee's annual earned allowance is converted to extended sick leave. Extended sick leave may be accumulated up to a maximum of 960 hours. Accumulated sick leave is paid only to employees who retire from the Sheriff's Pension and Relief Fund upon termination of employment. At June 30, 2017, employees have accumulated and vested $3,312,569 of benefits. This amount is included in the statement of net position.

K. Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. At June 30, 2017, the Sheriff's deferred outflows of resources and deferred inflows of resources are attributable to pension plans.

L. Equity Classifications

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

a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

c. Unrestricted net position – All other net position that do not meet the definition of "net investment in capital assets" or "restricted."

In the fund financial statements, governmental fund equity is classified as fund balance. As such, fund balance of the governmental fund is classified as follows:

a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

c. Committed – amounts that can be used only for specific purposes determined by a formal decision of the Sheriff, which is the highest level of decision-making authority.

d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Sheriff's adopted policy, only the Sheriff may assign amounts for specified purposes.

e. Unassigned – all other spendable amounts.

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

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

(2) Cash and Interest-Bearing Deposits

Under state law, the Sheriff may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Sheriff may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

At June 30, 2017, the Sheriff has cash and interest-bearing deposits (book balances) as follows:

	Government-wide Statement of Net Position	Fiduciary Funds Statement of Net Position	Total
Noninterest-bearing deposits	$ 1,900	$ 281,533	$ 283,433
Interest-bearing deposits	15,992,732	3,354,408	19,347,140
	$ 15,994,632	$3,635,941	$ 19,630,573

Custodial credit risk is the risk that in the event of a bank failure of a depository financial institution, the Government's deposits may not be recovered or the collateral securities that are in the possession of the outside party will not be recovered. These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the Sheriff or the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2017, are secured as follows:

Bank balances	$ 19,853,282
Federal deposit insurance	250,000
Pledged securities	19,603,282
Total	$ 19,853,282

Deposits in the amount of $19,603,282 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities pledging institution's trust department or agent, but not in the Sheriff's name. The Sheriff does not have a policy for custodial credit risk.

(3) Investments

The Sheriff participates in Louisiana Asset Management Pool (LAMP). LAMP is an investment pool established as a cooperative endeavor to enable public entities of the State of Louisiana to aggregate funds for investment. LAMP is not registered with the Securities and Exchange Commission (SEC) as an investment company. LAMP is intended to improve administrative efficiency and increase yield of participating public entities. LAMP's portfolio securities are valued at market value even though amortized cost method is permitted by Rule 2a-7 of the Investment Company Act of 1940, as amended, which governs registered money market funds. Because LAMP is not a money market fund, it has no obligation to conform to this rule.

In accordance with GASB Codification Section I50.128, the investment in LAMP is not exposed to custodial credit risk, and is not in the three categories provided by GASB Codification Section I50.164 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

Credit risk is the risk that an issuer or other counterparty to an investment will be unable to meet its obligations. Interest rate risk is the risk that changes in interest rates will adversely affect the estimated fair value of an investment. Investments in LAMP are not exposed to credit risk and interest rate risk. LAMP has a fund rating of AAAm issued by Standard & Poors. This rating is given to a fund that has extremely strong capacity to maintain principal stability and to limit exposure to principal losses due to credit, market, and/or liquidity risks.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, and is governed by a board of directors comprised of representatives from various local governments and statewide professional organizations. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair market value of investments is determined on a weekly basis by LAMP and the value of position in the external investment pool is the same as the value of the pool shares.

At June 30, 2017, the Sheriff had investments in LAMP in the amount of $134,628.

(4) Ad Valorem Taxes

The Sheriff is the ex-officio tax collector of the parish and is responsible for the collection and distribution of ad valorem property taxes. Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the parish government in June and are actually billed to taxpayers by the Sheriff in October or November. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Tax Assessor of Lafayette Parish and are collected by the Sheriff. The taxes are remitted to the appropriate taxing bodies net of deductions for assessor's compensation and pension fund contributions. Ad valorem taxes are budgeted and recorded in the year levied and billed. For the year ended June 30, 2017, law enforcement taxes applicable to the Sheriff's General Fund, were levied at the rate of 16.79 mills on property with assessed valuations (after homestead exemptions) totaling $2,259,086,547. The 16.79 mills tax consists of an 8.76 mills tax for the purpose of providing funds for the Lafayette Parish Law Enforcement District approved by voters through the year 2019 and an 8.03 mills tax now authorized by L.R.S. 33.9003A.

Total law enforcement taxes levied during 2016 were $37,930,075.

(5) Receivables and Due From Other Governmental Agencies

Receivables of $17,024 at June 30, 2017 consists of fees, charges and commissions for services.

A summary of due from other governmental agencies of $3,038,742 at June 30, 2017 follows.

Sales tax revenue	$ 775,456
Ad valorem tax revenue	39,427
Intergovernmental revenues:	
Federal grants	47,345
State, city, and local grants	876,097
Fees, charges, and commissions for services	60,315
Feeding and keeping prisoners	738,715
Miscellaneous	501,387
	$ 3,038,742

(6) Capital Assets

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

	Balance 7/1/2016	Additions	Deletions	Balance 6/30/2017
Capital assets not being depreciated:				
Construction in progress	$ -	$ 142,803	$ -	$ 142,803
Other capital assets:				
Buildings and improvements	35,920,657	381,034	-	36,301,691
Equipment and furniture	6,777,423	748,507	-	7,525,930
Vehicles	5,488,483	1,693,101	-	7,181,584
Totals	48,186,563	2,965,445	-	51,152,008
Less: accumulated depreciation				
Buildings and improvements	6,938,090	1,185,431	-	8,123,521
Equipment and furniture	4,892,851	750,058	-	5,642,909
Vehicles	4,592,848	688,487	-	5,281,335
Total accumulated depreciation	16,423,789	2,623,976	-	19,047,765
Capital assets, net	$31,762,774	$ 341,469	$ -	$ 32,104,243

Depreciation expense in the amount of $2,623,976 was charged to public safety.

(7) Accounts and Other Payables

Accounts and other payables at June 30, 2017 consist of the following:

Accounts payable	$ 835,102
Accrued interest payable	165,437
Due to Acadiana Recovery Center	42,281
	$ 1,042,820

(8) Long-term Liabilities

Long-term liabilities is comprised of the following:

A. Limited Tax Revenue Bonds Series 2012 – The Sheriff issued bonds in March 2012 for the acquisition and construction of major capital facililites. The bonds are payable in annual installments of $680,000 to $1,525,000 due on March 1 of each year through March 2032. The bonds bear interest at 2.0 to 4.0 percent annually and are payable from ad valorem taxes.

B. During the fiscal year ending June 30, 2017, the Sheriff entered into the following capital lease agreement for several vehicles totaling $1,185,523:

Ford Motor Credit, $1,185,523 Lease-Purchase Agreement, maturing November 2020, monthly payments of $26,186 including interest of 3.02%, secured by vehicles with a book value of $1,066,971 (net of accumulated depreciation of $118,552), which is included in the vehicles capital asset class.	$1,018,847

The following is a summary of changes in long-term liabilities for the year ended June 30, 2017:

	Balance 7/1/2016	Additions	Reductions	Balance 6/30/2017	Due Within One Year
Bonds payable	$18,095,000	$ -	$ 805,000	$17,290,000	$ 840,000
Claims payable	389,811	10,278,449	8,646,700	2,021,560	911,075
Compensated absences payable	2,877,778	2,098,439	1,663,648	3,312,569	1,663,648
Capital leases payable	-	1,185,523	166,676	1,018,847	287,418
	$21,362,589	$13,562,411	$11,282,024	23,642,976	$3,702,141
Unamortized premium on bonds				250,340	
				$23,893,316	

The annual debt service requirements to maturity of all bonds outstanding at June 30, 2017 follows:

Year Ending June 30,	Principal Payments	Interest Payments
2018	$ 840,000	$ 496,312
2019	880,000	479,513
2020	915,000	461,913
2021	955,000	443,613
2022	1,000,000	422,125
2023-2027	5,675,000	1,651,718
2028-2032	7,025,000	676,336
Total	$17,290,000	$3,955,194

Scheduled maturities of the capital lease are as follows:

Year Ending June 30,	Principal Payments	Interest Payments
2018	$ 287,418	$ 26,813
2019	296,219	18,011
2020	305,289	8,941
2021	129,921	1,008
Total	$ 1,018,847	$ 54,773

(9) Post Retirement Health Care and Life Insurance Benefits

In adopting the requirements of GASB Codification Section P50, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* (GASB Codification Section P50) during the year ended June 30, 2009, the Sheriff began to recognize the cost of postemployment healthcare in the year when employee services are received, to report the accumulated liability from prior years, and to provide information useful in assessing potential demands on the Sheriff's future cash flows. Because the Sheriff is adopting the requirements of GASB Codification Section P50 prospectively, recognition of the liability accumulated from prior years will be phased in over 30 years, commencing with the 2009 liability.

Plan Description: The Lafayette Parish Sheriff's Office's medical, dental, vision and life insurance benefits are provided to employees upon actual retirement based on at least the following provisions: 30 years of service at any age or, age 55 and at least 15 years of service. Employees hired on and after July 1, 2014 must have twenty years of service with the Sheriff to retire. Employees are covered by a retirement system whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age or, age 55 and 20 years of service. Retirees may choose to continue coverage of his/her spouse at his/her own expense.

Life insurance coverage is continued to retirees and based on a blended rate for active employees and retirees. The employer pays for the first $10,000 of retiree life insurance and the retiree pays the "cost" of the remainder but that "cost" is based on the blended active/retired rate and there is thus an additional implied subsidy. Since GASB 45 requires the use of "unblended" rates, the actuary has used the 94GAR mortality table described below to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. Life amounts are reduced to 65% at age 70 and to 45% at age 75. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption. Zero trend was used for life insurance.

Contribution Rates: Employees do not contribute to their post employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents.

Funding Policy: Until 2008, the Sheriff recognized the cost of providing post-employment medical, dental, vision and life insurance benefits as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. In 2017, the Sheriff's portion of these benefits totaled $1,350,030. This amount was applied toward the Net OPEB Benefit Obligation as shown in the following table.

Annual Required Contribution: Lafayette Parish Sheriff's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB Codification Section P50. The ARC is the sum of the Normal Cost plus the contribution to amortize the Unfunded Actuarial Accrued Liability (UAAL). A level dollar, open amortization period of 30 years (the maximum amortization period allowed by GASB Codification Section P50) has been used for the post-employment benefits. The actuarially computed ARC is as follows:

Normal cost	$ 1,828,165
30-year UAL amortization amounts	2,747,573
Annual required contributions (ARC)	$ 4,575,738

Net Postemployment Benefit Obligation (Asset) – The table below shows Lafayette Parish Sheriff's Net Other Postemployment Benefit (OPEB) Obligation for fiscal year ending June 30, 2017:

Annual required contribution	$ 4,575,738
Interest on net OPEB obligation	1,723,315
Adjustment to annual required contribution	(2,491,487)
Annual OPEB cost (expense)	3,807,566
Contributions made	(1,350,030)
Increase in net OPEB obligation	2,457,536
Net OPEB obligation - beginning of year	43,082,869
Net OPEB obligation - end of year	$ 45,540,405

The Sheriff's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation as of 2015, 2016, and 2017 follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2015	$ 5,712,819	15.46%	$38,252,897
6/30/2016	$ 5,713,370	15.46%	$43,082,869
6/30/2017	$ 3,807,566	35.46%	$45,540,405

Funded Status and Funding Progress: In 2017 and 2016, Lafayette Parish Sheriff made no contributions to its post employment benefits plan. The plan is not funded, has no assets, and hence has a funded ratio of zero. Based on the July 1, 2016 actuarial valuation, the most recent valuation, the Actuarial Accrued Liability (AAL) at the end of the year June 30, 2017 was $49,412,001 which is defined as that portion, as determined by a particular actuarial cost method (Lafayette Parish Sheriff uses the Projected Unit Credit Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost.

Actuarial accrued liability (AAL)	$49,412,001
Actuarial valuations of plan assets	-
Unfunded actuarial accrued liability (UAAL)	$49,412,001
Funded ratio (actuarial value of plan assets/AAL)	0%

The schedule of funding progress included in required supplementary information following the notes to the financial statements presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the Sheriff and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the 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 the 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 Projected Unit Credit Cost Method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality and turnover.

Actuarial Value of Plan Assets – There are not any plan assets. It is anticipated that in future valuations, should funding take place, a smoothed market value consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Codification Section P50.

Turnover Rate – An age-related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce a composite average annual turnover of approximately 12.5%.

Postemployment Benefit Plan Eligibility Requirements – Historically, most employees have not retired until 25 to 30 years of service. It has therefore been assumed that employees retire four years after the earliest of the following: 30 years of service at any age; age 55 and 15 years of service. The four years is to accommodate the D.R.O.P. period plus one additional year. Medical benefits are provided to employees upon actual retirement.

Investment Return Assumption (Discount Rate) – GASB Codification Section P50 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 assumption that the ARC will not be funded, a 4% annual investment return has been used in this valuation.

Health Care Cost Trend Rate – The expected rate of increase in medical cost is based on a graded schedule beginning with 8% annually, down to an annual rate of 5.0% for ten or more years.

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

Method of Determining Value of Benefits – The "value of benefits" was 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 retiree pays a portion of the "cost" of the benefits as described above under "Plan Description" but the medical rates provided are "blended" rates for active and retired and there is therefore an implied subsidy. We have therefore estimated the total "unblended" rates as required by GASB 45 for valuation purposes to be 130% of the total blended rates prior to Medicare eligibility. The Medicare Advantage rates provided and the retiree paid portion were used without trend after Medicare eligibility. The valuation then subtracts the retiree paid portion of the blended rates from the estimated total unblended rates to determine the net employer portion of the rates paid.

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

Projected Salary Increases - This assumption is not applicable since neither the benefit structure nor the valuation methodology involves salary.

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

(10) Pension Plan

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

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Sheriffs' Pension and Relief Fund (Fund) and additions to/deductions from the Fund's fiduciary net position have been determined on the accrual basis of accounting. Employer contributions are recognized in the period in which the employee is compensated for services performed. Investments are reported at fair value.

Plan Description:

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

Retirement: For members who become eligible for membership on or before December 31, 2011: Members with twelve years of creditable service may retire at age fifty-five; members with thirty years of service may retire regardless of age. The retirement allowance is equal to three and one-third percent of the member's average final compensation multiplied by his years of creditable service, not to exceed (after reduction for optional payment form) 100% of average final compensation. Active, contributing members with at least ten years of creditable service may retire at age sixty. The accrued normal retirement benefit is reduced actuarially for each month or fraction thereof that retirement begins prior to the member's earliest normal retirement date assuming continuous service.

For members whose first employment making them eligible for membership in the system began on or after January 1, 2012: Members with twelve years of creditable service may retire at age sixty-two; members with twenty years of service may retire at age sixty; members with thirty years of creditable service may retire at age fifty-five. The benefit accrual rate for such members with less than thirty years of service is three percent; for members with thirty or more years of service; the accrual rate is three and one-third percent. The retirement allowance is equal to the benefit accrual rate times the member's average final compensation multiplied by his years of creditable service, not to exceed (after reduction for optional payment form) 100% of average final compensation. Members with twenty or more years of service may retire with a reduced retirement at age fifty.

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

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

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

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

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

Disability Benefits: A member is eligible to receive disability benefits if he has at least ten years of creditable service when a non-service related disability is incurred; there are no service requirements for a service related disability. Disability benefits shall be the lesser of 1) a sum equal to the greatest of 45% of final average compensation or the members' accrued retirement benefit at the time of termination of employment due to disability, or 2) the retirement benefit which would be payable assuming continued service to the earliest normal retirement age. Members who become partially disabled receive 75% of the amount payable for total disability.

Survivor's Benefits: Survivor benefits 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 eighteen years of age (or over said age if physically or mentally incapacitated and dependent upon the member at the time of his death), an additional sum of 15% of the member's final average compensation is paid to each child with total benefits paid to spouse and children not to exceed 100%. If a member dies with no surviving spouse, surviving children under age eighteen will receive monthly benefits of 15% of the member's final average compensation up to a maximum of 60% of final average compensation if there are more than four children. If a member is eligible for normal retirement at the time of death, the surviving spouse receives an automatic option 2 benefit. The additional benefit payable to children shall be the same as those available for members who die in the line of duty. In lieu of receiving option 2 benefit, the surviving spouse may receive a refund of the member's accumulated contributions. All benefits payable to surviving children shall be extended through age twenty- two, if the child is a full-time student in good standing enrolled at a board approved or accredited school, college, or university.

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

Contributions: Contributions for all members are established by the Board of Trustees. The employee contribution rate for the year ended June 30, 2016 was 10.25%. Contributions are deducted from the member's salary and remitted monthly. Gross employer contributions are determined by actuarial valuation and are subject to change each year in accordance with R.S. 11:103. For the year ended June 30, 2016, the employers contributed 13.75% of the members' salaries with an additional 0.0% allocated from the Funding Deposit Account. In accordance with state statute, the Fund receives ad valorem taxes, insurance premium taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations. Non-employer contributions are recognized as revenue in the amount of $1,798,612 and included in pension expense for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At June 30, 2017, the Sheriff reported a liability of $29,387,196 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Sheriff's proportion of the net pension liability was based on a projection of the Sheriff's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2016, the Sheriff's proportion was 4.630169%, which was an increase of 0.043306% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the Sheriff recognized pension expense of $7,885,168 including employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions.

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

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

The mortality rate assumptions were set after reviewing an experience study performed over the period July 1, 2009 through June 30, 2014. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the Fund's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that these tables would produce liability values approximating the appropriate generational mortality tables used.

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

Valuation Date	June 30, 2016
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	7 years
Investment Rate of Return	7.6% per annum
Discount Rate	7.5%
Projected Salary Increases	5.5% (2.875% Inflation, 2.625% Merit)
Mortality	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Table for active members, healthy annuitants and beneficiaries, RP-2000 Disabled Lives Mortality Table
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the Fund and includes previously grant cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

Discount Rate: The discount rate used to measure the total pension liability was 7.5%, which was a decrease of 0.1% from the prior year valuation. 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 approved by PRSAC taking into consideration the recommendation of the Fund's actuary. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current 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.

The long-term expected rate of return on pension plan investments was determined using a building block method 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 rate of return by the target asset allocation percentage and adding expected inflation.

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

		Expected Rate of Return	
Asset Class	Target Asset Allocation	Real Return Arithmetic Basis	Long-term Expected Portfolio Real Rate of Return
Equity Securities	60%	6.4%	3.9%
Bonds	25	1.9	0.5
Alternative Investments	15	4.3	0.6
Totals	100%		5.0%
Inflation			2.7
Expected Arithmetic Nominal Return			7.7%

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the Employer's proportionate share of the Net Pension Liability using the discount rate of 7.5%, as well as what the Employer's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (6.5%) or one percentage-point higher (8.5%) than the current rate:

	1.0% Decrease 6.5%	Current Discount Rate 7.5%	1.0% Increase 8.5%
Employer's proportionate share of the net pension liability	$49,858,374	$29,387,196	$12,490,667

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ 3,082,392
Change of assumptions	2,400,843	-
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	754,883	146,628
Net differences between projected and actual earnings on plan investments	7,360,031	-
Contributions subsequent to the measurement date	4,106,921	-
Total	$ 14,622,678	$ 3,229,020

Deferred outflows of resources of $4,106,921 related to pensions resulting from the Sheriff's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. 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 Ended June 30,	
2018	975,394
2019	975,394
2020	3,119,224
2021	2,031,934
2022	92,393
Thereafter	92,398
	$7,286,737

At June 30, 2017, the Sheriff recorded an accrued liability to the pension plan for the contractually required contribution for the month of June 2017 in the amount of $595,437.

(11) Deferred Compensation Plan

Certain employees of the Sheriff participate in the Lafayette Parish Sheriff's Office Deferred Compensation Plan (Plan) adopted under the provisions of the Internal Revenue Code Section 457, which is administered by MassMutual Retirement Systems. The Sheriff does not have managerial or financial responsibility for the Plan assets. At June 30, 2017, Plan assets totaled $2,672,388, which is owned by the Plan participants.

(12) Changes in Agency Fund Balances

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

	Sheriff's Civil Fund	Tax Collector Fund	Deputy Fund	Bond Fund	Prison Inmate Fund	Work Release Inmate Fund	Evidence Fund
Balances, June 30, 2016	$ 822,650	$ 376,453	$ 9,582	$1,896,804	$ 216,350	$ 110,427	$297,268
Additions	10,343,977	194,997,929	8,239	3,206,083	1,971,722	1,469,006	150,510
Reductions	10,605,168	194,914,087	7,217	3,117,178	1,944,170	1,451,702	166,625
Balances, June 30, 2017	$ 561,459	$ 460,295	$10,604	$1,985,709	$ 243,902	$ 127,731	$281,153

(13) Taxes Paid Under Protest

The unsettled balances due to taxing bodies and others in the agency funds at June 30, 2017, include $15,296 of taxes paid under protest plus interest earned to date on the investment of these funds. These funds are held pending resolution of the protest and are accounted for in the Tax Collector Agency Fund.

(14) Ex-officio Tax Collector

The amount of cash on hand at year end was $460,295. The unsettled balances of the Tax Collector Fund at June 30, 2017 consist of the following:

Collection of:	
Current taxes	$ 271,298
Protest taxes	15,296
Parish licenses	121,630
Interest	52,071
Total	$ 460,295

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

Lafayette Parish Consolidated Government	$ 57,595,767
Lafayette Parish School Board	71,531,014
Lafayette Parish Teche-Vermillion Freshwater District	3,005,329
Louisiana Tax Commission	38,199
Lafayette Parish Sheriff	37,133,947
Lafayette Parish Regional Airport	3,367,668
Lafayette Parish Economic Development Authority	3,580,806
Lafayette Parish Assessor	3,184,804
Lafayette Parish Bayou Vermillion District	1,960,992
Lafayette Parish Downtown Development Commission	414,669
City of Carencro	264,926
City of Youngsville	1,513,709
City of Scott	250,670
Town of Duson	29,087
Other - retirement plans	5,325,623
Total	$189,197,210

For the fiscal year ended June 30, 2017, the taxes assessed and uncollected as a result of Louisiana Tax Commission change orders, movable properties, and bankruptcies were as follows:

	Change Orders	Movables	Bankruptcies
Lafayette Parish Consolidated Government	$ 983,513	$ 272,827	$21,025
Lafayette Parish School Board	1,219,954	339,261	26,146
Lafayette Parish Teche-Vermillion Freshwater District	51,255	14,254	1,099
Lafayette Parish Sheriff	610,342	169,731	13,081
Lafayette Parish Regional Airport	57,436	15,972	1,231
Lafayette Parish Economic Development Authority	61,071	16,983	1,309
Lafayette Parish Assessor	52,346	14,557	1,122
Lafayette Parish Bayou Vermillion District	33,441	9,301	716
Lafayette Parish Downtown Development Commission	16,654	1,860	-
City of Carencro	2,039	1,384	-
City of Youngsville	(32,335)	8,703	-
City of Scott	1,541	1,519	347
Town of Duson	597	820	-
Total	$3,057,854	$ 867,172	$66,076

(15) Litigation and Claims

At June 30, 2017, the Sheriff is involved in several lawsuits claiming damages. In the opinion of the Sheriff's legal counsel, resolution of these lawsuits would not create a liability to the Sheriff in excess of insurance coverage.

(16) Risk Management

A. Commercial Insurance Coverage

The Sheriff purchases commercial insurance for property coverage, general liability, and automobile liability. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years. There have been no significant reductions in the insurance coverage since the prior year.

B. Workers' Compensation

The Sheriff has established a limited risk management program for workers' compensation. The Sheriff purchases commercial insurance for individual claims in excess of $750,000. Settled claims resulting from this risk have not exceeded commercial coverage in any of the past three fiscal years.

The liabilities for unpaid workers' compensation claims are represented by the outstanding claim reserves. These reserves are estimates of the ultimate potential payments to be made on each claim, considering the medical is in litigation; and, considering all expenses which may be required in the handling of the file such as cost of independent medical exams, legal fees and the like.

Workers' compensation claims are paid according to established payment schedules set by the Louisiana legislature and the Department of Labor. Wage benefits are calculated according to a set formula based on a fee schedule. Changes in the claims liabilities are as follows:

Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Benefit Payments and Claims	Balance at Fiscal Year-End
$722,351	$ 1,407,418	$1,019,284	$1,110,485

C. Group Self-Insurance Health Plan

The Sheriff also established a limited risk management program for group hospitalization insurance. The Sheriff purchases commercial insurance for individual claims in excess of $170,000.

The General Fund participates in the program. The claims liability of reported in the General Fund at June 30, 2017 is based on the loss that is probable to have been at the date of the financial statements and the amount of loss that can be reasonably estimated. The total claims liability of $911,075 for the program includes $340,353 for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts, and other economic and social factors. The Sheriff currently does not discount its claims liabilities. Changes in the claims liabilities are as follows:

Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Benefit Payments and Claims	Balance at Fiscal Year-End
$ 389,811	$ 7,979,548	$ 7,458,284	$ 911,075

(17) Joint Venture

The Sheriff is a participant with the City-Parish Government of Lafayette (LCG), in a joint venture to perform investigations and analytical studies of controlled substances, and when necessary under lawful rules, take into custody all persons accused of committing criminal violations with the emphasis on controlled substances. This joint venture also includes crime scene investigations and forensic analysis of crime scene evidence. These two agencies are referred to as Lafayette Metro Narcotics and Lafayette Metro Crime Scene, respectively.

Lafayette Metro Investigations was formed under a joint powers agreement entered into by the two governmental agencies listed above on July 12, 2012. The joint venture is governed by a four-member fiscal committee composed of two appointees from the Sheriff, and two appointees from LCG. At least 60 days prior to each year, the Sheriff and LCG will determine the amount necessary to fund the operations of each agency and contribute these amounts in equal portions. The Sheriff does not hold an equity interest in the agency at June 30, 2017. For the year ended December 31, 2016, Metro Investigations reported a change in fund balance of the General Fund of $(629,853) and an ending fund balance of $165,267. Complete financial statements for the Agency can be obtained from the Lafayette Parish Sheriff's Office at 316 West Main Street, Lafayette, Louisiana.

For the year ended June 30, 2017, the Sheriff contributed $10,000 to Lafayette Metro Investigations.

(18) Operating Leases

The Sheriff has entered into a twenty-year operating lease for land dated February 15, 2010, with annual rental payments ranging from $2,000 to $2,662.

During 2017, the Sheriff entered into various operating leases for office equipment ranging from 39 to 60 months and expiring at various dates from April 1, 2020 through January 1, 2022.

Future minimum lease payments are as follows:

Year Ending June 30,	
2018	$ 29,800
2019	30,304
2020	29,665
2021	14,690
2022	2,420
2023-2027	12,584
2028-2030	7,986
	$ 127,449

Expenses related to the above operating leases for the year ended June 30, 2017 were $15,244.

(19) Compensation, Benefits, and Other Payments to Agency Head

In accordance with Act 706 of the 2014 Regular Legislative Session – LA R.S. 24:513(A)(3), the schedule of compensation, benefits, and other payments to Mark Garber, Sheriff, for the year ended June 30, 2017 follows:

Purpose	Amount
Salary	$ 159,540
Benefits - insurance	12,422
Benefits - retirement	21,139
Per diem - meals	542
Registration fees	10,225
Housing	988

(20) Tax Abatement

The Sheriff is subject to tax abatements granted by the Department of Economic Development. This program has the stated purpose of increasing business activity and employment in the Parish and the State. Under the program, companies commit to expand or maintain facilities or employment in the Parish, establish a new business in the Parish, or relocate an existing business to the Parish. Agreements include an abatement of ad valorem taxes for a period of 10 years from the initial assessment date. The Sheriff's ad valorem tax revenues were reduced by $913,392 as a result of the tax abatement.

(21) New Accounting Pronouncements

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.* The statement addresses accounting and financial reporting for postemployment benefits other than pensions that are provided to the employees of state and local government employers for postemployment benefits other than pensions. The provisions of GASB Statement No. 75 must be implemented by the Sheriff for the year ended June 30, 2018. The effect of implementation on the Sheriff's financial statements has not yet been determined.

REQUIRED SUPPLEMENTARY INFORMATION

LAFAYETTE PARISH SHERIFF
Lafayette, Louisiana

Budgetary Comparison Schedule
For the Year Ended June 30, 2017

	Budget			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Ad valorem taxes	$ 36,533,114	$ 36,147,174	$ 37,347,174	$ 1,200,000
Sales taxes	4,200,000	4,173,914	4,673,914	500,000
Intergovernmental revenues -				
Federal grants	128,910	211,713	263,122	51,409
State grants - state revenue sharing (net)	1,139,455	901,622	867,748	(33,874)
State supplemental pay	2,144,182	2,100,524	2,104,517	3,993
State, city and parish grants	1,596,111	1,595,788	1,786,546	190,758
Fees charges and commissions for services -				
Civil and criminal fees	2,143,291	2,954,683	2,989,749	35,066
Court attendance	40,632	40,197	41,993	1,796
Feeding, keeping, and transporting prisoners	4,021,202	4,146,158	4,749,940	603,782
Community corrections	2,720,383	2,364,824	2,279,686	(85,138)
Contractual agreements	4,472,269	3,272,311	3,979,310	706,999
Interest income	45,651	183,716	186,917	3,201
Miscellaneous	2,671,836	2,241,578	2,182,659	(58,919)
Total revenues	61,857,036	60,334,202	63,453,275	3,119,073
Expenditures:				
Current -				
Public safety:				
Personal services and related benefits	39,824,079	38,867,121	39,283,682	(416,561)
Operating services	11,089,399	8,490,329	9,574,714	(1,084,385)
Operations and maintenance	8,559,602	9,822,107	10,159,075	(336,968)
Travel and other charges	288,624	296,821	294,882	1,939
Capital outlay	2,610,436	3,124,430	2,917,213	207,217
Debt service	1,302,913	1,317,413	1,317,413	-
Total expenditures	63,675,053	61,918,221	63,546,979	(1,628,758)
Deficiency of revenues over expenditures	(1,818,017)	(1,584,019)	(93,704)	1,490,315
Other financing sources:				
Proceeds from capital lease	1,185,523	1,185,523	1,185,523	-
Appropriation from Lafayette Metro Investigations	470,546	470,546	470,546	-
Total other financing sources	1,656,069	1,656,069	1,656,069	-
Net change in fund balance	(161,948)	72,050	1,562,365	1,490,315
Fund balance, beginning	15,751,345	15,751,345	15,751,345	-
Fund balance, ending	$ 15,589,397	$ 15,823,395	$ 17,313,710	$ 1,490,315

LAFAYETTE PARISH SHERIFF
Lafayette, Louisiana

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

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities (AAL)	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
July 1, 2012	$ -	$44,703,616	$44,703,616	0.0%	$28,624,775	156.2%
July 1, 2014	-	50,057,650	50,057,650	0.0%	30,105,357	166.3%
July 1, 2016	-	49,412,001	49,412,001	0.0%	28,015,988	176.4%

LAFAYETTE PARISH SHERIFF
Lafayette, Louisiana

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

Year Ended June 30,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2017	4.630169%	$ 29,387,196	$ 31,621,833	92.9%	82.10%
2016	4.586863%	20,446,021	30,411,635	67.2%	86.61%
2015	4.623061%	18,307,346	29,741,886	61.6%	87.34%

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

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

LAFAYETTE PARISH SHERIFF
Lafayette, Louisiana

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

Year Ended June 30,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2017	$4,106,921	$4,106,921	$ -	$ 30,995,631	13.25%
2016	4,348,002	4,348,002	-	31,621,833	13.75%
2015	4,333,658	4,333,658	-	30,411,635	14.25%

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

(1) Budgets and Budgetary Accounting

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

a. The chief administrative deputy prepares a proposed budget for the General and special revenue funds and submits it to the Sheriff for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.

b. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.

c. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.

d. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.

e. All budgetary appropriations lapse at the end of each fiscal year.

f. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as finally amended by the Sheriff. Such amendments were not material in relation to the original appropriations.

(2) Pension Plans

Changes of Assumptions – Changes of assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. These assumptions include the rate of investment return, mortality of plan members, rate of salary increase, rates of retirement, rates of termination, rates of disability, and various other factors that have an impact on the cost of the plan.

OTHER SUPPLEMENTARY INFORMATION

LAFAYETTE PARISH SHERIFF
Lafayette, Louisiana

Comparative Statement of Net Position
June 30, 2017 and 2016

	Governmental Activities	
	2017	2016
ASSETS		
Current assets:		
Cash and interest-bearing deposits	$ 15,994,632	$ 14,642,599
Investments	134,628	133,718
Receivables	17,024	14,313
Due from other governmental agencies	3,038,742	3,176,573
Inventory	305,335	165,160
Prepaid items	219,645	1,745
Total current assets	19,710,006	18,134,108
Noncurrent assets:		
Capital assets, net	32,104,243	31,762,774
TOTAL ASSETS	51,814,249	49,896,882
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pension	14,622,678	9,415,359
LIABILITIES		
Current liabilities:		
Accounts and other payables	1,042,820	1,188,586
Due to other governmental agencies	603,298	630,170
Long-term liabilities due within one year	3,702,141	1,194,811
Total current liabilities	5,348,259	3,013,567
Noncurrent liabilities:		
Long-term liabilities due in more than one year	20,191,175	20,275,860
Postemployment benefit obligation payable	45,540,405	43,082,869
Net pension liability	29,387,196	20,446,021
Total noncurrent liabilities	95,118,776	83,804,750
TOTAL LIABILITIES	100,467,035	86,818,317
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pension	3,229,020	4,983,241
NET POSITION		
Invested in capital assets	13,795,396	13,667,774
Unrestricted	(51,054,524)	(46,157,091)
TOTAL NET POSITION	$ (37,259,128)	$ (32,489,317)

LAFAYETTE PARISH SHERIFF
Lafayette, Louisiana
General Fund

Comparative Balance Sheet
June 30, 2017 and 2016

	2017	2016
ASSETS		
Cash and interest-bearing deposits	$ 15,760,456	$ 14,334,495
Investments	134,628	133,718
Receivables -		
Due from other governmental agencies	2,999,735	3,107,845
Due from other funds	6,711	3,345
Other	15,629	14,313
Inventory	168,286	92,795
Prepaid items	219,645	1,745
Total assets	$ 19,305,090	$ 17,688,256
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	$ 775,215	$ 809,094
Due to other governmental agencies	603,298	630,170
Due to other funds	40	-
Other accrued liabilities	612,827	497,647
Total liabilities	1,991,380	1,936,911
Fund balances:		
Nonspendable for inventory and prepaid items	387,931	94,540
Unassigned	16,925,779	15,656,805
Total fund balances	17,313,710	15,751,345
Total liabilities and fund balances	$ 19,305,090	$ 17,688,256

LAFAYETTE PARISH SHERIFF
Lafayette, Louisiana
General Fund

Budgetary Comparison Schedule -
Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2017
With Comparative Actual Balances for Year Ended June 30, 2016

	2017				
	Budget			Variance with Final Budget Positive	2016
	Original	Final	Actual	(Negative)	Actual
Revenues:					
Ad valorem taxes	$ 36,533,114	$ 36,147,174	$ 37,347,174	$ 1,200,000	$ 34,689,483
Sales taxes	4,200,000	4,173,914	4,673,914	500,000	4,712,089
Intergovernmental revenues -					
Federal grants	128,910	211,713	263,122	51,409	114,407
State grants - state revenue sharing (net)	1,139,455	901,622	867,748	(33,874)	820,410
State supplemental pay	2,144,182	2,100,524	2,104,517	3,993	2,144,191
State, city and parish grants	1,596,111	1,595,788	1,786,546	190,758	1,642,780
Fees charges and commissions for services -					
Civil and criminal fees	2,143,291	2,954,683	2,989,749	35,066	2,451,231
Court attendance	40,632	40,197	41,993	1,796	42,738
Feeding and keeping prisoners	4,021,202	4,146,158	4,749,940	603,782	4,314,555
Community corrections	2,720,383	2,364,824	2,279,686	(85,138)	2,669,657
Contractual arrangements	4,472,269	3,272,311	3,979,310	706,999	4,148,219
Interest income	45,651	183,716	186,917	3,201	98,875
Miscellaneous	2,671,836	2,241,578	2,182,659	(58,919)	2,538,462
Total revenues	61,857,036	60,334,202	63,453,275	3,119,073	60,387,097
Expenditures:					
Current -					
Public safety:					
Personal services and related benefits	39,824,079	38,867,121	39,283,682	(416,561)	39,915,084
Operating services	11,089,399	8,490,329	9,574,714	(1,084,385)	9,695,920
Operations and maintenance	8,559,602	9,822,107	10,159,075	(336,968)	9,087,001
Travel and other charges	288,624	296,821	294,882	1,939	266,817
Capital outlay	2,610,436	3,124,430	2,917,213	207,217	759,632
Debt service	1,302,913	1,317,413	1,317,413	-	1,302,913
Total expenditures	63,675,053	61,918,221	63,546,979	(1,628,758)	61,027,367
Deficiency of revenues over expenditures	(1,818,017)	(1,584,019)	(93,704)	1,490,315	(640,270)
Other financing sources:					
Proceeds from capital lease	1,185,523	1,185,523	1,185,523	-	-
Appropriation from Lafayette Metro Investigations	470,546	470,546	470,546	-	-
Total other financing sources	1,656,069	1,656,069	1,656,069	-	-
Net change in fund balance	(161,948)	72,050	1,562,365	1,490,315	(640,270)
Fund balance, beginning	15,751,345	15,751,345	15,751,345	-	16,391,615
Fund balance, ending	$ 15,589,397	$ 15,823,395	$ 17,313,710	$ 1,490,315	$ 15,751,345

LAFAYETTE PARISH SHERIFF
Lafayette, Louisiana
General Fund

Budgetary Comparison Schedule - Expenditures
For the Year Ended June 30, 2017
With Comparative Actual Balances for Year Ended June 30, 2016

	2017 Budget Original	2017 Budget Final	2017 Actual	2017 Variance with Final Budget Positive (Negative)	2016 Actual
Current:					
Public safety -					
Personal services and related benefits:					
Sheriff's salary	$ 141,811	$ 159,540	$ 145,347	$ 14,193	$ 141,849
Deputies salaries	32,873,641	33,725,724	34,181,678	(455,954)	32,975,242
Pension and payroll taxes	6,609,330	4,782,497	4,732,497	50,000	6,609,976
Sheriff's expense allowance	14,193	15,945	14,193	1,752	14,193
Other employee expenses	185,104	183,415	209,967	(26,552)	173,824
Total personal services and related benefits	39,824,079	38,867,121	39,283,682	(416,561)	39,915,084
Operating services:					
Hospitalization insurance	9,039,634	6,654,239	7,458,284	(804,045)	8,167,387
Auto insurance	307,465	275,414	322,963	(47,550)	234,840
Deputy insurance	430,451	385,579	448,324	(62,745)	391,300
Other liability insurance	1,311,850	1,175,098	1,345,143	(170,045)	902,393
Total operating services	11,089,399	8,490,329	9,574,714	(1,084,385)	9,695,920
Operations and maintenance:					
Auto fuel and oil	555,145	607,306	614,306	(7,000)	568,524
Auto maintenance	341,266	311,269	349,495	(38,226)	310,881
Deputy uniforms, supplies, etc.	435,372	794,651	811,366	(16,715)	264,099
Lease expense	279,983	377,720	455,768	(78,048)	277,720
Maintenance contracts and rentals	796,287	726,293	802,144	(75,851)	844,379
Office supplies and expenses	915,917	1,060,880	1,050,097	10,783	976,318
Prisoner feeding and maintenance	3,448,286	3,909,742	3,939,438	(29,696)	3,780,100
Professional fees	555,195	513,171	523,644	(10,473)	596,835
Telephone and utilities	910,582	1,143,190	1,243,191	(100,001)	1,099,868
Appropriations to other agencies	81,767	52,368	57,352	(4,984)	83,200
Criminal investigation expense	7,668	9,546	9,595	(49)	7,660
Other	232,134	315,971	302,679	13,292	277,417
Total operations and maintenance	8,559,602	9,822,107	10,159,075	(336,968)	9,087,001
Travel and other charges	288,624	296,821	294,882	1,939	266,817
Capital outlay:					
Buildings	334,028	598,926	523,837	75,089	31,640
Vehicles	1,941,242	1,922,280	1,860,759	61,521	502,672
Equipment	335,165	603,224	532,617	70,607	225,320
Total capital outlay	2,610,436	3,124,430	2,917,213	207,217	759,632
Debt service:					
Principal	775,000	805,000	805,000	-	775,000
Interest	527,913	512,413	512,413	-	527,913
Total debt service	1,302,913	1,317,413	1,317,413	-	1,302,913
Total expenditures	$ 63,675,053	$ 61,918,221	$ 63,546,979	$ (1,628,758)	$ 61,027,367

AGENCY FUNDS

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

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

Deputy Fund -
To account for the collection of cash bonds and payment of these collections to the eligible recipients in accordance with applicable laws.

Bond Fund -
To account for the collection of cash bonds and payment of these collections to the eligible recipients in accordance with applicable laws.

Prison Inmate Fund -
To account for the receipts and disbursements made to the individual prison inmate accounts.

Work Release Trust Fund -
To account for the receipts and disbursements made in the inmate work release program.

Evidence Fund -
To account for funds seized during arrest for which final resolution of distribution has not been determined.

LAFAYETTE PARISH SHERIFF
Lafayette, Louisiana
Agency Funds

Combining Balance Sheet
June 30, 2017
With Comparative Totals for June 30, 2016

	Sheriff's Civil Fund	Tax Collector Fund	Deputy Fund	Bond Fund	Prison Inmate Fund	Work Release Inmate Fund	Evidence Fund	Total 2017	Total 2016
ASSETS									
Cash	$ -	$ -	$ -	$ 200	$ 200	$ -	$281,153	$ 281,553	$ 297,668
Interest-bearing deposits	561,459	460,295	10,604	1,957,920	236,399	127,731	-	3,354,408	3,431,355
Due from inmates and others	-	-	-	27,589	7,303	-	-	34,892	511
Total assets	$ 561,459	$ 460,295	$ 10,604	$ 1,985,709	$ 243,902	$ 127,731	$281,153	$ 3,670,853	$ 3,729,534
LIABILITIES									
Due to taxing bodies and others	$ 561,459	$ 460,295	$ 10,604	$ 1,985,709	$ 41,434	$ 88,813	$281,153	$ 3,429,467	$ 3,435,964
Due to inmates	-	-	-	-	202,468	38,918	-	241,386	293,570
Total liabilities	$ 561,459	$ 460,295	$ 10,604	$ 1,985,709	$ 243,902	$ 127,731	$281,153	$ 3,670,853	$ 3,729,534

LAFAYETTE PARISH SHERIFF
Lafayette, Louisiana
Agency Funds

Combining Statement of Changes in Assets and Liabilities
Year Ended June 30, 2017

	Sheriff's Civil *Fund*	Tax Collector *Fund*	Deputy *Fund*	Bond *Fund*	Prison Inmate *Fund*	Work Release Inmate *Fund*	Evidence *Fund*	Total
Balances, beginning of year	$ 822,650	$ 376,453	$ 9,582	$ 1,896,804	$ 216,350	$ 110,427	$ 297,268	$ 3,729,534
Additions:								
Deposits -								
Sheriff's sales	8,731,117	-	-	-	-			8,731,117
Bonds, fines and costs		-	-	3,206,083	-			3,206,083
Garnishments	1,612,860	-	-	-	-			1,612,860
Other deposits		-	-	-	1,890,098	1,469,006	150,510	1,890,098
Taxes, fees, etc. paid to tax collector		194,997,929	-	-				194,997,929
Other additions	-	-	8,239	-	81,624	-	-	89,863
Total additions	10,343,977	194,997,929	8,239	3,206,083	1,971,722	1,469,006	150,510	210,527,950
Total	11,166,627	195,374,382	17,821	5,102,887	2,188,072	1,579,433	447,778	214,257,484
Reductions:								
Taxes, fees, etc. distributed to taxing bodies and others	-	194,914,087	-	-	-	-	-	194,914,087
Deposits settled to -								
Sheriff's General Fund	1,977,543	-	-	360,655	-	1,022,397	-	2,338,198
Clerk of court	248,222	-	-	149,313	-	-	-	397,535
Inmates	-	-	-	-	390,549	44,436	-	390,549
Litigants	7,508,765	-	-	-	-	-	-	7,508,765
Attorneys, appraisers, etc.	85,420	-	-	852,921	-	-	-	938,341
Settlements	-	-	-	1,303,693	-	-	-	1,303,693
Other reductions	785,218	-	7,217	450,596	1,553,621	384,869	166,625	2,796,652
Total reductions	10,605,168	194,914,087	7,217	3,117,178	1,944,170	1,451,702	166,625	210,587,820
Balances, end of year	$ 561,459	$ 460,295	$ 10,604	$ 1,985,709	$ 243,902	$ 127,731	$ 281,153	$ 3,670,853

STATE OF LOUISIANA, PARISH OF LAFAYETTE

AFFIDAVIT

Mark Garber, Sheriff of Lafayette Parish

BEFORE ME, the undersigned authority, personally came and appeared, Mark Garber, the Sheriff of Lafayette Parish, State of Louisiana, who after being duly sworn, deposed and said:

The following information is true and correct:

$460,295 is the amount of cash on hand in the tax collector account on June 30, 2017;

He further deposed and said:

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

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

____
Sheriff of Lafayette Parish

SWORN to and subscribed before me, Notary, this 18th day of September 2017, in my office in Lafayette, Louisiana.

_______________________ (Signature)

Grayson J LeGoste **(Print), #** 147216
Notary Public

For Life **(Commission)**

INTERNAL CONTROL, COMPLIANCE, AND OTHER INFORMATION

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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

The Honorable Mark Garber
Lafayette Parish Sheriff
Lafayette, 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 Lafayette Parish Sheriff (the Sheriff) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements and have issued our report thereon dated December 28, 2017.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report in 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. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document in accordance with Louisiana Revised Statute 44:6.

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

Lafayette, Louisiana
December 28, 2017

LAFAYETTE PARISH SHERIFF
Lafayette, Louisiana

Summary Schedule of Current and Prior Year Audit Findings
Year Ended June 30, 2017

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Contact Person	Anticipated Completion Date

CURRENT YEAR (6/30/17) --

Internal Control:

There were no internal control findings.

Compliance:

There were no compliance findings.

PRIOR YEAR (6/30/16) --

Internal Control:

There were no internal control findings.

Compliance:

There were no compliance findings.

LAFAYETTE PARISH SHERIFF

Lafayette, Louisiana

Independent Accountant's Report
On Applying Agreed-Upon Procedures

Year Ended June 30, 2017

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

The Honorable Mark Garber
Lafayette Parish Sheriff and the
Louisiana Legislative Auditor

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

The procedures and associated findings are as follows:

Written Policies and Procedures

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

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

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

   b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

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

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

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

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

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

e) ***Payroll/Personnel***, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

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

f) ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

The entity did not supply policies and procedures for contracting.

g) ***Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage.

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

h) ***Travel and expense reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

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

i) ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.

The entity did not supply policies and procedures for ethics.

j) ***Debt Service***, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

The entity did not supply policies and procedures for debt service.

Board (or Finance Committee, if applicable)

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

a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.

The Lafayette Parish Sheriff does not have a Board or Finance Committee, and therefore, this procedure is not applicable.

b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).

- If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.

  This procedure is not applicable to the Lafayette Parish Sheriff.

c) Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.

This procedure is not applicable to the Lafayette Parish Sheriff.

Bank Reconciliations

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

   Obtained listing of client bank accounts from management and management's representation that listing is complete.

4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three-year rotating basis (if more than 5 accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:

   a) Bank reconciliations have been prepared;

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

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

      Bank statements and reconciliations for all months in the fiscal period were obtained for selected accounts noting that management's review was not documented on the reconciliations.

   c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

      Bank statements and reconciliations for all months in the fiscal period were obtained for selected accounts noting that management did not research outstanding items greater than 6 months for the two accounts with outstanding items.

Collections

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

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

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

a) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.

   All staff members responsible for collecting cash are bonded. Staff members collecting cash are not responsible for depositing cash, recording deposits, or reconciling bank statements. Staff members responsible for collecting cash are not sharing a drawer with another person.

b) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.

   Written documentation was obtained from management noting the person responsible for cash collections is not responsible for reconciling cash collections to the general ledger.

c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:

   - Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.

     Deposits were not being handled within one day at three of the five collection locations.

     Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

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

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

   There was no noted process defined to determine the completeness of collections by a person who is not responsible for collections.

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

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

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

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

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

      Of the 25 selected disbursements tested, two checks did not have a purchase order nor the equivalence of a purchase order available.

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

      Other than the two cases discussed in (a) there were no other exceptions noted as a result of applying this procedure.

   c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; (2) a receiving report showing receipt of goods purchased, or electronic equivalent; and (3) an approved invoice.

      Other than the two cases discussed in (a), there were no other exceptions noted as a result of applying this procedure.

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

    Written documentation was obtained from management noting the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system.

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

    No written documentation was obtained from management noting that the persons with signatory authority, or who makes the final authorization for disbursements, have no responsibility for initiating or recording purchases.

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

    Checks are electronically printed on blank check stock. Written documentation was obtained from management noting the persons with signatory authority do not have access to print checks.

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

    The entity does not use a signature machine but utilizes a signature stamp for the Chief Financial Officer. This stamp is adequately secured and is restricted to authorized personnel only.

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

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

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

    Ten credit cards were randomly selected.

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

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

       Monthly statements were obtained noting there was written evidence that the monthly credit card statements and supporting documentation had been approved by someone other than the card holder.

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

       There were no finance charges and/or late fees assessed on any of the cards selected.

16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e. each of the 10 cards should have one month of transactions subject to testing).

    a) For each transaction, report whether the transaction is supported by:

       - An original itemized receipt (i.e., identifies precisely what was purchased)

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

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

         One credit card transaction did not have documentation of the individuals participating.

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

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

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

There were no exceptions noted as a result of the testing of transaction details to the entity's written purchasing/department policies. There were no transactions noted that would have been subject to Louisiana Public Bid Law.

c) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

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

Travel and Expense Reimbursement

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

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

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

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

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

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

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

    b) Report whether each expense is supported by:

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

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

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

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

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

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

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

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

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

   The travel expenses reimbursed did not have documentation of being reviewed or approved by someone other than the person receiving the reimbursement.

Contracts

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

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

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

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

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

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

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

         Contracts selected for testing were not subject to the Louisiana Public Bid Law or Procurement Code.

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

         The entity did not solicit quotes for contracts that did not meet the requirements of the Public Bid Law.

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

       None of the contracts selected were amended.

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

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

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

This procedure is not applicable to the Lafayette Parish Sheriff.

Payroll and Personnel

22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Ethics (excluding nonprofits)

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

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

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

    Management asserted that there were no allegations during the fiscal period.

Debt Service (excluding nonprofits)

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

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

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

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

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

    There were no tax millages relating to debt service.

Other

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

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

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

    The entity does have the required notices posted on its premises and website.

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

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

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

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

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

Lafayette, Louisiana
December 28, 2017