

UNION PARISH SHERIFF
Farmerville, Louisiana

Annual Financial Statements
With Independent Auditor's Report
As of and for the Year Ended
June 30, 2015

With Supplemental Information Schedules

UNION PARISH SHERIFF
Farmerville, Louisiana

Annual Financial Statements
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Independent Auditor's Report

UNION PARISH SHERIFF
Farmerville, Louisiana

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities and major fund of the Union Parish Sheriff, a component unit of the Union Parish Police Jury, as of June 30, 2015, and for the year then ended, 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

My responsibility is to express opinions on these financial statements based on my audit. I conducted my 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 I 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 Union Parish Sheriff'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 Union Parish Sheriff's internal control. Accordingly, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

UNION PARISH SHERIFF
Farmerville, Louisiana
Independent Auditor's Report,
June 30, 2015

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position and major fund of the Union Parish Sheriff as of June 30, 2015, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 7 through 10, the budgetary comparison information on pages 43 through 45, the schedule of funding progress for the retiree healthcare plan on page 46, the schedule of the Sheriff's proportionate share of the net pension liability on pages 47 through 48, 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. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Union Parish Sheriff's office basic financial statements. The supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The schedule of compensation, benefits, and other payments to agency head on page 50 and the Sheriff's sworn statement presented on page 49 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and 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 my opinion, the information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

UNION PARISH SHERIFF
Farmerville, Louisiana
Independent Auditor's Report,
June 30, 2015

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued a report dated December 7, 2015, on my consideration of the Union Parish Sheriff's internal control over financial reporting and on my 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 my 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 Union Parish Sheriff's internal control over financial reporting and compliance.



West Monroe, Louisiana
December 7, 2015

**REQUIRED SUPPLEMENTARY INFORMATION
PART I**

UNION PARISH SHERIFF
Farmerville, Louisiana

Management's Discussion and Analysis
June 30, 2015

As management of the Union Parish Sheriff, I offer readers of the Union Parish Sheriff's financial statements this narrative overview and analysis of the financial activities of the Union Parish Sheriff for the fiscal year ended June 30, 2015. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the Sheriff's basic financial statements. The annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (Government-wide Financial Statements) provide information about the financial activities as a whole and illustrate a longer-term view of the Sheriff's finances. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund (Fund Financial Statements) tell how these services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the operations in more detail than the Government-Wide Financial Statements by providing information about the most significant funds. This report also contains other supplementary information in addition to the basic financial statements themselves.

Our auditor has provided assurance in her independent auditor's report that the Basic Financial Statements are fairly stated. The auditor, regarding the Required Supplemental Information and the Supplemental Information is providing varying degrees of assurance. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

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

The *statement of net position* presents information on all of the Union Parish Sheriff's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Union Parish Sheriff is improving or deteriorating.

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

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Union Parish Sheriff, like other

state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Union Parish Sheriff can be divided into two categories: governmental funds and fiduciary (agency) funds.

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

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

The Union Parish Sheriff adopts an annual appropriated budget for the general fund. A budgetary comparison statement is provided to demonstrate compliance with this budget.

Fiduciary funds. Fiduciary (agency) funds are used to account for resources held for the benefit of parties outside the government. Since these resources are not available to support the Union Parish Sheriff's programs, Fiduciary (agency) funds are not reflected in the government-wide financial statement.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information in addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Union Parish Sheriff's performance.

The combining schedules for nonmajor governmental funds are presented immediately following the required supplementary information.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, assets of the Union Parish Sheriff exceeded liabilities by \$3,074,217. Assets (e.g. equipment) of the Union Parish Sheriff exceed net position due to the Net OPEB and Net Pension liabilities. These assets are not available for future spending. Although the investment in capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources.

An additional portion of the Union Parish Sheriff's net position represents resources that are subject to external restrictions (e.g., debt service). The balance in unrestricted net position is affected by two factors: 1) resources expended, over time, by the Union Parish Sheriff to acquire capital assets from sources other

than internally generated funds (i.e., debt), and 2) required depreciation on assets included in the statement of net position.

STATEMENT OF NET POSITION

	2015	2014
ASSETS		
Cash and cash equivalents	\$1,456,072	\$1,582,085
Receivables	270,795	251,466
Due from other funds	5,505	5,530
Capital assets (net of accumulated depreciation)	<u>4,739,724</u>	<u>4,830,987</u>
TOTAL ASSETS	<u>6,472,096</u>	<u>6,670,068</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension related	<u>74,326</u>	
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$6,546,422</u>	<u>\$6,670,068</u>
LIABILITIES		
Accounts payable	\$24,951	\$52,976
Salaries payable	51,154	139,991
Federal revenue bonds payable	586,896	593,612
Interest payable	22,190	22,444
Compensated absences payable	20,340	17,315
Net pension liability	1,350,353	
Net OPEB obligation	<u>553,437</u>	<u>443,316</u>
TOTAL LIABILITIES	<u>2,609,321</u>	<u>1,269,654</u>
DEFERRED INFLOWS OF RESOURCES		
Pension related	<u>862,884</u>	
NET POSITION		
Invested in capital assets, net of related debt	4,152,828	4,237,375
Unrestricted	<u>(1,078,611)</u>	<u>1,163,039</u>
TOTAL NET POSITION	3,074,217	5,400,414
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$6,546,422</u>	<u>\$6,670,068</u>

STATEMENT OF ACTIVITIES

	2015	2014
Public safety:		
Personal services	\$3,024,935	\$3,073,694
Operating services	502,360	505,479
Materials and supplies	254,883	349,833
Travel	51,589	32,654
Depreciation expense	394,792	400,739
Debt service interest	24,230	24,568
Total Program Expenses	<u>4,252,789</u>	<u>4,386,967</u>
Program revenues:		
Civil and criminal fees	204,058	180,638
Commissions on license and taxes	47,549	44,092
Court attendance	5,808	6,702
Transportation of prisoners	8,281	7,467
Bond fees	17,443	21,464
Other fees	17,329	5,034
Accident reports	<u>16,727</u>	<u>8,640</u>
Total program revenues	<u>317,195</u>	<u>274,037</u>
Net Program Expenses	<u>(3,935,594)</u>	<u>(4,112,930)</u>
General revenues:		
Taxes:		
Ad valorem	890,355	885,767
Sales	<u>2,383,943</u>	<u>2,514,467</u>
Grants and contributions not restricted to specific programs:		
Federal sources	23,906	143,570
State sources	<u>396,710</u>	<u>498,938</u>

Local	\$62,325	\$1,000
Interest earned	1,040	1,073
Miscellaneous	157,699	42,695
Special items:		
Gain (loss) on sale of assets	<u>60,847</u>	<u>(32,414)</u>
Change in Net Position	\$41,231	(57,834)
NET POSITION		
Beginning of year - as restated	<u>3,032,986</u>	<u>5,458,248</u>
End of year	<u>\$3,074,217</u>	<u>\$5,400,414</u>

Financial Analysis of the Government's Funds

As noted earlier, the Union Parish Sheriff uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of June 30, 2015, combined governmental fund balances of \$1,656,266 showed an increase of \$10,152 over June 30, 2014.

General Fund Budgetary Highlights

Differences between revenues of the original budget and the final budget were due to an increase in ad valorem tax, federal grants, local grants, civil and criminal fees, other fees, accident reports and other revenues, and decreases in sales taxes, other state grants, and commissions on license and taxes. Differences between expenditures in the original and final budget were due to an increase in personal services, travel and other and capital outlay and a decrease in operating services.

Capital Asset and Debt Administration

Capital assets. The Union Parish Sheriff's investment in capital assets for its governmental activities as of June 30, 2015, amounts to \$4,739,724 net of accumulated depreciation). This investment includes vehicles, furniture, and equipment. The increase in capital assets for the year was \$428,542. There were decreases of \$441,968 during the current year, the largest part was due to purchase of new vehicles.

Long-term debt. At the end of the fiscal year, Union Parish Sheriff had total debt outstanding of \$1,054,243 in the form of compensated absences of \$17,315, federal revenue bonds of \$593,612, and net OPEB obligation of \$443,316. The Union Parish Sheriff contributes to a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The plan provides lifetime healthcare insurance for eligible retirees through the sheriff's group health insurance plan.

Requests for Information

This financial report is designed to provide a general overview of the Union Parish Sheriff's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Union Parish Sheriff, P.O. Box 723, Farmerville, LA 71241.

BASIC FINANCIAL STATEMENTS

UNION PARISH SHERIFF
Farmerville, Louisiana

STATEMENT OF NET POSITION
June 30, 2015

ASSETS	
Cash and cash equivalents	\$1,456,072
Receivables	270,795
Due from other funds	5,505
Capital assets (net of accumulated depreciation)	4,739,724
TOTAL ASSETS	<u>6,472,096</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension related	74,326
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$6,546,422</u>
LIABILITIES	
Accounts payable	\$24,951
Salaries payable	51,154
Interest payable	22,190
Federal Revenue Bonds:	
Due within one year	6,993
Due in more than one year	579,903
Compensated absences payable	20,340
Net pension liability	1,350,353
Net OPEB obligation	553,437
TOTAL LIABILITIES	<u>2,609,321</u>
DEFERRED INFLOWS OF RESOURCES	
Pension related	862,884
NET POSITION	
Invested in capital assets, net of related debt	4,152,828
Unrestricted	<u>(1,078,611)</u>
TOTAL NET POSITION	<u>\$3,074,217</u>
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION	<u>\$6,546,422</u>

The accompanying notes are an integral part of this statement.

UNION PARISH SHERIFF
Farmerville, Louisiana
STATEMENT OF ACTIVITIES
June 30, 2015

Public safety:	
Personal services	\$3,024,935
Operating services	502,360
Materials and supplies	254,883
Travel	51,589
Depreciation expense	394,792
Debt service interest	24,230
Total Program Expenses	<u>4,252,789</u>
Program revenues:	
Civil and criminal fees	204,058
Commissions on license and taxes	47,549
Court attendance	5,808
Transportation of prisoners	8,281
Bond fees	17,443
Other fees	17,329
Accident reports	16,727
Total program revenues	<u>317,195</u>
Net Program Expenses	<u>(3,935,594)</u>
General revenues:	
Taxes:	
Ad valorem	890,355
Sales	2,383,943
Grants and contributions not restricted to specific programs:	
Federal sources	23,906
State sources	396,710
Local	62,325
Interest earned	1,040
Miscellaneous	157,699
Special items -	
Gain (loss) on disposal of assets	<u>60,847</u>
Change in Net Position	41,231
NET POSITION	
Beginning of year - as restated	<u>3,032,986</u>
End of year	<u><u>\$3,074,217</u></u>

The accompanying notes are an integral part of this statement.

UNION PARISH SHERIFF
Farmerville, Louisiana
GOVERNMENTAL FUND

Balance Sheet, June 30, 2015

	General Fund	Non Major Funds	Total
ASSETS			
Cash and cash equivalents	\$1,376,404	\$79,668	\$1,456,072
Receivables	270,795		270,795
Due from other funds	5,505		5,505
	<u>5,505</u>	<u> </u>	<u>5,505</u>
TOTAL ASSETS	<u><u>\$1,652,704</u></u>	<u><u>\$79,668</u></u>	<u><u>\$1,732,372</u></u>
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts payable	\$24,952		\$24,952
Salaries payable	51,154		51,154
Total Liabilities	76,106	NONE	76,106
Fund equity:			
Restricted		\$79,668	79,668
Unassigned	1,576,598		1,576,598
Total fund equity	<u>1,576,598</u>	<u>79,668</u>	<u>1,656,266</u>
TOTAL LIABILITIES AND FUND EQUITY	<u><u>\$1,652,704</u></u>	<u><u>\$79,668</u></u>	<u><u>\$1,732,372</u></u>

The accompanying notes are an integral part of this statement.

UNION PARISH SHERIFF
Farmerville, Louisiana

Reconciliation of Governmental Funds
Balance Sheet to the Statement of Net Position

For the Year Ended June30, 2015

Total Fund Balances at June 30, 2015 - Governmental Funds (Statement C)		\$1,656,266
Deferred outflows of resources		74,326
Cost of capital assets at June 30, 2015	\$6,499,056	
Less: Accumulated depreciation as of June 30, 2015	<u>(1,759,332)</u>	4,739,724
Long-term liabilities at June 30, 2015 -		
Compensated absences payable	(20,340)	
Revenue bonds payable	(586,896)	
Interest payable	(22,190)	
Net pension liability	(1,350,352)	
Net OPEB obligation	<u>(553,437)</u>	(2,533,215)
Deferred inflows of resources		<u>(862,884)</u>
Net Position at June 30, 2015 (Statement A)		<u><u>\$3,074,217</u></u>

The accompanying notes are an integral part of this statement.

UNION PARISH SHERIFF
Farmerville, Louisiana
GOVERNMENTAL FUND TYPE - GENERAL FUND

Statement of Revenues, Expenditures, and
Changes in Fund Balance

For the Year Ended June 30, 2015

	General Fund	Non Major Funds	TOTAL
REVENUES			
Taxes:			
Ad valorem	\$890,355		\$890,355
Sales	2,383,943		2,383,943
Intergovernmental revenues:			
Federal grants	23,906		23,906
State grants:			
State supplemental pay	187,112		187,112
State revenue sharing (net)	99,127		99,127
State FP&C grant		\$90,279	90,279
Other	20,192		20,192
Local grants	62,325		62,325
Fees, charges, and commissions for services:			
Civil and criminal fees	204,058		204,058
Commissions on licenses and taxes	47,549		47,549
Court attendance	5,808		5,808
Transportation of prisoners	8,281		8,281
Bond fees	17,443		17,443
Accident reports	16,727		16,727
Other fees	17,329		17,329
Use of money and property	1,026	14	1,040
Other	49,392		49,392
Total revenues	<u>4,034,573</u>	<u>90,293</u>	<u>4,124,866</u>
EXPENDITURES			
Public safety:			
Current:			
Personal services and related benefits	3,032,000		3,032,000
Operating services	502,360		502,360
Materials and supplies	254,793	90	254,883
Travel and other charges	51,589		51,589
Debt Service	31,200		31,200
Capital outlay	291,363	90,279	381,642
Total expenditures	<u>4,163,305</u>	<u>90,369</u>	<u>4,253,674</u>

(Continued)

Statement D

UNION PARISH SHERIFF
 Farmerville, Louisiana
 GOVERNMENTAL FUND TYPE - GENERAL FUND
 Statement of Revenues, Expenditures, and
 Changes in Fund Balance

	General Fund	Non Major Funds	TOTAL
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(\$128,732)	(\$76)	(\$128,808)
OTHER FINANCING SOURCE: Proceeds from disposal of assets	138,960		138,960
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCE OVER OVER EXPENDITURES	10,228	(76)	10,152
FUND BALANCE AT BEGINNING OF YEAR	1,566,370	79,744	1,646,114
FUND BALANCE AT END OF YEAR	\$1,576,598	\$79,668	\$1,656,266

(Concluded)

The accompanying notes are an integral part of this statement.

UNION PARISH SHERIFF
Farmerville, Louisiana

Reconciliation of Governmental Funds
Statement of Revenue, Expenditures, and Changes
in Fund Balances to the Statement of Activities

For the Year Ended June 30, 2015

Total net change in fund balances - governmental funds (Statement D)	\$10,152
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeds depreciation in the period:	(13,150)
Governmental funds do not report gain or loss on disposition of assets. In the Statement of Activities, gain on disposition of assets decreased when the asset is disposed.	(78,113)
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	254
Payments of long-term debt, including bonds, are reported as expenditures in governmental funds. However, those amounts are a reduction of long-term liabilities in the Statement of Net Position and are not reflected in the Statement of Activities.	6,716
Payments of long-term debt, including contributions to OPEB obligation, are reported as expenditures in governmental funds. However, those amounts are a reduction of long-term liabilities in the Statement of Net Position and are not reflected in the Statement of Activities.	(110,121)
In the Statement of Activities, certain operating expenses - compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).	(3,025)
Non-employer contributions to cost-sharing pension plan	108,308
Pension expense associated with cost-sharing pension plan	<u>120,210</u>
Change in net position of governmental activities (Statement B)	<u>\$41,231</u>

The accompanying notes are an integral part of this statement.

UNION PARISH SHERIFF
Farmerville, Louisiana
Statement of Fiduciary Net Assets - Agency Funds

June 30, 2015

	TAX COLLECTOR FUND	CIVIL FUND	CRIMINAL FUND	TOTAL
ASSETS				
Cash and equivalents	\$101,601	\$48,371	\$148,186	\$298,158
Total Assets	<u>\$101,601</u>	<u>\$48,371</u>	<u>\$148,186</u>	<u>\$298,158</u>
LIABILITIES				
Unsettled deposits due to:				
Other funds	\$519	\$1,461	\$3,525	\$5,505
Others	101,082	46,910	144,661	292,653
Total Liabilities	<u>\$101,601</u>	<u>\$48,371</u>	<u>\$148,186</u>	<u>\$298,158</u>

UNION PARISH SHERIFF
Farmerville, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 also administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, serving subpoenas, et cetera. As the ex-officio tax collector of the parish, the sheriff is responsible for the collection and distribution of ad valorem property taxes, parish occupational licenses, state revenue sharing funds, sportsmen licenses, and fines, costs, and bond forfeitures imposed by the district court.

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

The accompanying financial statements of the Union Parish Sheriff have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, issued in June 1999.

A. REPORTING ENTITY

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

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Union Parish Police Jury for

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Notes to the Financial Statements (Continued)

financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial responsibility. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and:
 - a. The ability of the police jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury maintains and operates the parish courthouse in which the sheriff's office is located and provides partial funding for equipment, furniture and supplies of the sheriff's office, the sheriff was determined to be a component unit of the Union Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the sheriff and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the Union Parish financial reporting entity.

B. BASIC FINANCIAL STATEMENTS - GOVERNMENT-WIDE STATEMENTS

The sheriff's basic financial statements include both government-wide (reporting the sheriff as a whole) and fund financial statements (reporting the sheriff's major fund). Both government-wide and fund financial statements categorize primary activities as either governmental or business type. All activities of the sheriff are classified as governmental.

The Statement of Net Position (Statement A) and the Statement of Activities (Statement B) display information about the reporting government as a whole. These statements include all the financial activities of the sheriff, except for fiduciary funds. Fiduciary funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

In the Statement of Net Position, governmental activities are presented on a consolidated basis and are presented on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term obligations. Net position are reported in three parts;

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Notes to the Financial Statements (Continued)

invested in capital assets, net of any related debt; restricted net position; and unrestricted net position.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program Revenues - Program revenues included in the Statement of Activities (Statement B) are derived directly from parties outside the sheriff's taxpayers or citizenry. Program revenues reduce the cost of the function to be financed from the sheriff's general revenues.

Allocation of Indirect Expenses - The sheriff reports all direct expenses by function in the Statement of Activities (Statement B). Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

C. BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS

The financial transactions of the sheriff are reported in individual funds in the fund financial statements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Fund financial statements report detailed information about the sheriff. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

A fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The sheriff's current operations require the use of only

governmental and fiduciary funds. The governmental and fiduciary fund types used by the sheriff are described as follows:

Governmental Fund Type

General Fund - The General Fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the sheriff and is used to account for the operations of the sheriff's office. The various fees and charges due to the sheriff's office are accounted for in this fund. General operating expenditures are paid from this fund.

Fiduciary Fund Type - Agency Funds

The agency funds are used as depositories for civil suits, cash bonds, taxes, fees, et cetera. Disbursements from the funds are made to various parish agencies, litigants in suits, et cetera, in the manner prescribed by law. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

D. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurement made regardless of the measurement focus applied.

1. Accrual:

Both governmental and business type activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental funds financial statements are presented on the modified accrual basis of accounting. 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 balances 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 differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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Notes to the Financial Statements (Continued)

Governmental funds and the fiduciary type agency 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 funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December, January, and February of the fiscal year.

Interest income on time deposits is recorded when the time deposits have matured and the income is available.

Substantially all other revenues are recognized when received by the sheriff.

Based on the above criteria, intergovernmental revenue and fees, charges, and commissions for services are treated as susceptible to accrual.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

E. CASH AND CASH EQUIVALENTS

Under state law, the sheriff may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2015, the sheriff has cash and equivalents (book balances) totaling \$1,754,230 follows:

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 Notes to the Financial Statements (Continued)

Demand deposits	\$1,753,730
Petty cash	<u>500</u>
Total	<u><u>\$1,754,230</u></u>

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 the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash and cash equivalents (bank balances) at June 30, 2015, are secured as follows:

Bank balances	<u>\$1,852,809</u>
Federal deposit insurance	\$665,389
Pledged securities (uncollateralized)	<u>3,260,064</u>
Total	<u><u>\$3,925,453</u></u>

Because the pledged securities are held by a custodial bank in the name of the fiscal agent bank rather than in the name of the sheriff, they are considered uncollateralized (Category 3) under the provisions of GASB Codification C20.106; however, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the sheriff that the fiscal agent has failed to pay deposited funds upon demand. Further, LRS 39:1224 states that securities held by a third party shall be deemed to be held in the sheriff's name.

F. SALES TAX

The voters of the parish approved the continuance of a ½ of one percent sales and use tax and to levy an additional ½ of one percent sales and use tax for ten (10) years, beginning April 1, 2002. This sales tax was renewed beginning April 1, 2012 for a period of ten (10) years. The proceeds of the sales tax are dedicated for the purpose of providing additional funding for the law enforcement district. The sheriff's office has entered into an agreement with the Lincoln Parish Sales and Use Tax Commission for collection of the tax. For its services, the tax commission receives one and one-eighths per cent (1-1/8%) of gross collections for the year ended June 30, 2015.

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Notes to the Financial Statements (Continued)

G. 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 \$1000 or more for capitalizing capital assets.

Capital assets are recorded in the GWFS, but are not reported in the FFS. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes by the sheriff, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Furniture and fixtures	5 - 10 years
Vehicles	5 - 15 years
Equipment	5 - 20 years

H. VACATION AND SICK LEAVE

All employees are granted from one to two weeks of vacation leave each year, depending on length of service. Vacation leave must be taken in the year granted and may not be accumulated and carried forward to succeeding years. Sick leave is earned at a rate of eight hours per month, and may not be accumulated and carried forward to succeeding years.

I. RISK MANAGEMENT

The sheriff is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets and errors and omissions. To handle such risk of loss, the sheriff maintains commercial insurance policies covering his automobiles and surety bond coverage. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended June 30, 2015.

J. PENSION PLANS

The Union Parish Sheriff's Office is a participating employer in a cost-sharing, multiple-employer defined benefit pension plan as described in Note 4. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions for the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in

UNION PARISH SHERIFF
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 Notes to the Financial Statements (Continued)

accordance with the benefit terms. Investments have been reported at fair value within the plan.

**K. CURRENT YEAR ADOPTION OF NEW ACCOUNTING STANDARDS
 AND RESTATEMENT OF NET POSITION**

The Union Parish Sheriff's Office adopted Government Accounting Standards Board (GASB) Statement No. 68 - *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, and Statement No. 71 - *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. The net effect to the Government-Wide Statement of Net Position is as follows:

Total Net Position, June 30, 2014, as previously stated	5,400,414
Net Pension Liability at June 30, 2014	<u>(2,367,428)</u>
Total Net Position, June 30, 2014, Restated	<u><u>\$3,032,986</u></u>

2. RECEIVABLES

The receivables of \$270,795 at June 30, 2015, are as follows:

<u>Class of receivables:</u>	<u>General Fund</u>
Taxes - Ad Valorem Tax	\$2,786
Taxes - Sales Tax	217,235
Federal grants	8,744
State grants	21,539
Civil and criminal fees	11,959
Court attendance	8,432
Other	100
Total	<u><u>\$270,795</u></u>

3. CHANGES IN CAPITAL ASSETS

A summary of changes in office furnishings, vehicles, and equipment follows:

Adjusted balance at June 30, 2014	\$6,512,483
Additions	428,542
Deletions	<u>(441,968)</u>
Balance at June 30, 2015	6,499,057
Less accumulated depreciation	<u>(1,759,332)</u>
Net Capital Assets	<u><u>\$4,739,725</u></u>

Capital outlay does not agree to additions due to completion of construction in progress.

4. NOTE DISCLOSURES AND REQUIRED SUPPLEMENTARY INFORMATION FOR A COST-SHARING EMPLOYER

The Sheriffs' Pension and Relief Fund (Fund) is 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 the 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 sheriff's office implemented Government Accounting Standards Board (GASB) Statement 68 on Accounting and Financial Reporting for Pensions and Statement 71 on Pension Transition for contributions Made Subsequent to the Measurement Date, an Amendment of GASB 68. These standards require the Sheriff's office to record its proportional share of each of the pension plans Net Pension Liability.

Summary of Significant Accounting Policies.

The Sheriffs' Pension and Relief Fund prepares its employer schedules in accordance with Governmental Accounting Statement No. 68 - *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*. GASB Statement No. 68 established standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources and expenses/expenditures. It provides methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to periods of employee service. It also provides methods to calculate participating employer's proportionate share of net pension liability, deferred inflows, deferred outflows, pension expense and amortization periods for deferred inflows and deferred outflows.

The Sheriffs' Pension and Relief Fund's employer schedules were prepared using the accrual basis of accounting. Members' earnable compensation, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed. The member's earnable compensation is attributed to the employer for which the member is employed as of June 30, 2014.

Plan Description.

The Sheriffs' Pension and Relief Fund was established for the purpose of providing retirement benefits for employees of sheriffs' offices throughout the State of Louisiana, employees of Louisiana Sheriffs' Association and the employees of the Fund. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the Fund in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

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

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Notes to the Financial Statements (Continued)

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Sheriffs Pension and Relief Fund, 6554 Florida Blvd., Suite 215, Baton Rouge, Louisiana 70806, or by calling (800) 586-9049.

Plan Benefits

Retirement Benefits

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 3.33 percent of their final-average salary for each year of credited service. The retirement benefit cannot exceed 100 per cent of their final-average salary. 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 earliest normal retirement date.

For a member whose first employment making him 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 3.33 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 if 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 if service was interrupted. The earnings to be considered for each

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Notes to the Financial Statements (Continued)

twelve-month period within the sixty month period shall not exceed 115% of the preceding twelve-month period.

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 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 members' 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 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.

Deferred 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.

Back Deferred Retirement Option Plan (Back-DROP)

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

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 Notes to the Financial Statements (Continued)

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.

Plan members are required by state statute to contribute 10.25 percent of their annual covered salary and the Union Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 13.89 percent of annual covered payroll. Contributions to the System also include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and funds as required and available from insurance premium taxes. The contribution requirements of plan members and the Union Parish Sheriff are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Union Parish Sheriff's contributions to the System for the years ended June 30, 2015, 2014, and 2013 were \$312,841, \$294,548, and \$296,132, respectively, equal to the required contributions for each year.

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

At June 30, 2015, the Sheriff reported a liability of \$699,795 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Sheriffs' proportion of the net pension liability was based on a projection of the Sheriffs' long-term share of contributions to the pension plan relative to the projected contributions of all participating sheriffs', actuarially determined. At June 30, 2014, the Sheriffs' proportion was 0.51880 percent, which was an increase of .364 from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, the Sheriff recognized pension expense of \$312,840. At June 30, 2015, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience		\$103,554
Changes of assumptions	\$74,326	
Net difference between projected and actual earnings on pension plan investments		450,504

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 Notes to the Financial Statements (Continued)

Changes in proportion and differences between Sheriff contributions and proportionate share of contributions		\$274,712
Sheriff contributions subsequent to the measurement date		34,113
Total	\$74,326	\$862,883

\$34,113 reported as deferred outflows of resources related to pensions resulting from the Union Parish Sheriffs' contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. 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:	
2016	(202,740)
2017	(202,740)
2018	(202,740)
2019	(202,740)
2020	(61,956)
Thereafter	(875,916)

Actuarial assumptions. The total pension liability in the June 30, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	6% (3% Inflation 3% merit)
Investment rate of return	7.7%, net of investment expense

Mortality rates were based on the RP-2000 Combined Mortality Table for Males or Females as appropriate, with adjustments for mortality improvements.

The mortality rate assumptions were set after reviewing an experience study performed over the period July 1, 2004 through June 30, 2009. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality.

The discounted rate used to measure the total pension liability was 7.7%. 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.

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 Notes to the Financial Statements (Continued)

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.

The long-term expected rate of return on pension plan investments was determined using a building block method.

Sensitivity of the Sheriffs’ proportionate share of the net pension liability to changes in the discount rate. The following presents the net pension liability of the participating employers calculated using the discount rate of 7.7%, as well as what the employers’ net pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate.

	1% Decrease (6.7%)	Current Discount Rate (7.75%)	1% Increase (6.7%)
Sheriffs’ proportionate share of the net pension liability	\$784,586,647	\$396,000,518	\$70,134,239

5. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description. The Union Parish Sheriffs Office’s medical and life insurance benefits are provided to employees upon actual retirement.

The employer pays 100% of the medical coverage for the retiree (not dependents). See the sections below for details on Life Insurance and dental benefits. 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, attainment of age 55 and completion of 12 years of service.

Dental insurance coverage is provided to retirees. The employer pays 100% of the cost of the dental insurance for the retirees but not for dependents. We have used the unblended rates provided and included the dental insurance in the medical insurance valuation. 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 dental insurance.

The employer pays for the first \$10,000 of life insurance after retirement for the retiree and the retirees pay for the volume in excess of \$10,000. However, both the employer and retiree rates are based on the blended active/retired rate and there is thus an implied subsidy. Since GASB Codification Section P50 requires the use of “unblended” rates, we have used the 94GAR mortality table described above to “unblend” the rates do as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. Insurance coverage amounts are reduced to 75% of the original amount at age 65 and to 50% of the original amount at age 70. 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.

UNION PARISH SHERIFF
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 Notes to the Financial Statements (Continued)

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.

Fund Policy. Until 2009, the Union Parish Sheriff's Office recognized the cost of providing post-employment medical and life benefits (Union Parish Sheriff's Office portion of the retiree medical and life benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. In 2015 and 2014, Union Parish Sheriff's Office portion of health care and life insurance funding cost for retired employees totaled \$34,902 and \$32,317 respectively.

Effective with the Fiscal Year beginning July 1, 2009, Union Parish Sheriff's Office implemented Government Accounting Standards Board Codification Section P50, *Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions* (GASB Codification Section P50). This amount was applied toward the Net OPEB Benefit Obligation as shown in the following table.

Annual Required Contribution. Union Parish Sheriff's Office 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	\$71,753
30- year UAL amortization amount	81,175
Annual required contribution (ARC)	<u>\$152,928</u>

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

	<u>2015</u>	<u>2014</u>
Beginning Net OPEB Obligation	\$443,316	\$334,552
Annual required contribution	152,928	147,046
Interest on net OPEB obligation	17,733	13,382
Adjustment to annual required contribution	<u>(25,638)</u>	<u>(19,347)</u>
Annual OPEB cost (expense)	145,023	141,081
Contributions made	<u>(34,902)</u>	<u>(32,317)</u>
Change in Net OPEB Obligation	110,121	108,764
Net OPEB obligation at end of year	<u>\$553,437</u>	<u>\$443,316</u>

UNION PARISH SHERIFF
 Farmerville, Louisiana
 Notes to the Financial Statements (Continued)

The following table shows Union Parish Sheriff's Office annual post employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded post employment benefits (PEB) liability for last year and this year:

<u>Post Employment Benefit</u>	<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual Cost Contributed</u>	<u>Net OPEB Obligation (Asset)</u>
Medical/Dental/Life	June 30, 2015	\$145,023	24.07%	\$553,437
Medical/Dental/Life	June 30, 2014	\$141,081	22.91%	\$443,316

Funded Status and Funding Progress. In 2015 and 2014, Union Parish Sheriff's Office made no contributions to its post employment benefits plan. The plan was not funded at all, has no assets, and hence has a funded ratio of zero. Based on the July 1, 2012, actuarial valuation, the most recent valuation, the Actuarial Accrued Liability (AAL) at the end of the year June 30, 2015 was \$1,459,916, which is defined as that portion, as determined by a particular actuarial cost method (Union Parish Sheriff's Office 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)	\$1,459,916
Actuarial Value of Plan Assets	NONE
Unfunded Act. Accrued Liability (UAAL)	<u>\$1,459,916</u>
Funded Ratio (Act. Val. Assets/AAL)	0.00%
Covered Payroll (active plan members)	<u>\$2,205,881</u>
UAAL as a percentage of covered payroll	66.18%

Actuarial Methods and Assumptions. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far in to 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 Union Parish Sheriff's Office and its employee plan members) at the time of the valuation and on the pattern of sharing costs between Union Parish Sheriff's Office 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 Union Parish Sheriff's Office 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.

UNION PARISH SHERIFF

Farmerville, Louisiana

Notes to the Financial Statements (Continued)

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 an annual turnover of approximately 15%.

Post employment Benefit Plan Eligibility Requirements. Historically, employees have entered D.R.O.P. after age 55 and 25 years of service, or age 65 and 12 years of service. We have therefore assumed that employees retire three years after that historical retirement age as just described. The three years is to accommodate the D.R.O.P. period. Medical benefits are provided to employees upon actual retirement.

Investment Return Assumption (Discount Rate). GASB 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. Based on 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 ultimate annual rate of 5.0% for ten years out and later.

Mortality Rate. The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rate and 50% of the unloaded female mortality rates, was used. This is a published mortality table which was designed to be 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" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The employer pays 100% of the cost of the medical benefits for the retiree only (not dependents). See the section below for details on Life Insurance benefits. The medical rates provided are "blended" rates for active and retired before Medicare eligibility. We have therefore estimated the "unblended" rates as required by GASB Codification Section P50 for valuation purposes to be 130% of the blended rates prior to Medicare eligibility.

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.

UNION PARISH SHERIFF
 Farmerville, Louisiana
 Notes to the Financial Statements (Continued)

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.

6. LONG TERM OBLIGATIONS

At June 30, 2015, the sheriff has an outstanding issue of federal long-term revenue bonds. In 2011 the sheriff sold a revenue bond to the United States Department of Agriculture, Farmers Home Administration. The issue dated July 22, 2011 was for \$600,000. The issue bears interest at 4.125 per cent per annum. Principal and interest are to be repaid in annual payments of \$31,200 through July 22, 2051. All long-term debt is to be repaid from the revenues derived from the operation of the civil and criminal divisions of the sheriffs office.

The following is a summary of long-term obligation transactions for the year ended June 30, 2015:

	Revenue Bonds	Compensated Absences	Total
Long-term obligations, June 30, 2014	\$593,612	\$17,315	\$610,927
Additions	NONE	28,497	28,497
Deletions	(6,716)	(25,798)	(32,514)
Adjustments		326	326
Long-term obligations, June 30, 2015	<u>\$586,896</u>	<u>\$20,340</u>	<u>\$607,236</u>

Revenue bonds payable at June 30, 2015, are comprised of the following individual issues:

\$600,000 - dated July 22, 2011. The principal is due in annual installments of \$31,200 July 22, 2051, with interest of 4.125 per cent. Debt retirement payments are made from the Sheriff's General Fund.

\$586,896

The annual requirements to amortize the revenue bonds outstanding at June 30, 2015 are as follows:

Year	Principal	Interest	Total
2015	\$6,993	\$24,207	\$31,200
2016	7,282	23,918	31,200
2017	7,582	23,618	31,200
2018	7,895	23,305	31,200
2019	8,220	22,980	31,200
2020-2024	46,477	109,523	156,000

UNION PARISH SHERIFF
 Farmerville, Louisiana
 Notes to the Financial Statements (Continued)

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025-2029	\$56,887	\$99,113	\$156,000
2030-2034	69,628	86,372	156,000
2035-2039	85,224	70,776	156,000
2040-2044	104,312	51,688	156,000
2045-2049	127,676	28,324	156,000
2050-2051	58,720	3,680	62,400
Total	<u>\$586,896</u>	<u>\$567,504</u>	<u>\$1,154,400</u>

7. DUE FROM/TO OTHER FUNDS

Individual balances due from/to other funds at June 30, 2015, are as follows:

	<u>Due From</u>	<u>Due To</u>
General Fund	\$5,505	
Agency Funds:		
Civil Fund		\$1,461
Criminal Fund		3,525
Tax Collector Fund		519
Total	<u>\$5,505</u>	<u>\$5,505</u>

8. CHANGES IN AGENCY FUND BALANCES

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

	<u>Tax Collector Fund</u>	<u>Seizure Fund</u>	<u>Civil Fund</u>	<u>Criminal Fund</u>	<u>Total</u>
Balance, July 1, 2014	\$213,464	\$7,455	\$46,764	\$153,866	\$421,549
Additions	13,543,671	NONE	959,776	560,582	15,064,029
Deletions	<u>(13,656,053)</u>	<u>(7,455)</u>	<u>(959,630)</u>	<u>(569,787)</u>	<u>(15,192,925)</u>
Balance, June 30, 2015	<u>\$101,082</u>	<u>NONE</u>	<u>\$46,910</u>	<u>\$144,661</u>	<u>\$292,653</u>

9. TAX COLLECTOR ENDING CASH BALANCE

At June 30, 2015, the tax collector has cash and equivalents (book balances) totaling \$101,601 as follows:

UNION PARISH SHERIFF
 Farmerville, Louisiana
 Notes to the Financial Statements (Continued)

Ad valorem taxes	\$40,026
Redemptions and refunds	4,129
Protest taxes	13,509
Parish licenses	15,323
Interest on tax account	3
Interest on delinquent taxes	2,735
Interest on licenses	519
Interest on protest taxes	2,856
Costs	<u>22,501</u>
Total	<u>\$101,601</u>

10. AD VALOREM TAXES COLLECTED

The tax collector has collected and disbursed the following taxes for the year ended June 30, 2015, by taxing body as follows:

Louisiana Forestry Service	\$28,911
Louisiana Tax Commission	5,973
Union Parish Assessor	762,443
Union Parish Police Jury	3,081,550
Union Parish School Board	5,432,879
Union Parish Sheriff	879,538
East Union Hospital	692,023
Tri Ward Hospital	247,557
Ward 5 Fire District	325,823
Spencer-West Sterlington	14,960
District 7 Fire District	160,945
District 1 Fire District	253,497
Northeast Union Fire District	129,759
North Union Fire District	41,691
Bernice Fire District	84,643
Spearsville Fire District	59,360
Sadie-Tiger Bend Fire District	<u>38,383</u>
Total	<u>\$12,239,935</u>

11. TAX UNCOLLECTED AND UNSETTLED

The tax collector has not collected and disbursed the following taxes for the year ended June 30, 2015, by taxing body as follows:

UNION PARISH SHERIFF
 Farmerville, Louisiana
 Notes to the Financial Statements (Continued)

Louisiana Forestry Service	\$14
Union Parish Assessor	33,987
Union Parish Police Jury	142,240
Union Parish School Board	250,771
Union Parish Sheriff	38,979
East Union Hospital	36,918
Tri Ward Hospital	2,075
Ward 5 Fire District	1,206
Spencer/West Sterlington	560
District 7 Fire District	16,200
District 1 Fire District	1,519
Northeast Union Fire District	31,796
North Union Fire District	131
Bernice Fire District	1,195
Spearsville Fire District	641
Sadie-Tiger Fire District	604
Total	<u>\$558,836</u>

The majority of uncollected taxes consist of gas and oil wells and moveable property. The Sheriff has hired an outside firm to collect outstanding taxes. There are also several assessments that have been determined to be 'no property found', but the assessor has not removed it from the tax roll.

12. OCCUPATIONAL LICENSES COLLECTED

At June 30, 2015, the tax collector has collected and disbursed the following:

	<u>Total Collections</u>	<u>Collection Cost</u>	<u>Final Distribution</u>
Union Parish Police Jury	<u>\$144,276</u>	<u>\$21,641</u>	<u>\$122,635</u>

13. LITIGATION AND CLAIMS

The Union Parish Sheriff is not involved in any litigation at June 30, 2015, nor is he aware of any unasserted claims.

UNION PARISH SHERIFF

Farmerville, Louisiana

Notes to the Financial Statements (Continued)

**14. EXPENDITURES OF THE SHERIFF'S OFFICE
PAID BY THE PARISH POLICE JURY**

The Union Parish Sheriff's office is located in a newly constructed sheriff's office building. The cost of maintaining and operating the sheriff's office is paid by the Union Parish Sheriff's office. The Union Parish Police Jury donated the land for the site of the sheriff's office.

REQUIRED SUPPLEMENTARY INFORMATION

PART II

UNION PARISH SHERIFF
Farmerville, Louisiana

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended June 30, 2015

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
Taxes:				
Ad valorem	\$880,000	\$885,900	\$890,355	\$4,455
Sales	2,470,000	2,320,000	2,383,943	63,943
Intergovernmental revenues:				
Federal grants - federal revenue	4,000	13,159	23,906	10,747
State grants:				
State supplemental pay	190,000	190,000	187,112	(2,888)
State revenue sharing (net)	100,000	99,100	99,127	27
Other state grants	36,000	23,794	20,192	(3,602)
Local grant	1,000	55,000	62,325	7,325
Fees, charges, and commissions for services:				
Civil and criminal fees	175,000	191,500	204,058	12,558
Commissions on licenses and taxes	36,000	33,900	47,549	13,649
Court attendance	3,500	5,500	5,808	308
Transportation of prisoners	7,000	6,000	8,281	2,281
Bond fees	19,000	14,000	17,443	3,443
Accident reports	10,000	16,000	16,727	727
Other fees		14,575	17,329	2,754
Use of money and property	300	500	1,026	526
Other revenue	14,500	34,800	49,392	14,592
Total revenues	<u>3,946,300</u>	<u>3,903,728</u>	<u>4,034,573</u>	<u>130,845</u>
EXPENDITURES				
Public safety:				
Current:				
Personal services and benefits	2,979,580	3,000,000	3,032,000	(32,000)
Operating services	552,400	530,000	502,360	27,640
Materials and supplies	298,500	298,500	254,793	43,707
Travel and other charges	44,707	60,000	51,589	8,411
Debt service	31,200	31,200	31,200	
Capital outlay	154,200	334,000	291,363	42,637
Total expenditures	<u>4,060,587</u>	<u>4,253,700</u>	<u>4,163,305</u>	<u>90,395</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(114,287)</u>	<u>(349,972)</u>	<u>(128,732)</u>	<u>221,240</u>

(Continued)

UNION PARISH SHERIFF
 Farmerville, Louisiana
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL (BUDGETARY BASIS)</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
OTHER FINANCING SOURCE-				
Proceeds from disposal of assets	<u>\$3,000</u>	<u>\$148,000</u>	<u>\$138,960</u>	<u>(\$9,040)</u>
Total financing source	<u>3,000</u>	<u>148,000</u>	<u>138,960</u>	<u>(9,040)</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCE OVER EXPENDITURES	(\$111,287)	(\$201,972)	10,228	212,200
FUND BALANCES AT BEGINNING OF YEAR	<u>1,364,015</u>	<u>1,566,370</u>	<u>1,566,370</u>	<u>NONE</u>
FUND BALANCES AT END OF YEAR	<u><u>\$1,252,728</u></u>	<u><u>\$1,364,398</u></u>	<u><u>\$1,576,598</u></u>	<u><u>\$212,200</u></u>

(Concluded)

UNION PARISH SHERIFF
Farmerville, Louisiana

NOTE TO BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2015

A proposed budget, prepared on the modified accrual basis of accounting, is published in the official journal at least ten days prior to the public hearing. A public hearing is held at the Union Parish Sheriff's office during the month of June for comments from taxpayers. The budget is then legally adopted by the sheriff and amended during the year, as necessary. The budget is established and controlled by the sheriff at the object level of expenditure. Appropriations lapse at year-end and must be reappropriated for the following year to be expended.

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying budgetary comparison schedule include the original adopted budget amounts and all subsequent amendments.

**Union Parish Sheriff
Retiree Healthcare Plan
June 30, 2015**

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
June 30, 2009	\$0	\$956,658	\$956,658	0.00%	\$1,779,699	53.75%
June 30, 2012	\$0	\$1,349,774	\$1,349,774	0.00%	\$2,296,744	58.77%

Note:

Generally accepted governmental accounting principles (GASB Codification Po50.131-132) require that the schedule present information from the last three actuarial valuations. Because the requirements of GASB 45 were implemented starting with the year ended June 30, 2010, only one year is available. Additional information will be added after the next valuation. Subsequent to that, information will be presented for the latest three valuations.

Union Parish Sheriff
Schedule of Employer's Share of Net Pension Liability
June 30, 2015

Actuarial Valuation Date	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
June 30, 2015	0.304050%	\$1,204,067	\$2,195,367	54.85%	87.34%

Note: - The amounts presented have a measurement date of the previous fiscal year end.

Union Parish Sheriff
Schedule of Employer Contributions
June 30, 2015

Actuarial Valuation Date	Contractually Required Contribution	Contributions in Relations to Contractual Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a Percentage of Covered Payroll
June 30, 2015	\$312,840	\$312,840	\$0	\$2,195,367	14.25%

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

STATE OF LOUISIANA

PARISH OF UNION

**AFFIDAVIT
DUSTY J. GATES, SHERIFF OF UNION PARISH**

BEFORE ME, the undersigned authority, personally came and appeared, DUSTY J. GATES, SHERIFF OF UNION PARISH, State of Louisiana, who after being duly sworn, deposed and said:

The following information is true and correct:

\$101,601 is the amount of cash on hand in the tax collector account on June, 30, 2015.

He further deposed and said:

All itemized statements of the amount of taxes collected for the tax year, 2014, 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.



DUSTY J. GATES, SHERIFF
SHERIFF & EX-OFFICIO TAX COLLECTOR

SWORN to and subscribed before me, Notary, this 7th day of December, 2015, in my office in Farmerville, Louisiana.



FLORA B. EBARB, NOTARY PUBLIC #008598
UNION PARISH, LOUISIANA

UNION PARISH SHERIFF
Farmerville, LouisianaSchedule of Compensation, Benefits and Other Payments to Agency Head
For the Year Ended June 30, 2015

DUSTY GATES, SHERIFF

PURPOSE	AMOUNT
Salary	\$152,042
Expense Allowance	15,113
Benefits-insurance	8,757
Benefits-retirement	23,689
Benefits-other	786
Meals	392
Registration fees	385
Housing and lodging	2,051
Membership dues-Sheriffs Association	10,962
Total	\$214,177

OTHER SUPPLEMENTARY INFORMATION

PART III

UNION PARISH SHERIFF
Farmerville, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
For the Year Ended June 30, 2015

NON MAJOR FUNDS

STATE CONSTRUCTION FUND

The State Construction Fund was used for the cost of construction of the law enforcement building with proceeds from Facilities Planning and Control grants.

USDA CONSTRUCTION FUND

The USDA Construction Fund was used for the cost of construction of the law enforcement building with proceeds from USDA grants and loan.

USDA CONTINGENCY RESERVE FUND

The USDA Contingency Reserve Fund may be used for unusual or extraordinary maintenance, repairs, replacements, and extensions and for the cost of improvements to the building.

USDA DEBT SERVICE FUND

This fund is used to pay bond principal and interest as they become due.

UNION PARISH SHERIFF
Farmerville, Louisiana
GOVERNMENTAL FUND TYPE - NON MAJOR FUNDS

Combining Balance Sheet, June 30, 2015

	<u>State Construction Fund</u>	<u>USDA Contingency Reserve</u>	<u>USDA Debt Service Fund</u>	<u>TOTAL</u>
ASSETS				
Cash	<u>\$9,581</u>	<u>\$35,045</u>	<u>\$35,042</u>	<u>\$79,668</u>
FUND EQUITY				
Restricted	<u>\$9,581</u>	<u>\$35,045</u>	<u>\$35,042</u>	<u>\$79,668</u>

UNION PARISH SHERIFF
Farmerville, Louisiana
GOVERNMENTAL FUND TYPE - NON MAJOR FUNDS

Combining Schedule of Revenues, Expenditures, and
Changes in Fund Balances
For the Year Ended June 30, 2015

	State Construction Fund	USDA Construction Fund	USDA Contingency Reserve	USDA Debt Service Fund	TOTAL
REVENUES					
State grants	\$90,279				\$90,279
Use of money and property			\$7	\$7	14
TOTAL REVENUES	<u>90,279</u>	<u>NONE</u>	<u>7</u>	<u>7</u>	<u>90,293</u>
EXPENDITURES					
Materials and supplies		\$90			90
Capital outlay	90,279				90,279
TOTAL EXPENDITURES	<u>90,279</u>	<u>90</u>	<u>NONE</u>	<u>NONE</u>	<u>90,369</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>NONE</u>	<u>(90)</u>	<u>7</u>	<u>7</u>	<u>(76)</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>9,581</u>	<u>90</u>	<u>35,038</u>	<u>35,035</u>	<u>79,744</u>
FUND BALANCES AT END OF YEAR	<u>\$9,581</u>	<u>NONE</u>	<u>\$35,045</u>	<u>\$35,042</u>	<u>\$79,668</u>

UNION PARISH SHERIFF
Farmerville, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
As of and For the Year June 30, 2015

FIDUCIARY FUND TYPE - AGENCY FUNDS

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.

SEIZURE FUND

The Seizure Fund accounts for monies seized from suspects and monies given the sheriff's office by court order on drug cases. These funds are restricted and are to be used for drug enforcement.

CIVIL FUND

The Civil Fund accounts for funds held in civil suits, sheriff's sales, and garnishments and payment to recipients in accordance with applicable laws.

CRIMINAL FUND

The Criminal Fund accounts for the collection of bonds, fines, and court costs in criminal matters and payment to recipients in accordance with applicable laws.

UNION PARISH SHERIFF
Farmerville, Louisiana
FIDUCIARY FUND TYPE - AGENCY FUNDS

Schedule of Changes in Unsettled Balances
Due to Taxing Bodies and Others
For the Year Ended June 30, 2015

	TAX COLLECTOR FUND	SEIZURE FUND	CIVIL FUND	CRIMINAL FUND	TOTAL
UNSETTLED BALANCES DUE TO TAXING BODIES AND OTHERS, JUNE 30, 2014	<u>\$213,464</u>	<u>\$7,455</u>	<u>\$46,764</u>	<u>\$153,866</u>	<u>\$421,549</u>
ADDITIONS					
Deposits:					
Sheriff's sales			838,730		838,730
Fines and costs				560,582	560,582
Garnishments			98,108		98,108
Other additions			22,938		22,938
Taxes, fees, etc.,	<u>13,543,671</u>				<u>13,543,671</u>
Total additions	<u>13,543,671</u>	<u>NONE</u>	<u>959,776</u>	<u>560,582</u>	<u>15,064,029</u>
Total	<u>13,757,135</u>	<u>7,455</u>	<u>1,006,540</u>	<u>714,448</u>	<u>15,485,578</u>
REDUCTIONS					
Deposits settled to:					
Louisiana Forestry Commission	28,974				28,974
Louisiana Tax Commission	5,973				5,973
Union Parish:					
Sheriff's General Fund	1,023,488	7,455	164,456	75,063	1,270,462
Police Jury	3,484,627			19,128	3,503,755
School Board	5,636,657				5,636,657
Assessor	778,948				778,948
Clerk of Court	2,149		22,189	32,373	56,711
East Union Hospital	709,991				709,991
Tri-Ward Hospital	257,174				257,174
Ward Five Fire District	328,868				328,868
Spencer-West Sterlington Fire District	21,179				21,179
District 7 Fire District	162,198				162,198
District 1 Fire District	263,658				263,658
Northeast Union Fire District	130,240				130,240
North Union Fire District	41,935				41,935
Bernice Fire District	84,386				84,386
Spearsville Fire District	59,799				59,799
Sadie-Tiger Fire District	38,380				38,380
Municipalities				9,160	9,160
Pension funds	376,950				376,950

(Continued)

UNION PARISH SHERIFF
 Farmerville, Louisiana
 FIDUCIARY FUND TYPE - AGENCY FUNDS
 Schedule of Changes in Unsettled Balances
 Due to Taxing Bodies and Others, 2015

	TAX COLLECTOR FUND	SEIZURE FUND	CIVIL FUND	CRIMINAL	TOTAL
REDUCTIONS: (CONTD.)					
Deposits settled to: (Contd.)					
District attorney				\$58,730	\$58,730
Indigent defender board				62,420	62,420
LA Rehabilitation Service				2,466	2,466
Criminal court fund				109,244	109,244
Judicial district court				43,500	43,500
Litigants			\$327,582	91,400	418,982
North Louisiana Crime Lab				35,217	35,217
Louisiana Commission on Law Enforcement				8,124	8,124
Redemptions	\$40,442				40,442
Other reductions	180,037		445,403	22,962	648,402
Total reductions	<u>13,656,053</u>	<u>7,455</u>	<u>959,630</u>	<u>569,787</u>	<u>15,192,925</u>
UNSETTLED BALANCES DUE TO TAXING BODIES AND					
	<u>\$101,082</u>	<u>NONE</u>	<u>\$46,910</u>	<u>\$144,661</u>	<u>\$292,653</u>

(Concluded)

**REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS
PART IV**

**Independent Auditor's Report Required
by *Government Auditing Standards***

The following independent auditor's report on compliance with laws, regulations and contracts, and internal control over financial reporting are presented in compliance with the requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

**Independent Auditors Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed
in Accordance *Government Auditing Standards***

UNION PARISH SHERIFF
Farmerville, Louisiana

I 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 Union Parish Sheriff, a component unit of the Union Parish Police Jury as of and for the year ended June 30, 2015 and the related notes to the financial statements, which collectively comprise the Union Parish Sheriffs basic financial statements, and have issued my report thereon dated December 7, 2015.

Internal Control Over Financial Reporting

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

A deficiency in internal control exist 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 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.

UNION PARISH SHERIFF
Farmerville, Louisiana
Independent Auditor's Report on Compliance
And Internal Control Over Financial Reporting, etc.
June 30, 2015


My 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 my audit I did not identify any deficiencies in internal control that I 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 Union Parish Sheriff's financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my 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 my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Union Parish Sheriff's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Union Parish Sheriff's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



West Monroe, Louisiana
December 7, 2015

UNION PARISH SHERIFF
Farmerville, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2015

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the basic financial statements of the Union Parish Sheriff.
2. No significant deficiencies relating to the audit of the financial statements are reported in the Independent Auditor's Report on Compliance and Internal Control Over Financial Reporting.
3. No instances of noncompliance material to the financial statements of the Union Parish Sheriff is reported in the Auditor's Report on Compliance and Internal Control Over Financial Reporting.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

UNION PARISH SHERIFF
Farmerville, Louisiana

Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2015

There were no audit findings reported in the audit for the year ended June 30, 2014.