

EISNERAMPER

EAST BATON ROUGE PARISH SHERIFF

Baton Rouge, Louisiana

FINANCIAL REPORT

June 30, 2025



EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

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INDEPENDENT AUDITORS' REPORT

Honorable Sid J. Gautreaux, III
Sheriff and Tax Collector
East Baton Rouge Parish Sheriff
Baton Rouge, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the East Baton Rouge Parish Sheriff (the "Sheriff") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the East Baton Rouge Parish Sheriff as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Sheriff, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management 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; and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Sheriff's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, and *Government Auditing Standards* we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Sheriff's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Sheriff's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, the Budgetary Comparison Schedule – General Fund, the Schedule of Changes in Total Other Post-Employment Benefit Plan Liability and Related Ratios, the Schedule of Proportionate Share of the Net Pension Liability – Sheriffs' Pension and Relief Fund, the Schedule of the Employer's Contributions to the Sheriff's Pension and Relief Fund, and the Notes to Required Supplementary Information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Sheriff's basic financial statements. The Schedule of Compensation, Benefits, and Other Payments to the East Baton Rouge Parish Sheriff and the Justice System Funding Schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is also presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 25, 2026, on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Sheriff's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and compliance.

EisnerAmper LLP

EISNERAMPER LLP
Baton Rouge, Louisiana
March 25, 2026



REQUIRED SUPPLEMENTARY INFORMATION – PART I

EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

Management's Discussion and Analysis

This section of the East Baton Rouge Parish Sheriff's (the Sheriff's) annual financial report provides a narrative discussion and analysis of the financial activities of the Sheriff for the fiscal years ended June 30, 2025 and 2024. The Sheriff's financial performance is discussed and analyzed within the context of the financial statements and disclosures, which follow this section.

Financial Highlights

- The Sheriff's net position reflects a deficit of approximately \$42.7 million for the fiscal year ended June 30, 2025 compared to the deficit of approximately \$45.3 million for fiscal year ended June 30, 2024. The Sheriff's total other post-employment benefit liability contributes to this deficit in net position. This liability accounts for approximately \$97.8 million or 57% of the total liabilities.
- Total revenues of approximately \$141.8 million were more than total expenses of approximately \$139.3 million, resulting in an increase in the net position of approximately \$2.5 million for the year ended June 30, 2025 (an decrease in net position deficit). For the year ended June 30, 2024, total revenues of approximately \$128.9 million were below total expenses of \$143.3 million, resulting in a decrease in net position of approximately \$14.4 million for that year (an increase in net position deficit).
- The Sheriff's governmental funds contained total ending fund balances of approximately \$61.7 million and \$56.4 million as of June 30, 2025 and 2024, respectively. This level of fund balance provides a reasonably adequate level of operating reserves.
- Total net position is comprised of the following:
 - (1) Net investment in capital assets of \$19.2 million and \$14.2 million for the years ended June 30, 2025 and 2024 respectively. This investment in capital assets includes property and equipment net of accumulated depreciation and debt used to purchase or fund the assets.
 - (2) Restricted net position of \$11.4 million and \$5.6 million for the years ended June 30, 2025 and 2024, respectively. These resources consist primarily of opioid settlement revenues, seized assets, net of liabilities, or other accounts whose use is restricted by statute.
 - (3) Unrestricted net position deficit of \$73.4 million and \$65.0 million for the years ended June 30, 2025 and 2024, respectively indicates net liabilities for the long-term that must be paid from future resources.

Greater detail of these financial highlights is provided in the "financial analysis" section of this document.

Overview of the Financial Statements

Management's Discussion and Analysis introduces the Sheriff's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The Sheriff also includes information in this report to supplement the basic financial statements.

Government-wide Financial Statements

The Sheriff's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Sheriff's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Position*. This is the government-wide statement of position presenting information that includes all of the Sheriff's assets, deferred outflows, liabilities, and deferred inflows with the difference among them reported as *net position (deficit)*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Sheriff's office as a whole is improving or deteriorating. Evaluation of the overall financial health of the Sheriff's office would extend to other non-financial factors such as diversification of the taxpayer base in addition to the financial information provided in this report.

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Management's Discussion and Analysis

The second government-wide statement is the *Statement of Activities*, which reports how the Sheriff's net position changed during the current fiscal year. All current year revenues and expenses are included and reported when earned or owed regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the Sheriff's distinct activities or functions on revenues provided by taxpayers.

The government-wide financial statements present governmental activities of the Sheriff that are principally supported by tax revenue. The sole purpose of these governmental activities is public safety.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Sheriff uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Sheriff's most significant funds, rather than the Sheriff as a whole.

The Sheriff uses governmental funds and fiduciary funds as follows:

Governmental funds are reported in the fund financial statements and encompass the same function reported as governmental activities in the government-wide financial statements. However, the focus is different with fund statements providing a distinctive view of the Sheriff's governmental operating and activities, including object classifications. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

Fiduciary funds are reported in the fiduciary fund financial statements. These funds account for taxes collected for other taxing bodies, deposits and settlements held pending court action, the individual prison inmate accounts, and funds held for evidence in criminal proceedings. The only fiduciary type funds presented by the Sheriff is custodial funds. These financial statements, while usually reporting short-term assets and liabilities are reported on the accrued basis with a long-term view.

Notes to the basic financial statements

The accompanying notes to the financial statements provide information essential to a full understanding of 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 Sheriff's budget presentations and post-employment benefit plans. Budgetary comparison statements are included as "required supplementary information" for the general fund. This schedule demonstrates compliance with the Sheriff's initially adopted and final revised budget. Other supplementary information not required by accounting standards includes the schedule of compensation, benefits, and other payments to East Baton Rouge Parish Sheriff, presented to reflect the total compensation to the agency head, and the justice funding schedules, presented to reflect pre and post adjudication collections and receipts.

EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

Management's Discussion and Analysis

Financial Analysis

The Sheriff's net position deficit was \$42.7 million and \$45.3 million at June 30, 2025 and 2024, respectively.

The following table provides a summary of the Sheriff's net position deficit:

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
	<u>Governmental Activities</u>	<u>Governmental Activities</u>
Assets:		
Current assets	\$ 79,112,311	\$ 66,994,488
Capital assets	<u>29,354,061</u>	<u>22,455,698</u>
Total assets	<u>108,466,372</u>	<u>89,450,186</u>
Deferred Outflows of Resources	<u>42,721,084</u>	<u>64,646,882</u>
Liabilities:		
Current liabilities	8,762,111	6,202,028
Long-term liabilities	<u>162,471,315</u>	<u>180,824,121</u>
Total liabilities	<u>171,233,426</u>	<u>187,026,149</u>
Deferred Inflows of Resources	<u>22,688,064</u>	<u>12,332,961</u>
Net position (deficit):		
Net investment in capital assets	19,212,729	14,224,690
Restricted for		
Opioid settlement	9,567,426	4,837,066
Other	1,878,583	719,342
Unrestricted	<u>(73,392,772)</u>	<u>(65,043,140)</u>
Total net position	<u>\$ (42,734,034)</u>	<u>\$ (45,262,042)</u>

The Sheriff had \$19,212,729 and \$14,224,690 net position invested in capital assets (net of financing debt) at June 30, 2025 and 2024, respectively, consisting primarily of law enforcement and telecommunications equipment and vehicles. The increase is primarily due to the acquisition of law enforcement vehicles, buildings, and right-of-use vehicle leased assets, offset by amortization and depreciation being recognized. The restricted net position balance increased due to an increase in the opioid settlement funding to be received in future years. The unrestricted net deficit reflects liabilities incurred in excess of non-capital and restricted assets available to satisfy those liabilities.

Long-term liabilities (Including the current portion of long-term liabilities) consisting primarily of the total other post-employment benefit liability (OPEB), net pension liability, compensated absences payable, and the lease liability were \$162,471,315 versus \$180,824,121 at June 30, 2025 and 2024, respectively. The change is primarily the result of the change in net pension liability and OPEB, which decreased by approximately \$16.1 and \$4.6million, respectively. This change is primarily the result of fluctuating actuarial assumptions. Other factors contributing to the change in long-term liabilities include increased general liability claims and new lease obligations, and compensated absences.

EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

Management's Discussion and Analysis

The following table provides a Summary Statement of Activities that accounts for the Sheriff's changes in net position:

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
	<u>Governmental Activities</u>	<u>Governmental Activities</u>
Revenues:		
Program:		
Fees, charges, and commissions for services	\$ 26,066,306	\$ 24,911,719
Grants and contributions	<u>5,564,915</u>	<u>4,284,309</u>
	31,631,221	29,196,028
General:		
Ad valorem taxes	93,437,981	83,526,265
State grants not restricted to specific programs	4,660,567	4,552,715
Interest income	2,151,199	2,297,895
Contributions not restricted to specific programs	3,262,595	2,899,524
Opioid settlement	4,248,501	5,189,393
Miscellaneous	<u>2,426,426</u>	<u>1,275,239</u>
Total revenues	<u>141,818,490</u>	<u>128,937,059</u>
Expenses:		
Public safety:		
Personnel services and benefits	96,123,251	98,100,341
Operating services	25,574,833	24,709,747
Materials and supplies	14,888,111	17,432,902
Transporting and other charges	<u>2,704,287</u>	<u>3,038,764</u>
Total expenses	<u>139,290,482</u>	<u>143,281,754</u>
Change in net position	2,528,008	(14,344,695)
Beginning net position	<u>(45,262,042)</u>	<u>(30,917,347)</u>
Ending net position	<u>\$ (42,734,034)</u>	<u>\$ (45,262,042)</u>

REVENUES

Ad-valorem taxes funded approximately 66% of the Sheriff's operations for the years ended June 30, 2025 and 2024, respectively. Ad-valorem taxes typically change very little each year unless there is a reassessment or a change in millages, however, the increase, during the year end June 30, 2025, was related to a reassessment which affected continued increases in property values, and new construction impacting property tax values during the year ended June 30, 2025. Program revenues consist of fees, charges and commissions for services as well as operating and capital grants and contributions. Program revenues from fees, charges, and commissions for services funded 18% and 19% of operations for the years ended June 30, 2025 and 2024, respectively. Those revenues increased approximately \$1.1 million or 5%, as a result of an increase in revenues collected from the City-Parish government for feeding and housing prisoners as well as an increase in civil and criminal fee income. Grants and contributions comprised 4% and 3% of revenue for the years ended June 30, 2025 and 2024, respectively. Those revenues increased approximately \$1.2 million due to an increase in federal assistance resulting from ARPA funding, and other grant revenue sources. The National Opioid Settlement accounted for approximately \$4.2 million revenue in 2025. This recognized revenue is based

EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

Management's Discussion and Analysis

on estimates of the Sheriff's allocated portion of distributions over eighteen years as stipulated in the settlements. As new settlements are added or the estimated distributions change, the revenue recognized could change.

EXPENSES

The primary function of the Sheriff's Office is public safety activities. Therefore, all expenses are presented within this category on the Statement of Activities. To highlight certain components of this broad category of expenses, we offer the following analysis.

Personnel expenses decreased approximately \$2.0 million or 2%. The decrease personnel expenses are attributable to adjustments associated with the net pension liability and the other post-employment benefits liability, being offset by increases to overall payroll costs. Operating service expenses increased approximately \$0.9 million or 4%. This is primarily the result of increases in general insurance claims expense. Expenses for materials and supplies decreased approximately \$2.6 million or 15% as a result of decreased out-of-parish prisoner maintenance costs as well as a decrease in other supplies. Transporting and other costs decreased approximately \$0.3 million or 11% primarily as a result of decreased costs for guard services and state and federal prisoners.

Financial Analysis of the Sheriff's Funds

Governmental funds

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of approximately \$61.7 million and \$56.4 million at June 30, 2025 and 2024, respectively. The fund balance as of June 30, 2025 represents approximately 47% of annual expenditures. This level of fund balance is necessary to allow the Sheriff to sustain operations during periods of decreased revenues without having to obtain significant short or long-term borrowings to fund operations. The Sheriff's management team is monitoring the fund balance level to ensure it is maintained at an adequate level.

Budgetary Highlights

The General Fund — The original budget for the General Fund included anticipated revenues of approximately \$117.6 million and \$110.1 million for the years ended June 30, 2025 and 2024, respectively, an increase of approximately \$7.5 million from 2024 to 2025. For the fiscal year ended June 30, 2025, the budget was amended to reflect net changes among various revenue accounts for an increase totaling approximately \$13.9 million. This budget increase is attributable to higher revenues associated with ad-valorem taxes, grant revenues, feeding and keeping prisoners, and interest income. The total actual revenues of \$133.7 million, as reported in the General Fund exceeded the amended budget by approximately \$2.2 million.

The original budget for the General Fund included anticipated expenditures of approximately \$120.4 million and \$110.3 million for the years ended June 30, 2025 and 2024. For the year ended June 30, 2025, the budget was amended to reflect an increase of approximately \$10.4 million in anticipated expenditures. The total actual expenditures of \$133.1 million, as reported in the General Fund, was more than the amended budget by approximately \$2.3 million, primarily due to higher than expected new automobile leases driving up capital outlay expenditures, which was reciprocated with an increase in other financing sources. Overall, the net change (increase) in fund balance for the year ended June 30, 2025 of \$5.3 million was higher than the amended budget.

EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

Management's Discussion and Analysis

Capital Assets and Debt Administration

Capital assets

The Sheriff's investment in capital assets was \$29,354,061, net of accumulated depreciation/amortization of \$33,524,458 at June 30, 2025 and \$22,455,698 net of accumulated depreciation/amortization of \$31,477,678 at June 30, 2024. Under the Sheriff's capitalization policy, assets with a cost of \$5,000 or more are capitalized for purposes of financial reporting. All assets with a cost of \$5,000 or more, as well as certain assets with a cost of less than \$5,000, are inventoried and tracked. See Note 4 within the notes to the financial statements for additional information about changes in capital assets during the fiscal year and the balance at the end of the year. The following table provides a summary of capital asset categories:

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Land	\$ 68,566	\$ 68,566
Work-in-progress	182,443	137,648
Buildings	5,873,696	4,708,112
Vehicles	7,935,959	4,983,196
Office furniture & equipment	754,649	550,513
Law enforcement equipment	4,463,751	3,782,838
Telecommunications equipment	142,239	123,859
Right-of-use assets	9,932,758	8,100,966
Total capital assets	<u>\$ 29,354,061</u>	<u>\$ 22,455,698</u>

At June 30, 2025 and 2024, the depreciable capital assets for governmental activities were 59% and 53% depreciated, respectively.

Long-term liabilities

The Sheriff has no long-term bonded debt or borrowings outstanding at June 30, 2025. Other long-term liabilities consisted of total other post-employment benefits liability of \$97,847,192; net pension liability of \$36,826,268, general liability and auto claims payable of \$9,000,000, compensated absences of \$8,656,523, lease liability of \$9,757,797, and subscription-based information technology arrangements liability of \$383,535 as of June 30, 2025. These long-term liabilities decreased approximately \$18.4 million in total from June 30, 2025, primarily due to the total other post-employment benefit liability and net pension liability decreasing \$20.7 million, the result of fluctuating actuarial assumptions. Other factors include increased general liability claims and new lease obligations.

Economic Conditions and Budgets of Future Periods

In setting the fiscal year 2026 General Fund budget, while property tax was projected to increase, most other revenue sources are anticipated to decline including grant revenues, fees, and feeding and keeping of prisoners. Expenditures are also anticipated to decline including materials and supplies, and capital outlay compared to 2025 expenditures.

Contacting the Sheriff's Financial Management

This financial report is designed to provide a general overview of the Sheriff's finances, comply with laws and regulations related to finance, and demonstrate the Sheriff's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the Sheriff's Office, David Yellott, Chief Financial Officer, at (225) 389-8970 or email at dyellott@ebrso.org.

BASIC FINANCIAL STATEMENTS

EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

STATEMENT OF NET POSITION
June 30, 2025

ASSETS

Cash	\$ 63,397,215
Receivables	11,984,230
Due from other governments	2,794,933
Other	935,933
Capital assets not being depreciated:	
Land	68,566
Work-in-progress	182,443
Capital assets, net of depreciation	<u>29,103,052</u>
Total assets	<u>108,466,372</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred pension contributions	6,277,727
Deferred outflow amounts related to total other post-employment benefits	26,768,322
Deferred outflow amounts related to net pension liability	<u>9,675,035</u>
Total deferred outflows of resources	<u>42,721,084</u>

LIABILITIES

Accounts payable and accrued liabilities	6,585,526
Health claims payable	1,100,000
Due to others	1,076,585
Long-term liabilities:	
Due in one year:	
Compensated absences payable	5,142,297
Total other post-employment benefit liability	2,318,975
Subscription-based information technology arrangements	383,535
Lease liability	2,213,657
Due in more than one year:	
Compensated absences payable	3,514,226
General liability and auto claims payable	9,000,000
Lease liability	7,544,140
Total other post-employment benefit liability	95,528,217
Net pension liability	<u>36,826,268</u>
Total liabilities	<u>171,233,426</u>

DEFERRED INFLOWS OF RESOURCES

Deferred inflow amounts related to total other post-employment benefits	16,966,423
Deferred inflow amounts related to net pension liability	<u>5,721,641</u>
Total deferred inflows of resources	<u>22,688,064</u>

NET POSITION

Net investment in capital assets	19,212,729
Restricted for	
Opioid settlement	9,567,426
Other	1,878,583
Unrestricted	<u>(73,392,772)</u>
Total net deficit	<u>\$ (42,734,034)</u>

The accompanying notes are an integral part of this statement.

EAST BATON ROUGE PARISH SHERIFF

Baton Rouge, Louisiana

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2025

		<u>Program Revenues</u>			<u>Net (Expense)</u>
	<u>Expenses</u>	<u>Fees, Fines, and Charges for Services</u>	<u>Capital Grants and Contributions</u>	<u>Operating Grants and Contributions</u>	<u>Revenues and Changes in Net Position</u>
Governmental Activities:					
Public Safety	\$138,631,630	\$ 26,066,306	\$ 1,754,033	\$ 3,810,882	\$ (107,000,409)
Interest	658,852	-	-	-	(658,852)
Total Governmental Activities	<u>\$139,290,482</u>	<u>\$ 26,066,306</u>	<u>\$ 1,754,033</u>	<u>\$ 3,810,882</u>	<u>(107,659,261)</u>
General revenues:					
Ad valorem taxes					93,437,981
State grants not restricted to specific programs					4,660,567
Interest income					2,151,199
Contributions not restricted to specific programs					3,262,595
Opioid settlement					4,248,501
Other					<u>2,426,426</u>
Total general revenues					<u>110,187,269</u>
Change in net position					2,528,008
Net position - beginning					<u>(45,262,042)</u>
Net position - ending					<u>\$ (42,734,034)</u>

The accompanying notes are an integral part of this statement.

EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2025

	<u>General Fund</u>	<u>Non-Major Canteen Fund</u>	<u>Total</u>
<u>ASSETS</u>			
Cash	\$ 60,826,819	\$ 637,794	\$ 61,464,613
Cash restricted	1,932,602	-	1,932,602
Receivables	11,984,230	-	11,984,230
Due from other governments	2,794,933	-	2,794,933
Other	920,707	15,226	935,933
Total assets	<u>\$ 78,459,291</u>	<u>\$ 653,020</u>	<u>\$ 79,112,311</u>
<u>LIABILITIES</u>			
Accounts payable and accrued liabilities	\$ 6,458,456	\$ 127,070	\$ 6,585,526
Health claims payable	1,100,000	-	1,100,000
Due to others	1,076,585	-	1,076,585
Total liabilities	<u>8,635,041</u>	<u>127,070</u>	<u>8,762,111</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Unavailable revenue - legal settlements	8,644,779	-	8,644,779
Total deferred inflows	<u>8,644,779</u>	<u>-</u>	<u>8,644,779</u>
<u>FUND BALANCE</u>			
Restricted for			
Opioid settlement	922,647	-	922,647
Other	1,878,583	-	1,878,583
Committed	-	525,950	525,950
Assigned	11,270,000	-	11,270,000
Unassigned	47,108,241	-	47,108,241
Total fund balances	<u>61,179,471</u>	<u>525,950</u>	<u>61,705,421</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 78,459,291</u>	<u>\$ 653,020</u>	<u>\$ 79,112,311</u>

The accompanying notes are an integral part of this statement.

EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

RECONCILIATION OF THE GOVERNMENTAL FUNDS' BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2025

Total Fund Balances for governmental funds at June 30, 2025	\$ 61,705,421
Total Net Position reported for governmental activities in the Statement of Net Position is different because:	
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds. Total capitalized cost, net of \$33,524,458 accumulated depreciation and amortization:	29,354,061
Long-term liabilities at June 30, 2025:	
Total other post-employment benefits liability	(97,847,192)
Claims payable - general liability and auto	(9,000,000)
Compensated absences payable	(8,656,523)
Subscription-based information technology arrangements	(383,535)
Lease liability	(9,757,797)
Pension liabilities, deferred inflows and deferred outflows of resources:	
Net pension liability	(36,826,268)
Deferred inflows related to net pension liability	(5,721,641)
Deferred outflows related to other post employment benefits	26,768,322
Deferred outflows related to net pension liability	15,952,762
Deferred inflows related to other post employment benefits	<u>(16,966,423)</u>
Receivables from revenues for activities that do not provide current financial resources are not included in fund balance in the funds	
Opioid settlement	<u>8,644,779</u>
Total Net Position of governmental activities at June 30, 2025	<u><u>\$ (42,734,034)</u></u>

The accompanying notes are an integral part of this statement.

EAST BATON ROUGE PARISH SHERIFF**Baton Rouge, Louisiana****STATEMENT OF REVENUES, EXPENDITURES AND CHANGES****IN FUND BALANCE - GOVERNMENTAL FUNDS****YEAR ENDED JUNE 30, 2025**

	General Fund	Non-Major Canteen Fund	Total
<u>REVENUES</u>			
Ad valorem taxes	\$ 93,437,981	\$ -	\$ 93,437,981
Intergovernmental revenues:			
Federal grants and other financial assistance	4,365,031	-	4,365,031
State grants	678,159	-	678,159
State supplemental pay	3,965,653	-	3,965,653
State revenue sharing	694,914	-	694,914
Fees, charges, and commissions for services:			
Civil and criminal fees	9,159,656	-	9,159,656
Court attendance	105,366	-	105,366
Transporting prisoners	301,759	-	301,759
Feeding and keeping prisoners	12,003,622	-	12,003,622
Sales of merchandise	-	46,313	46,313
Fines and forfeitures	162,368	-	162,368
Narcotics seizures	435,889	-	435,889
Other	3,461,946	389,387	3,851,333
Interest income	2,131,537	19,662	2,151,199
Donations	521,725	-	521,725
Miscellaneous	2,266,198	32,863	2,299,061
Total Revenues	<u>133,691,804</u>	<u>488,225</u>	<u>134,180,029</u>
<u>EXPENDITURES</u>			
Public safety:			
Personnel services and related benefits	80,852,549	390,331	81,242,880
Operating services	18,885,949	-	18,885,949
Materials and supplies	14,101,596	57,849	14,159,445
Transporting and other charges	2,653,509	50,778	2,704,287
Debt service:			
Principal	2,539,642	-	2,539,642
Interest	658,852	-	658,852
Capital outlay	13,411,356	-	13,411,356
Total Expenditures	<u>133,103,453</u>	<u>498,958</u>	<u>133,602,411</u>
EXCESS OF REVENUES OVER EXPENDITURES	588,351	(10,733)	577,618
Other financing sources:			
Lease proceeds	4,390,593	-	4,390,593
Sale of capital assets	341,028	-	341,028
Total other financing sources	<u>4,731,621</u>	<u>-</u>	<u>4,731,621</u>
Net change in fund balance	5,319,972	(10,733)	5,309,239
FUND BALANCE AT BEGINNING OF YEAR	<u>55,859,499</u>	<u>536,683</u>	<u>56,396,182</u>
FUND BALANCE AT END OF YEAR	<u>\$ 61,179,471</u>	<u>\$ 525,950</u>	<u>\$ 61,705,421</u>

The accompanying notes are an integral part of this statement.

EAST BATON ROUGE PARISH SHERIFF

Baton Rouge, Louisiana

RECONCILIATION OF THE GOVERNMENTAL FUNDS'
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025

Total Net Change in Fund Balance for year ended June 30, 2025, \$ 5,309,239
per Statement of Revenues, Expenditures and Changes in Fund Balances

The change in net position reported for governmental activities in the
Statement of Activities is different because:

Governmental funds report capital asset purchases as expenditures. However,
in the Statement of Activities, the cost of those assets is allocated over their
estimated useful lives and reported as depreciation expense.

Purchases of capital assets	9,082,515	
Addition of right of use assets	4,328,841	
Depreciation expense	(3,678,626)	
Right of use asset amortization	(2,133,462)	
Subscription-based information technology arrangements amortization (SBITA)	(363,587)	
Net book value of capital assets disposed, net of related debt	<u>(458,443)</u>	6,777,238
Excess of compensated absences taken over compensated absences earned		(28,704)

Governmental funds report debt proceeds as other financing sources. However,
in the Statement of Activities, this debt is recorded as a liability. Likewise, in the
governmental funds, principle payments are reported as an expenditure, but in
the Statement of Activities, its reported as a reduction in liabilities.

Lease and SBITA liabilities incurred		(4,328,841)
Principal reductions on lease and SBITA obligations		2,539,642
Change in general and auto claims payable		(400,000)
Net change in other post-employment benefits liability and deferred inflows/outflows of resources		(9,878,682)
Net change in pension liability and deferred inflows/outflows of resources		(1,710,385)
Some revenues will not be collected for several months after year end, they are not considered "available" revenues in the governmental funds.		
National opioid settlement		<u>4,248,501</u>

Total change in Net Position for year ended June 30, 2025, per Statement of Activities \$ 2,528,008

The accompanying notes are an integral part of this statement.

EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2025

	Sheriff's Fund	Prison Inmate Fund	Tax Collector Fund	Evidence Fund	Total
<u>ASSETS</u>					
Cash and cash equivalents	\$ 8,543,381	\$ 202,713	\$ 6,399,499	\$ 4,038,717	\$ 19,184,310
Receivables	146,042	-	5,825	27	151,894
Total assets	<u>8,689,423</u>	<u>202,713</u>	<u>6,405,324</u>	<u>4,038,744</u>	<u>19,336,204</u>
<u>LIABILITIES</u>					
Due to taxing bodies and others:					
Due to taxing bodies	-	-	3,615,406	-	3,615,406
Due to individuals and other organizations	7,995,662	202,713	-	-	8,198,375
Total Liabilities	<u>7,995,662</u>	<u>202,713</u>	<u>3,615,406</u>	<u>-</u>	<u>11,813,781</u>
<u>NET POSITION</u>					
Restricted for individuals and other governments	<u>\$ 693,761</u>	<u>\$ -</u>	<u>\$ 2,789,918</u>	<u>\$ 4,038,744</u>	<u>\$ 7,522,423</u>

The accompanying notes are an integral part of this statement.

EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2025

	Sheriff's Fund	Prison Inmate Fund	Tax Collector Fund	Evidence Fund	Total
<u>REVENUES</u>					
Deposits:					
Suits, successions, etc.	\$ 15,670,389	\$ -	\$ -	\$ -	\$ 15,670,389
Garnishments	23,225,544	-	-	-	23,225,544
Surety bonds	547,944	-	-	-	547,944
Taxes, fees, etc. paid to tax collector	-	-	630,781,113	-	630,781,113
Interest on investments	-	-	2,893,377	-	2,893,377
Other Additions					
Prisoner deposits	-	762,763	-	-	762,763
Evidence cash received	-	-	-	1,760,673	1,760,673
Total additions	<u>39,443,877</u>	<u>762,763</u>	<u>633,674,490</u>	<u>1,760,673</u>	<u>675,641,803</u>
<u>EXPENSES</u>					
Taxes, fees, etc. distributed					
to taxing bodies and others	-	-	633,586,676	-	633,586,676
Payments to litigants, etc.	38,886,398	-	-	-	38,886,398
Fees to other entities	571,857	-	-	-	571,857
Surety bond refunds	1,003,192	-	-	-	1,003,192
Refunds to released inmates and prisoner program disbursements	-	762,763	-	-	762,763
Authorized program disbursements	-	-	-	809,340	809,340
Total deductions	<u>40,461,447</u>	<u>762,763</u>	<u>633,586,676</u>	<u>809,340</u>	<u>675,620,226</u>
Net increase (decrease) in fiduciary net position	(1,017,570)	-	87,814	951,333	21,577
<u>NET POSITION, BEGINNING</u>	<u>1,711,331</u>	<u>-</u>	<u>2,702,104</u>	<u>3,087,411</u>	<u>7,500,846</u>
<u>NET POSITION, ENDING</u>	<u>\$ 693,761</u>	<u>\$ -</u>	<u>\$ 2,789,918</u>	<u>\$ 4,038,744</u>	<u>\$ 7,522,423</u>

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

A. BASIS OF PRESENTATION, BASIS OF ACCOUNTING

BASIS OF PRESENTATION

The accompanying financial statements of the Sheriff have been prepared in conformity with accounting principles generally accepted in the United States of America 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.

GOVERNMENT-WIDE STATEMENTS:

The statement of net position and the statement of activities display information about the primary government. They include all of the non-fiduciary type funds of the reporting entity, which are considered to be governmental activities. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting.

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

FUND FINANCIAL STATEMENTS:

The fund financial statements provide information about the Sheriff's funds, including its fiduciary funds. Separate statements for each fund category, governmental and fiduciary, are presented. The emphasis of fund financial statements is on major governmental funds.

The Sheriff reports the following major governmental fund:

General Fund

The General Fund, as provided by Louisiana Revised Statute 33:1422, is the principal fund of the Sheriff's Office and accounts for a majority of the operations of the Sheriff's Office. The Sheriff's primary source of revenue are ad valorem taxes levied by the law enforcement district. Other sources of revenue include commissions on state revenue sharing, state supplemental pay for deputies, civil and criminal fees, fees for court attendance, and maintenance of prisoners, et cetera. General operating expenditures are paid from this fund.

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. **BASIS OF PRESENTATION, BASIS OF ACCOUNTING** (continued)

The Sheriff reports the following non-major governmental fund:

Special Revenue Fund

Special Revenue Funds account for the proceeds of restricted or committed revenue sources. The Canteen Fund accounts for the operation of the prison commissary which is funded through sales of goods and services to prisoners.

Additionally, the Sheriff reports a fiduciary fund type as follows:

Custodial Funds

The custodial funds are used as depositories for civil suits, cash bonds, ad-valorem taxes collected, fees, evidence seized, prisoner deposits, et cetera. Disbursements from these funds are made to various local government agencies, litigants in suits, detainees, et cetera, in the manner prescribed by law. These funds are custodial in nature.

B. **REPORTING ENTITY**

GASB Codification Section 2100 sets forth the definition of the reporting entity.

For financial reporting purposes, the Sheriff includes all funds, activities, et cetera, that are controlled by the Sheriff as an independently elected parish official. As such, the Sheriff is solely responsible for the operations of his office, which include the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. Other than certain operating expenditures of the Sheriff's Office that are paid or provided by the city-parish council as required by Louisiana law, the Sheriff is fiscally independent and is financially accountable to no other entity. As required by generally accepted accounting principles, the financial statements of the reporting entity include only those of the East Baton Rouge Parish Sheriff (the primary government). There are no component units to be included in the Sheriff's reporting entity.

C. **BASIS OF ACCOUNTING/MEASUREMENT FOCUS**

The Government-Wide Financial Statements (GWFS) and fiduciary fund statements are reported using the economic resources measurement focus. The government-wide and fiduciary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the Sheriff gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied and enabling legislation occurred making the funds available from the grantor. Fiduciary funds record expenses when compelled to disburse.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Sheriff considers all property tax revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes and interest are considered to be susceptible to accrual. Revenues from grants, entitlements, and donations are considered available if it's probable that the revenues will be collected within six months after year end. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds.

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. BUDGET PRACTICES

The proposed budget for the year ended June 30, 2025, was made available for public inspection and comments from taxpayers at the Sheriff's office on June 13, 2024. A public hearing was held on the proposed budget at least 10 days after publications of the call of the hearing. The proposed budget was published in the official journal ten days prior to the public hearing, which was held at the Sheriff's Office on June 26, 2024 for the comments from taxpayers. The budget was legally adopted and amended, as necessary, by the Sheriff.

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

The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). The budget presented in the accompanying budgetary comparison schedule includes the originally adopted budget and the final budget which includes all subsequent amendments.

E. CASH AND CASH EQUIVALENTS

Cash may include amounts in demand deposit accounts, interest-bearing demand deposits, and money market accounts. Under state law, the Sheriff may deposit funds in demand deposit accounts, interest-bearing demand deposit accounts, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. Tax collections must be deposited in a bank domiciled in the parish where the funds are collected.

Under state law, the Sheriff may invest in United States bonds, treasury notes, U.S. Agency obligations or investment grade commercial paper. These are classified as investments if their original maturity exceeds 90 days.

F. CAPITAL ASSETS

All capital assets are capitalized at historical cost, or estimated historical costs for assets where actual cost is not available. Donated fixed assets are recorded as capital assets at their acquisition value at the date of donation. The Sheriff maintains a threshold level of \$5,000 or more for capitalizing assets. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized.

Capital assets are recorded in the Statement of Net Position and depreciation thereon within the Statement of Activities. Since surplus assets are sold for an immaterial amount when declared no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Asset Class	Estimated Useful Lives
Buildings and Improvements	40
Vehicles	5
Office Furniture and Equipment	5 - 15
Law Enforcement Equipment	7 - 10
Telecommunications Equipment	10 - 15

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. LEASES AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The Sheriff is a lessee under noncancellable lease agreements for a variety of purposes and uses, including office space, facilities, and vehicles. The Sheriff has also entered into certain subscription-based information technology arrangements. In accordance with GASB Statement No. 87, *Leases* and GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, the Sheriff recognizes a lease/subscription liability and an intangible right-to-use lease asset (lease/subscription asset) in the financial statements. Lease/subscription liabilities are recorded for contracts with an initial individual value that is material to the financial statements and with lease periods greater than one year.

At the commencement of a lease/subscription, the Sheriff initially measures the lease/subscription liability at the present value of payments expected to be made during the lease/subscription term. Subsequently, the lease/subscription liability is reduced by the principal portion of lease/subscription payments made. The lease/subscription asset is initially measured as the initial amount of the lease/subscription liability, adjusted for lease/subscription payments made at or before the lease/subscription commencement date, plus certain initial direct costs. Subsequently, the lease/subscription asset is amortized on a straight-line basis over its useful life. Key estimates and judgments related to leases/subscriptions include (1) the discount rate used to calculate the present value of expected lease/subscription payments, (2) lease/subscription term, and (3) lease/subscription payments.

- The Sheriff uses the interest rate charged by the lessor/vendor as the discount rate, if provided. When the interest rate charged by the lessor/vendor is not provided, the Sheriff uses its estimated incremental borrowing rate as the discount rate for leases/subscriptions.
- The lease/subscription terms includes the noncancellable period of the lease/subscription and optional renewal periods. Lease/subscription payments included in the measurement of the lease/subscription liability are composed of fixed payments through the noncancellable term of the lease/subscription and renewal periods that management considers reasonably certain to be exercised.

The Sheriff monitors changes in circumstances that would require a remeasurement of its lease/subscription and will remeasure the lease/subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the lease/subscription liability. Lease/subscription assets are reported with capital assets and lease/subscription liabilities are reported with long-term debt on the statement of net position.

H. COMPENSATED ABSENCES

GASB Statement No. 101, *Compensated Absences*, required governments to accrue a liability for compensated absences leave that has not been used if all of the following are true (1) the leave attributable to services already rendered; (2) the leave accumulates; and (3) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through non-cash means.

Employees of the Sheriff's Office earn from 16 to 22 hours of paid time off (PTO) every 28 days of uninterrupted full-time employment. Maximum accrual of PTO is 1,040 hours, depending upon length of service. During the year ended June 30, 2010, the Sheriff discontinued the accrual of sick leave. The unused sick leave was transferred to PTO to the extent that the transfer did not cause accumulated PTO to exceed 1,040 hours. The remaining sick leave that could not be transferred will be available as extended sick leave for the respective employees to use for critical health reasons and can only be used if all other leave is exhausted.

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. COMPENSATED ABSENCES (continued)

Upon termination, extended sick leave that was not transferred to PTO, will not be paid out. Upon termination of employment, employees are paid for accrued but unused PTO up to 300 hours.

Law enforcement employees receive overtime compensation for compensable hours worked in excess of 171 hours in a 28-day work period. Non-law enforcement employees receive overtime compensation for compensable hours worked in excess of 40 hours during a 7-day work week. Exempt employees are not compensated for overtime unless in the case of emergency response as approved by the Sheriff. As a condition of employment with the Sheriff's Office, nonexempt employees receive compensatory time (CT), at the rate of time and a half, in lieu of immediate cash payment for overtime. CT is time off with full pay and benefits (insurance, pension, and accrual of PTO). A maximum of 480 hours of CT may be accumulated for law enforcement personnel. A maximum of 240 hours of CT may be accumulated by non-law enforcement personnel.

The cost of leave privileges is recognized as current year expenditure in the General Fund when leave is actually taken or paid upon termination. The cost of leave privileges not requiring current resources is reported as a liability in the Statement of Net Position. As such, all accumulated CT and up to 300 hours of PTO is accrued as a liability in the Statement of Net Position.

I. NET POSITION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide net position is divided into three components:

Net investment in capital assets – Consists of net capital assets reduced by the outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increase by balances of deferred outflows of resources related to those assets.

Restricted net position – Net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or buyers of the Parish's bonds. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.

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

J. FUND EQUITY OF FUND FINANCIAL STATEMENTS

Accounting standards require governmental fund balances to be reported in as many as five classifications as listed below in accordance with Governmental Accounting Standards Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*:

Nonspendable – represent permanently nonspendable balances that are not expected to be converted to cash.

Spendable

Restricted – represent balances where constraints have been established by external parties or by enabling legislation.

Committed – represent balances where constraints have been established by formal action of the Sheriff.

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. FUND EQUITY OF FUND FINANCIAL STATEMENTS (continued)

Assigned – represent balances where informal constraints have been established by the Sheriff or his delegate, but that are not restricted nor committed.

Unassigned – represent balances for which there are no constraints.

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

K. USE OF ESTIMATES

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, deferred inflows, disclosure of contingent assets, liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

L. PENSION PLANS

The East Baton Rouge Parish Sheriff's Office is a participating employer in the Louisiana Sheriffs' Pension and Relief Fund (Fund) as described in Note 7. For purposes of measuring the Net Pension Liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Fund, and additions to/deductions from the Fund's fiduciary net position have been determined on the same basis as they are reported by the Fund. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within the Plan.

M. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and as such will not be recognized as an outflow of resources (expense/expenditure) until then. See Note 7 for additional information on deferred outflows of resources related to defined benefit pension plans and Note 8 for additional information on deferred outflows of resources related to other post-employment benefits.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and as such, will not be recognized as an inflow of resources (revenues) until that time. See Note 7 for additional information on deferred inflows of resources related to defined benefit pension plans and Note 8 for additional information on deferred inflows of resources related to other post-employment benefits.

EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

N. NEWLY ADOPTED ACCOUNTING STANDARD

The Sheriff has implemented GASB Statement No. 101, *Compensated Absences*. Under this statement, the unified recognition and measurement model in the standard will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave. This standard is effective for annual reporting periods beginning after December 15, 2023, and the Sheriff adopted the requirements of this standard, as applicable in its June 30, 2025, financial statements. The adoption of this standard had no material impact on the Sheriff.

2. PROPERTY TAXES

The 1974 Louisiana Constitution (Article 7 Section 18) provided that land and improvements for residential purposes be assessed at 10% of fair market value; other property and electric cooperative properties, excluding land, are to be assessed at 15%; and public service properties, excluding land, are to be assessed at 25% of fair market value. Fair market value is determined by the elected assessor of the parish on all property subject to taxation except public service properties, which are valued by the Louisiana Tax Commission (LRS 47:1957). The correctness of assessments by the assessor is subject to review and certification by the Louisiana Tax Commission. The assessor is required to reappraise all property subject to taxation at intervals of not more than four years.

The Sheriff, by State Law (LRS 33:1435), is the official tax collector of general property taxes levied by the Parish. Taxes collected are distributed to the various taxing authorities, including the Sheriff's General Fund on a monthly basis.

The 2024 property tax calendar is as follows:

Levy date:	October 30, 2024, December 4, 2024 Amended
Millage rates adopted:	August 21, 2024
Tax bills mailed:	November 22, 2024
Due date:	January 6, 2025
Lien date:	September 17, 2025

State Law requires the Sheriff to collect property taxes in the calendar year in which the levy is made. Property taxes become delinquent January 1st of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of one and one-fourth percent per month until the taxes are paid (LRS 47:2101). After notice is given to the delinquent taxpayers, the Sheriff is required by the Constitution of the State of Louisiana to sell the least quantity of property necessary to settle the taxes and interest owed (LRS 47:2181).

The following is a summary of authorized and levied property taxes:

	Authorized Millage	Levied Millage	Expiration Date
Special law enforcement	4.36	4.36	None
Additional special law enforcement	6.90	6.90	12/31/2033
Special law enforcement	3.73	3.73	12/31/2030

EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

3. CASH AND CASH EQUIVALENTS

At June 30, 2025, the Sheriff has cash and cash equivalents consisting solely of deposits in financial institutions. 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.

Custodial credit risk is the risk that an entity may fail to receive its deposits upon failure of a financial institution. To protect against such risks, the market values of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. Standby letters of credit from federally sponsored lending institutions can also be used to protect against this risk. At June 30, 2025, the deposits are not exposed to custodial credit risk as a result of an adequate level of pledged securities, standby letters of credit and FDIC insurance. The Sheriff does not maintain a separate custodial credit risk policy.

4. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2025, are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<u>Cost</u>				
Land	\$ 68,566	\$ -	\$ -	\$ 68,566
Work-in-progress	137,648	182,443	(137,648)	182,443
Buildings	7,524,093	1,564,871	-	9,088,964
Vehicles	20,260,728	5,379,804	(2,679,906)	22,960,626
Office furniture and equipment	2,787,582	386,356	(6,334)	3,167,604
Law enforcement equipment	9,931,950	1,654,148	(965,625)	10,620,473
Telecommunications equipment	520,261	52,541	-	572,802
Total	<u>41,230,828</u>	<u>9,220,163</u>	<u>(3,789,513)</u>	<u>46,661,478</u>
Accumulated Depreciation	(26,876,096)	(3,678,626)	3,314,547	(27,240,175)
Leases				
Right-of-use assets-land and buildings	3,238,559	-	-	3,238,559
Right-of-use assets-vehicles	7,772,120	4,328,841	(814,348)	11,286,613
Less accumulated amortization	(3,879,926)	(2,133,462)	814,348	(5,199,040)
Subscriptions Based IT Arrangements				
Subscription assets-law enforcement equipment	1,691,869	-	-	1,691,869
Less accumulated amortization	(721,656)	(363,587)	-	(1,085,243)
Total Capital Assets (net)	<u>\$ 22,455,698</u>	<u>\$ 7,373,329</u>	<u>\$ (474,966)</u>	<u>\$ 29,354,061</u>

For the year ended June 30, 2025, depreciation expense was \$3,678,626, amortization expense on right-of-use assets was \$2,133,462, and amortization expense on subscription-based information technology arrangements was \$363,587.

5. RECEIVABLES

Receivables at June 30, 2025 are as follows:

Feeding, keeping and transporting prisoners	\$ 224,048
Grant revenue	1,131,247
Fees, charges and commissions	802,579
Opioid settlement	9,567,426
Other	258,930
	<u>\$ 11,984,230</u>

NOTES TO THE FINANCIAL STATEMENTS

6. RESTRICTED ASSETS AND NET POSITION

Restricted cash held in the General Fund of \$1,932,602 represents funds received from grants, narcotic seizures, litigation settlements, and amounts received under Act 942. These amounts are held in these accounts until disbursements are properly authorized. Included in the restricted net position is \$1,878,583 which represents these same funds received less amounts due to others at June 30, 2025.

7. PENSION PLAN

The East Baton Rouge Parish Sheriff's Office is a participating employer in the Louisiana Sheriffs' Pension and Relief Fund (Fund), which is a cost-sharing defined benefit pension plan. The Fund is a public corporation created in accordance with the provision of Louisiana Revised Statute 11:2171 to provide retirement, disability and survivor benefits to employees of sheriffs' offices throughout the State of Louisiana, employees of Louisiana Sheriffs' Association and Sheriffs' Pension and Relief Fund's office. The Fund is governed by a Board of Trustees composed of 14 elected members and two legislators who serve as ex-officio members, all of whom are voting members.

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

Plan Description

The Louisiana Sheriffs' Pension and Relief Fund is the administrator of a cost-sharing, multiple employer defined benefit plan. The plan provides retirement, disability and survivor benefits to employees of sheriff's offices throughout the state of Louisiana, employees of the Louisiana Sheriff's Association and the Sheriff's Pension and Relief Fund's office as provided for in LRS 11:2171. Eligibility for retirement benefits and the computation of retirement benefits are provided for in LRS 11:2178.

Cost of Living Provisions

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

EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

7. PENSION PLAN (continued)

Funding Policy

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2025, the actual employer contribution rate was 11.50%. Employer contributions for the year ended June 30, 2025 were \$6,277,727. In accordance with state statute, the Fund receives ad valorem taxes, insurance premium taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations. Non-employer contributions are recognized as revenue and excluded from pension expense. Non-employer contributions for the year ended June 30, 2025 were \$3,262,595.

Plan members are required by state statute to contribute 10.25% of their annual covered salary.

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

At June 30, 2025, the Sheriff reported a net pension liability of \$36,826,268 for its proportionate share of the net pension liability of the Louisiana Sheriffs' Pension and Relief Fund. The net pension liability was measured as of June 30, 2024. The Sheriff's proportion of the net pension liability was based on actual contributions to the plan for the year ended June 30, 2024. At June 30, 2024, the Sheriff's proportion was 6.0949%, which was an increase of 0.072% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2024, the Sheriff recognized pension expense of \$11,250,712.

At June 30, 2025, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of assumptions	\$ 1,867,166	\$ (836,300)
Net difference between projected and actual earnings on pension plan investments	-	(3,474,477)
Difference between expected and actual experience	7,312,262	-
Changes in proportion and differences between Employer contributions and proportionate share of contributions:	-	(1,391,197)
Changes in proportion	491,454	-
Difference in contributions (excess)	4,153	-
Difference in contributions (deficient)	-	(19,667)
Employer contributions subsequent to the measurement date	6,277,727	-
Total	<u>\$ 15,952,762</u>	<u>\$ (5,721,641)</u>

The Sheriff reported a total of \$6,277,727 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2024 which will be recognized as a reduction in net pension liability in the year ended June 30, 2026.

EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

7. PENSION PLAN (continued)

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

<u>Year</u>	<u>LSPRF</u>
2026	\$ 686,772
2027	8,833,802
2028	(2,663,640)
2029	(2,903,540)
	<u>\$ 3,953,394</u>

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2025 is as follows:

Valuation Date	June 30, 2024
Actuarial Cost Method	Entry Age Normal Cost
Expected Remaining Service Lives	5 years
Investment Rate of Return	6.85%, net of pension plan investment expense, including inflation
Projected salary increases	5.0% (2.50% inflation, 2.50% merit)
Mortality	<p>Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 120% for males and 115% for females for active members, each with full generational projection using the appropriate MP2019 scale.</p> <p>Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees multiplied by 120% for males and 115% for females for annuitants and beneficiaries, each with full generational projection using the appropriate MP2019 scale.</p> <p>Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees multiplied by 120% for males and 115% for females for disabled retirees, each with full generational projection using the appropriate MP2019 scale.</p>

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

7. PENSION PLAN (continued)

Actuarial Assumptions (continued)

The target allocation and best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2024 are summarized in the following table:

Asset Class	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term Expected Real Rate of Return
Equity Securities	62%	6.95%	4.29%
Fixed Income	25%	5.40%	1.34%
Alternative Investments	13%	6.31%	0.82%
Total	100%		6.45%
Inflation			2.50%
Expected Arithmetic Nominal Return			8.95%

Discount Rate

The discount rate used to measure the total pension liability was 6.85%. 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 Public Retirement Systems' Actuarial Committee (PRSAC) taking into consideration the recommendation of the Fund's actuary. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

	1.0% Decrease	Current Discount Rate	1.0% Increase
LSPRF Rates	5.85%	6.85%	7.85%
EBSO Share of NPL	\$79,736,632	\$36,826,268	\$1,040,214

Amounts Payable to Pension Plans

The Sheriff had no significant amounts due to the Retirement System at June 30, 2025.

NOTES TO THE FINANCIAL STATEMENTS

8. OTHER POST-EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

General Information about the OPEB Plan

Plan description – The East Baton Rouge Parish Sheriff’s Office (the Sheriff) provides certain continuing health care and life insurance benefits for its retired employees. The East Baton Rouge Parish Sheriff’s OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the Sheriff. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the Sheriff. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Governmental Accounting Standards Board (GASB) Statement No. 75.

Benefits Provided – Medical and life insurance benefits are provided to employees upon actual retirement. Retirees with less than twenty years of service at retirement pay 100% of the blended medical premium, while a reduced schedule based on the blended premiums applies to retirees with twenty or more years of service at retirement. See the section below for additional details on Life Insurance benefits cost. Employees are covered by a retirement system whose retirement eligibility (D.R.O.P. entry) provisions as follows: 30 years of service at any age or, age 55 and 15 years of service.

Life insurance coverage is continued to retirees and is based on a blended rate for active employees and retirees. The retiree pays 100% of the "cost" of the retiree's life insurance after retirement but that "cost" is based on the blended active/retired rate and there is thus an additional implied subsidy.

Employees covered by benefit terms – As of the measurement date July 1, 2024, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	184
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	807
	<u>991</u>

Total OPEB Liability

The Sheriff’s total OPEB liability is \$97,847,192 as of the measurement date June 30, 2025, the end of the fiscal year.

Actuarial Assumptions and other inputs – The total OPEB liability in the July 1, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	4.0%, including inflation
Discount rate	3.93% annually (Beginning of year to determine ADC) 5.20% annually (As of End of Year Measurement Date)
Healthcare cost trend rates	5.5% annually for ten years, 4.5% thereafter
Mortality	SOA RP-2014 Table
Remaining service lives	5 years

The discount rate was based on the Bond Buyers' 20 Year General Obligation municipal bond index over the 52 weeks immediately preceding the applicable measurement dates.

The actuarial assumptions used in the July 1, 2024 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2008 to June 30, 2025.

EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

8. OTHER POST-EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (continued)

Changes in the Total OPEB Liability

Balance at June 30, 2024	\$ 102,433,981
Changes for the year:	
Service cost	1,939,264
Interest	3,982,463
Differences between expected and actual experience	3,975,798
Changes of assumptions	(12,286,233)
Benefit payments and net transfers	<u>(2,198,081)</u>
Net changes	<u>(4,586,789)</u>
Balance at June 30, 2025	<u>\$ 97,847,192</u>

The amount of total OPEB liability estimated to be due and payable within one year is \$2,318,975.

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the Sheriff, as well as what the Sheriff's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.20%) or 1-percentage-point higher (6.20%) than the current discount rate:

	1.0% Decrease (4.20%)	Current Discount Rate (5.20%)	1.0% Increase (6.20%)
Total OPEB Liability	<u>\$ 118,702,015</u>	<u>\$ 97,847,192</u>	<u>\$ 81,715,174</u>

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of the Sheriff, as well as what the Sheriff's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.50%) or 1-percentage-point higher (6.50%) than the current healthcare trend rates:

	1.0% Decrease (4.50%)	Current Healthcare Cost Trend Rate (5.50%)	1.0% Increase (6.50%)
Total OPEB Liability	<u>\$ 83,550,110</u>	<u>\$ 97,847,192</u>	<u>\$ 116,462,214</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2025, the Sheriff recognized OPEB expense of \$12,076,764. At June 30, 2025, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 25,766,491	\$ (846,497)
Changes in assumption and other inputs	1,001,831	(16,119,926)
Total	<u>\$ 26,768,322</u>	<u>\$ (16,966,423)</u>

EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

8. OTHER POST-EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending June 30,:</u>		
2026	\$	4,434,845
2027		3,054,469
2028		4,954,230
2029		(1,359,375)
2030		(1,359,372)
Thereafter		77,102
	<u>\$</u>	<u>9,801,899</u>

9. TAXES PAID UNDER PROTEST

Amounts held in escrow for protested taxes at June 30, 2025, were \$2,789,917, consisting of taxes paid under protest, plus interest earned to date on the investment of these funds. These funds are held pending resolution of the protest and are accounted for in the Tax Collector Fiduciary Fund.

10. RISK MANAGEMENT

A. Accounting for Risk

In accordance with Section C50 of the *GASB Codification of Governmental Accounting and Financial Reporting Standards*, the Sheriff accounts for and reports risk management activities in the General Fund within the constraints of the modified accrual basis of accounting. Claims paid under the Sheriff's self-insurance risk program are recorded as expenditures against the General Fund.

B. Risk Management – Workers Comp, Auto, General Liability

At June 30, 2025, the Sheriff was a defendant in multiple lawsuits in the ordinary course of business. These suits, arising from various claims involving worker's compensation issues, automobile accidents (subject to a \$200,000 deductible), police misconduct (subject to a \$100,000 or \$200,000 deductible), general liability (subject to \$25,000/\$200,000/\$400,000 deductible) and others are mostly covered through private insurance policies. However, the Sheriff is exposed for certain uninsured claims and deductibles. An estimate of \$9,000,000 has been accrued in the financial statements to account for claims and deductibles not covered through insurance that have been incurred and likely be paid, based on estimates of the Sheriff's legal counsel. Based upon the opinion of the Sheriff's legal counsel, the ultimate resolution of these matters, as well as other claims not covered by insurance policies, is not expected to materially impact the operations of the Sheriff.

EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

10. RISK MANAGEMENT (continued)

C. Risk Management – Employee Health

The Sheriff assumes the risk of all medical and pharmacy claims of participants in its employee health plan up to \$175,000 per individual, with an insurance policy covering the claims in excess of that amount. For duty related claims, the excess policy is limited to \$2,000,000 per individual per year. The excess policy also covers the aggregate of claims below \$150,000 in excess of the annual attachment point, up to a \$1,000,000 limit. For the year ended June 30, 2025, the minimum annual attachment point was \$15,100,861.

The Sheriff is exposed to various risks of loss related to health insurance for its employees. The Sheriff does not report risks covered by excess insurance as liabilities unless it is probable that those claims are denied. Settlements did not materially exceed excess insurance coverage for the year. Claims activity and the estimated claims incurred but not paid at year-end are as follows:

Unpaid claims as of July 1, 2024	\$	1,100,000
Current year claims incurred and changes in estimates		10,477,111
Claims paid		<u>(10,477,111)</u>
Unpaid claims as of June 30, 2025	<u>\$</u>	<u>1,100,000</u>

The above unpaid claims as of June 30, 2025, include amounts for claims incurred but not yet reported, as determined from actual claims paid subsequent to year-end as well as an estimate based upon historical lag trends.

11. COMPENSATED ABSENCE LIABILITY

At June 30, 2025, employees of the Sheriff have accumulated and vested \$8,626,523 of employee leave benefits according to the Sheriff's PTO policy. The following is a summary of the compensated absence liability activity during the year:

	<u>Compensated</u>
	<u>Absences</u>
Balance as of July 1, 2024	\$ 8,627,819
Additions (amounts earned)	5,498,001
Deductions (amounts paid)	<u>(5,469,297)</u>
Balance as of June 30, 2025	<u>\$ 8,656,523</u>

The compensated absence liability is reported in the statement of net position as follows:

Compensated absences - due within one year	\$	5,142,297
Compensated absences - due in more than one year		<u>3,514,226</u>
Total compensated absences	<u>\$</u>	<u>8,656,523</u>

12. INTERFUND TRANSACTIONS

There were no interfund transactions noted to have occurred during the current fiscal year.

EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

13. LEASE AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENT OBLIGATIONS

The Sheriff leases various facilities and vehicles. These leases range in terms from 3 to 40 years, with various renewal options available, and payment terms vary in both frequency and amounts. In accordance with GASB Statement No. 87, *Leases*, a liability has been recorded for the present value of lease payments over the lease term for each agreement. As of June 30, 2025, the combined value of the lease liabilities was \$9,757,791. In determining the present values, discount rates of 2% to 7% were applied, depending on the duration of the lease agreement and other factors. The recorded value of the right-to-use assets as of the end of the current fiscal year was \$14,525,172 and accumulated amortization of these assets was \$5,199,040. The future principal and interest lease payments as of June 30, 2025, are as follows:

<u>Year Ending June 30,:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 2,213,657	\$ 664,346	\$ 2,878,003
2027	1,971,942	504,887	2,476,829
2028	1,968,584	344,351	2,312,935
2029	1,558,946	197,986	1,756,932
2030	772,561	102,033	874,594
2031 - 2035	476,159	311,645	787,804
2036 - 2040	398,554	177,949	576,503
2041 - 2045	286,154	58,226	344,380
2046 - 2050	111,240	8,667	119,907
	<u>\$ 9,757,797</u>	<u>\$ 2,370,090</u>	<u>\$ 12,127,887</u>

The lease agreements have non-appropriation exculpatory clauses that allow lease cancellation if the Government does not make an appropriation for its continuation during any future fiscal period. However, such clauses were disregarded in determining the term of the lease for the purpose of measuring the lease assets and liabilities.

The Sheriff has entered into various subscription-based information technology arrangements which support body cameras and evidence related activities. These arrangements range up to 3 years in terms, with various renewal options available, and payment terms vary in both frequency and amounts. In accordance with GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, a liability has been recorded for the present value of subscription payments over the subscription term for each agreement. As of June 30, 2025, the combined value of the subscription liabilities was \$383,535. In determining the present values, discount rates of 3.9% to 7.0% were applied, depending on the duration of the subscription agreement and other factors. The recorded value of the subscription assets as of the end of the current fiscal year was \$1,691,869 and accumulated amortization of these assets was \$1,085,243. The future principal and interest lease payments as of June 30, 2025, are as follows:

<u>Year Ending June 30,:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 383,535	\$ 26,038	\$ 409,573
	<u>\$ 383,535</u>	<u>\$ 26,038</u>	<u>\$ 409,573</u>

EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

13. LEASE AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENT OBLIGATIONS

(continued)

The following is a summary of the lease and subscription liability activity during the year:

	<u>Leases</u>	<u>Subscription</u>	<u>Total</u>
Balance as of July 1, 2024	\$ 7,399,769	\$ 831,239	\$ 8,231,008
New agreements	4,390,594	-	4,390,594
Principal payments	(2,091,938)	(447,704)	(2,539,642)
Other additions	59,372	-	59,372
Balance as of June 30, 2025	<u>\$ 9,757,797</u>	<u>\$ 383,535</u>	<u>\$ 10,141,332</u>

14. TAX REVENUES ABATED

The Louisiana Industrial Ad Valorem Tax Exemption program (Louisiana Administrative Code, Title 13, Chapter 5) is a state incentive program which abates, up to ten years, local ad valorem taxes on a manufacturer's new investment and annual capitalized additions related to the manufacturing site. Applications to exempt qualified property for five years are approved by the Board of Commerce and Industry and the Sheriff. The exemption may be renewed for an additional five years. For the fiscal year ending June 30, 2025, approximately \$9,908,379 of the Sheriff's ad valorem tax revenues were abated by the Sheriff through the Louisiana Industrial Tax Exemption program

15. DISAGGREGATION OF ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts, salaries and other payables as of June 30, 2025, were as follows:

Vendors	\$	2,426,755
Salaries and benefits		4,158,771
Total accounts payable and accrued liabilities	<u>\$</u>	<u>6,585,526</u>

16. GOVERNMENTAL FUND BALANCE

Details of the fund balance categories at year-end are as follows:

	<u>General Fund</u>	<u>Canteen Fund</u>
Restricted for:		
Opioid settlement	\$ 922,647	\$ -
Funds distributed from narcotics seizures	1,747,772	-
Other	130,811	
Committed to:		
Prisoner Services	-	525,950
Assigned to:		
Special Projects	11,270,000	-
Total Constrained Fund Balance	<u>14,071,230</u>	<u>525,950</u>
Unassigned Fund Balances	47,108,241	-
Total Fund Balance	<u>\$ 61,179,471</u>	<u>\$ 525,950</u>

EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

17. LITIGATION

Pursuant to Louisiana R.S. 11:82, the Sheriff is required to remit a portion of ad valorem tax collections to certain retirement systems. On November 7, 2022, the Baton Rouge Recreation and Park Commission (BREC) filed suit in the 19th Judicial District Court asserting that the statute is unconstitutional or unconstitutionally applied insofar as it requires deductions from dedicated taxes. In connection with this matter, the Sheriff withheld and deposited into the registry of the court \$2,052,240 from 2022 tax collections and \$2,195,296 from 2023 tax collections, for a total of \$4,247,536 held as of June 30, 2025.

In a related concursus proceeding filed by the Sheriff against the City of Baton Rouge/Parish of East Baton Rouge, the Sheriff asserted that if BREC prevails, the statutory pension remittance would be required to be satisfied from other undedicated taxing sources. As a result, \$2,052,240 from 2022 City-Parish tax distributions was deposited into the registry of the court. No such deposit was required for 2023 tax collections due to subsequent appellate court action. The balance held in the registry for this matter totaled \$2,052,240 as of June 30, 2025.

On December 16, 2024, the 19th Judicial District Court rendered judgment denying BREC's claims and ordering the release of funds held in the registry of the court, including \$2,052,240 to the Sheriff for distribution to the City-Parish and \$4,247,536 for remittance to the applicable retirement systems. As of June 30, 2025, the judgment was subject to the applicable appeal delays and had not yet become final.

REQUIRED SUPPLEMENTARY INFORMATION PART II

EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2025

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>REVENUES</u>				
Ad valorem taxes	\$ 86,945,000	\$ 92,980,000	\$ 93,437,981	\$ 457,981
Intergovernmental revenues:				
Federal grants	1,700,000	2,620,000	4,365,031	1,745,031
State grants	100,000	1,380,000	678,159	(701,841)
State supplemental pay	3,850,000	3,875,000	3,965,653	90,653
State revenue sharing	695,000	695,000	694,914	(86)
Fees, charges, and commissions for services:				
Civil and criminal fees	8,169,000	8,942,000	9,159,656	217,656
Court attendance	100,000	100,000	105,366	5,366
Transporting prisoners	250,000	270,000	301,759	31,759
Feeding and keeping prisoners	9,365,000	11,405,000	12,003,622	598,622
Fines and forfeitures	190,000	170,000	162,368	(7,632)
Narcotics seizures and other	4,084,000	4,076,000	3,897,835	(178,165)
Interest income	950,000	1,950,000	2,131,537	181,537
Donations and miscellaneous	1,210,000	3,015,000	2,787,923	(227,077)
Total Revenues	<u>117,608,000</u>	<u>131,478,000</u>	<u>133,691,804</u>	<u>2,213,804</u>
<u>EXPENDITURES</u>				
Public safety:				
Personnel services and related benefits	76,601,000	81,426,000	80,852,549	573,451
Operating services	17,587,000	18,432,000	18,885,949	(453,949)
Materials and supplies	12,213,000	14,176,000	14,101,596	74,404
Travel and other charges	2,712,000	2,606,000	2,653,509	(47,509)
Debt Service				
Principal	1,920,000	2,520,000	2,539,642	(19,642)
Interest	375,000	490,000	658,852	(168,852)
Capital outlay	8,970,000	11,135,000	13,411,356	(2,276,356)
Total Expenditures	<u>120,378,000</u>	<u>130,785,000</u>	<u>133,103,453</u>	<u>(2,318,453)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,770,000)	693,000	588,351	(104,649)
Other financing sources/(uses):				
Lease proceeds	2,140,000	890,000	4,390,593	3,500,593
Sale of fixed assets	250,000	265,000	341,028	76,028
Total other financing sources	<u>2,390,000</u>	<u>1,155,000</u>	<u>4,731,621</u>	<u>3,576,621</u>
NET CHANGE IN FUND BALANCE	(380,000)	1,848,000	5,319,972	3,471,972
FUND BALANCE AT BEGINNING OF YEAR	50,293,173	55,859,498	55,859,499	1
FUND BALANCE AT END OF YEAR	<u>\$ 49,913,173</u>	<u>\$ 57,707,498</u>	<u>\$ 61,179,471</u>	<u>\$ 3,471,973</u>

EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

SCHEDULE OF CHANGES IN TOTAL OTHER POST-EMPLOYMENT BENEFIT PLAN LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2025

Financial Statement Reporting Date	Measurement Date	Service Cost	Interest	Difference between actual and expected experience	Changes of assumptions	Benefit Payments	Net change in Total OPEB Liability	Total OPEB Liability - Beginning	Total OPEB Liability - Ending	Covered Employee Payroll	Total OPEB Liability as a Percentage of Covered Employee Payroll
June 30, 2025	June 30, 2025	\$ 1,939,264	\$ 3,982,463	\$ 3,975,798	\$ (12,286,233)	\$ (2,198,081)	\$ (4,586,789)	\$ 102,433,981	\$ 97,847,192	\$ 57,155,786	171.1939%
June 30, 2024	June 30, 2024	\$ 1,849,087	\$ 3,492,276	\$ 4,802,486	\$ (2,748,881)	\$ (1,279,545)	\$ 6,115,423	\$ 96,318,558	\$ 102,433,981	\$ 50,662,459	202.1891%
June 30, 2023	June 30, 2023	\$ 1,779,037	\$ 2,058,192	\$ 36,440,661	\$ (1,023,371)	\$ (2,153,952)	\$ 37,100,567	\$ 59,217,991	\$ 96,318,558	\$ 48,712,902	197.7270%
June 30, 2022	June 30, 2022	\$ 1,593,119	\$ 1,480,430	\$ (2,298,542)	\$ (9,100,017)	\$ (1,990,819)	\$ (10,315,829)	\$ 69,533,820	\$ 59,217,991	\$ 51,491,213	115.0060%
June 30, 2021	June 30, 2021	\$ 1,595,510	\$ 1,305,351	\$ 7,821,255	\$ 461,027	\$ (1,429,932)	\$ 9,753,211	\$ 59,780,609	\$ 69,533,820	\$ 49,510,782	140.4418%
June 30, 2020	June 30, 2020	\$ 1,134,199	\$ 1,665,193	\$ 863,105	\$ 9,458,031	\$ (1,833,701)	\$ 11,286,827	\$ 48,493,782	\$ 59,780,609	\$ 46,724,545	127.9426%
June 30, 2019	June 30, 2019	\$ 860,214	\$ 1,744,758	\$ 89,926	\$ 1,734,362	\$ (2,039,318)	\$ 2,389,942	\$ 46,103,840	\$ 48,493,782	\$ 44,927,447	107.9380%
June 30, 2018	June 30, 2018	\$ 1,045,967	\$ 1,632,642	\$ (160,635)	\$ (1,374,096)	\$ (1,289,115)	\$ (145,237)	\$ 46,249,077	\$ 46,103,840	\$ 43,218,177	106.6770%

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

EAST BATON ROUGE PARISH SHERIFF

Baton Rouge, Louisiana

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)

SHERIFFS' PENSION AND RELIEF FUND

FOR THE YEAR ENDED JUNE 30, 2025 (*)

<u>Year</u>	<u>Employer's Proportion of the Net Pension Liability (Asset)</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Employer's Covered Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
2025	6.0949%	\$ 36,826,268	\$ 51,445,542	71.5830%	89.40%
2024	6.0233%	52,931,313	48,283,473	109.6262%	83.94%
2023	6.6142%	53,759,634	49,050,229	109.6012%	83.90%
2022	6.7549%	(3,347,354)	49,120,229	-6.8146%	101.04%
2021	6.5490%	45,326,825	48,437,385	93.5782%	84.73%
2020	6.5015%	30,753,683	45,363,200	67.7943%	88.91%
2019	6.3029%	24,169,398	43,190,541	55.9599%	90.41%
2018	6.7168%	29,085,422	46,327,147	62.7827%	88.49%
2017	6.6509%	42,212,684	45,224,884	93.3395%	82.10%
2016	6.5089%	29,013,544	43,710,091	66.3772%	86.61%

(*) The amounts presented have a measurement date of June 30th of the previous year.

EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

SCHEDULE OF THE EMPLOYER'S CONTRIBUTIONS TO THE
SHERIFFS' PENSION AND RELIEF FUND
FOR THE YEAR ENDED JUNE 30, 2025

<u>Year</u>	<u>Contractually Required Contribution¹</u>	<u>Contributions in Relation to Contractually Required Contribution²</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll³</u>	<u>Contributions as a % of Covered Payroll</u>
2025	\$ 6,277,727	\$ 6,277,727	\$ -	\$ 54,588,926	11.5000%
2024	5,913,527	5,913,527	-	51,445,542	11.4947%
2023	5,552,599	5,552,599	-	48,283,470	11.5000%
2022	6,008,653	6,008,653	-	49,050,229	12.2500%
2021	6,017,228	6,017,228	-	49,120,229	12.2500%
2020	5,933,580	5,933,580	-	48,437,388	12.2500%
2019	5,556,992	5,556,992	-	45,363,200	12.2500%
2018	5,506,794	5,506,794	-	43,190,541	12.7500%
2017	6,138,347	6,138,347	-	46,327,147	13.2500%
2016	6,218,416	6,218,416	-	45,224,844	13.7500%

For reference only:

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

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

³ *Employer's covered payroll amount for the fiscal year ended June 30th of each year*

EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2025

GENERAL BUDGET POLICIES

The Sheriff follows these procedures in establishing the budgetary data reflected in the budgetary comparison schedules

State statute requires budgets be adopted for the general fund and all special revenue funds.

Each year the chief administrative deputy prepares a proposed budget for the General and special revenue funds and submits it to the Sheriff for the fiscal year no later than fifteen days prior to the beginning of each fiscal year. A summary of the proposed budget is published, and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.

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

Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. All budget revisions are approved by the Sheriff.

The budgets are prepared under the modified accrual basis of accounting.

CHANGES IN BENEFIT TERMS AND ASSUMPTIONS RELATED TO OTHER POST-EMPLOYMENT BENEFIT PLAN

No assets are accumulated in a trust that meet the criteria of paragraph 4 of GASB 75 to pay related benefits.

Changes in benefit terms -

There were no changes in benefit terms for the years presented.

Changes of assumptions -

The following changes in actuarial assumptions for each year are as follows:

Discount Rate:			Mortality Table Used:	
Measurement Date	Rate	Change	Measurement Date	Table
6/30/2025	5.200%	1.270%	6/30/2025	RP-2014 Mortality Table
6/30/2024	3.930%	0.280%	6/30/2024	RP-2014 Mortality Table
6/30/2023	3.650%	0.110%	6/30/2023	RP-2014 Mortality Table
6/30/2022	3.540%	1.380%	6/30/2022	RP-2014 Mortality Table
6/30/2021	2.160%	-0.050%	6/30/2021	RP-2014 Mortality Table
6/30/2020	2.210%	-1.290%	6/30/2020	RP-2014 Mortality Table
6/30/2019	3.500%	-0.370%	6/30/2019	RP-2014 Mortality Table
6/30/2018	3.870%	0.290%	6/30/2018	RP-2000 Mortality Table
6/30/2017	3.580%			

Decline Rate:	
Measurement Date	Rate
6/30/2025	25% decline coverage at retirement and an additional 75% decline coverage at age 65.
6/30/2024	25% decline coverage at retirement and an additional 75% decline coverage at age 65.
6/30/2023	25% decline coverage at retirement and an additional 75% decline coverage at age 65.
6/30/2022	25% decline coverage at retirement and an additional 75% decline coverage at age 65.
6/30/2021	25% decline coverage at retirement and an additional 75% decline coverage at age 65.
6/30/2020	25% decline coverage at retirement and an additional 75% decline coverage at age 65.
6/30/2019	25% decline coverage at retirement and an additional 75% decline coverage at age 65.
6/30/2018	N/A

EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2025

CHANGES IN BENEFIT TERMS AND ASSUMPTIONS RELATED TO DEFINED BENEFIT PENSION PLAN

Changes of assumptions -

The following changes in actuarial assumptions for each year are as follows:

Discount Rate:				Merit:			
Measurement				Measurement			
Year End	Date	Rate	Change	Year End	Date	Rate	Change
6/30/2025	6/30/2024	6.850%	0.000%	6/30/2025	6/30/2024	2.500%	0.000%
6/30/2024	6/30/2023	6.850%	0.000%	6/30/2024	6/30/2023	2.500%	0.000%
6/30/2023	6/30/2022	6.850%	-0.050%	6/30/2023	6/30/2022	2.500%	0.000%
6/30/2022	6/30/2021	6.900%	-0.100%	6/30/2022	6/30/2021	2.500%	0.000%
6/30/2021	6/30/2020	7.000%	-0.100%	6/30/2021	6/30/2020	2.500%	-0.500%
6/30/2020	6/30/2019	7.100%	-0.150%	6/30/2020	6/30/2019	3.000%	0.100%
6/30/2019	6/30/2018	7.250%	-0.150%	6/30/2019	6/30/2018	2.900%	0.175%
6/30/2018	6/30/2017	7.400%	-0.100%	6/30/2018	6/30/2017	2.725%	0.100%
6/30/2017	6/30/2016	7.500%	-0.100%	6/30/2017	6/30/2016	2.625%	0.000%
6/30/2016	6/30/2015	7.600%	-0.100%	6/30/2016	6/30/2015	2.625%	-0.375%
6/30/2015	6/30/2014	7.700%		6/30/2015	6/30/2014	3.000%	

Investment Rate of Return:				Inflation Rate:			
Measurement				Measurement			
Year End	Date	Rate	Change	Year End	Date	Rate	Change
6/30/2025	6/30/2024	6.850%	0.000%	6/30/2025	6/30/2024	2.500%	0.000%
6/30/2024	6/30/2023	6.850%	0.000%	6/30/2024	6/30/2023	2.500%	0.000%
6/30/2023	6/30/2022	6.850%	-0.050%	6/30/2023	6/30/2022	2.500%	0.000%
6/30/2022	6/30/2021	6.900%	-0.100%	6/30/2022	6/30/2021	2.500%	0.000%
6/30/2021	6/30/2020	7.000%	-0.100%	6/30/2021	6/30/2020	2.500%	0.000%
6/30/2020	6/30/2019	7.100%	-0.150%	6/30/2020	6/30/2019	2.500%	-0.100%
6/30/2019	6/30/2018	7.250%	-0.250%	6/30/2019	6/30/2018	2.600%	-0.175%
6/30/2018	6/30/2017	7.500%	-0.100%	6/30/2018	6/30/2017	2.775%	-0.100%
6/30/2017	6/30/2016	7.600%	-0.100%	6/30/2017	6/30/2016	2.875%	0.000%
6/30/2016	6/30/2015	7.700%	0.000%	6/30/2016	6/30/2015	2.875%	-0.125%
6/30/2015	6/30/2014	7.700%		6/30/2015	6/30/2014	3.000%	

Salary Increases:			
Measurement			
Year End	Date	Rate	Change
6/30/2025	6/30/2024	5.000%	0.000%
6/30/2024	6/30/2023	5.000%	0.000%
6/30/2023	6/30/2022	5.000%	0.000%
6/30/2022	6/30/2021	5.000%	0.000%
6/30/2021	6/30/2020	5.000%	-0.500%
6/30/2020	6/30/2019	5.500%	0.000%
6/30/2019	6/30/2018	5.500%	0.000%
6/30/2018	6/30/2017	5.500%	0.000%
6/30/2017	6/30/2016	5.500%	0.000%
6/30/2016	6/30/2015	5.500%	-0.500%
6/30/2015	6/30/2014	6.000%	

OTHER SUPPLEMENTARY INFORMATION

EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO THE EAST BATON ROUGE PARISH SHERIFF
FOR THE YEAR ENDED JUNE 30, 2025

East Baton Rouge Parish Sheriff, Sid J. Gautreaux, III

<u>Purpose:</u>	<u>Amount</u>
Salary	\$ 222,274
Act 123: LSCP compensation	10,988
Benefits - insurance	5,777
Benefits - retirement contribution	26,777
Benefits - medicare	3,288
Registration fees	1,565
Conference travel	8,059
Special meals	1,077
	<u>\$ 279,805</u>

EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

JUSTICE SYSTEM FUNDING SCHEDULE - RECEIVING ENTITY (CASH BASIS)
YEAR ENDED JUNE 30, 2025

	First Six Month Period Ended <u>12/31/2024</u>	Second Six Month Period Ended <u>6/30/2025</u>
Receipts From:		
<i>19th Judicial District Clerk of Court - Civil Fees</i>	\$ 722,687	\$ 738,999
<i>19th Judicial District Clerk of Court - Asset Forfeiture/Sale</i>	78,627	323,767
<i>Out of State: City of Dickinson - Asset Forfeiture/Sale</i>	2,666	-
<i>Ascension Parish Sheriff's Office - Asset Forfeiture/Sale</i>	5,591	-
<i>West Baton Rouge Parish Sheriff's Office - Asset Forfeiture/Sale</i>	3,500	21,738
<i>St. John the Baptist Parish Sheriff's Office - Interest Earnings</i>	7	10
Total Receipts	<u>\$ 813,078</u>	<u>\$ 1,084,514</u>

EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

JUSTICE SYSTEM FUNDING SCHEDULE - COLLECTING/DISBURSING ENTITY (CASH BASIS)
YEAR ENDED JUNE 30, 2025

	First Six Month Period Ended 12/31/2024	Second Six Month Period Ended 6/30/2025
1. Beginning Cash Balance	\$ 11,411,425	\$ 13,515,753
2. Collections		
a. Civil Fees	23,569,113	24,583,880
b. Bond Fees	447,023	553,787
c. Cash Bonds	195,997	156,361
d. Asset Forfeiture/Sale	1,028,067	1,036,356
e. Pre-Trial Diversion Program Fees	27,216	28,087
f. Criminal Court Costs/Fees	537,604	678,750
g. Criminal Fines – Contempt	1,011	716
h. Criminal Fines – Other/Non-Contempt	453,336	311,569
i. Restitution	-	-
j. Probation/Parole/Supervision Fees	-	-
k. Service Fees	-	-
l. Collection Fees	-	-
m. Interest Earnings on Collected Balances	-	-
n. Other	-	-
Total Collected	26,259,367	27,349,506
3. Deductions: Collections Retained by the East Baton Rouge Parish Sheriff		
I. Collection Fee for Collecting/Disbursing to Others Based on Percentage of Collection	800,372	738,697
II. Collection Fee for Collecting/Disbursing to Others Based on Fixed Amount	2,692,994	3,584,120
III. Other Amounts "Self-Disbursed" [Enter amounts on appropriate collection type lines]		
a. Civil Fees	-	-
b. Bond Fees	109,611	132,458
c. Cash Bonds	-	-
d. Asset Forfeiture/Sale	48,128	26,648
e. Pre-Trial Diversion Program Fees	-	-
f. Criminal Court Costs/Fees	13,070	8,723
g. Criminal Fines – Contempt	-	-
h. Criminal Fines – Other/Non-Contempt	52,103	36,479
i. Restitution	-	-
j. Probation/Parole/Supervision Fees	-	-
k. Service Fees	-	-
l. Collection Fees [excluding amounts reported in bullets I and II above]	-	-
m. Interest Earnings on Collected Balances	-	-
n. Other	-	-
Total Collections Retained by the East Baton Rouge Parish Sheriff	3,716,278	4,527,125

(Continued)

EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

JUSTICE SYSTEM FUNDING SCHEDULE - COLLECTING/DISBURSING ENTITY (CASH BASIS)
YEAR ENDED JUNE 30, 2025

	First Six Month Period Ended	Second Six Month Period Ended
4. Deductions: Amounts Disbursed to Individuals and Entities, Excluding Governments and Nonprofits		
a. Collection/Processing Fees Paid to Third Party Entities	-	-
b. Civil Fee Refunds	17,246,201	20,173,897
c. Bond Refunds	-	-
d. Restitution Disbursements to Individuals and Entities, Excluding Governments or a Nonprofit	-	-
e. Other Disbursements to Individuals and Entities, Excluding Governments or a Nonprofit	256,155	318,343
Total Amounts Disbursed to Individuals and Entities, Excluding Governments and Nonprofits	<u>17,502,356</u>	<u>20,492,240</u>
5. Deductions: Total Disbursements to Other Governments & Nonprofits	<u>2,936,405</u>	<u>3,141,039</u>
6. Total Amounts Disbursed/Retained	<u>24,155,039</u>	<u>28,160,404</u>
7. Ending Cash Balance	<u>\$ 13,515,753</u>	<u>\$ 12,704,855</u>
8. Ending Balance of "Partial Payments" Collected but not Disbursed	<u>-</u>	<u>-</u>
9. Other Information:		
I. Ending Balance of Amounts Assessed but Not Yet Collected [i.e. total ending receivable balances]	-	-
II. Total Waivers During the Fiscal Period [i.e. non-cash reduction of receivable balances, such as time served or community service]	-	-
		(Concluded)

COMPLIANCE AND INTERNAL CONTROL

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

Honorable Sid J Gautreaux, III
East Baton Rouge Parish Sheriff
Baton Rouge, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the East Baton Rouge Parish Sheriff (the "Sheriff") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements, and have issued our report thereon dated March 25, 2026.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

EisnerAmper LLP

EISNERAMPER LLP
Baton Rouge, Louisiana
March 25, 2026

EISNERAMPER
LLP



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Honorable Sid J Gautreaux, III
East Baton Rouge Parish Sheriff
Baton Rouge, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the East Baton Rouge Parish Sheriff's (the Sheriff's) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Sheriff's major federal programs for the year ended June 30, 2025. The Sheriff's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Sheriff complied, in all material respects, with the compliance requirements referred above that could have a direct and material effect on its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Sheriff and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal programs. Our audit does not provide a legal determination of the Sheriff's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Sheriff's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Sheriff's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Sheriff's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Sheriff's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Sheriff's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Sheriff's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2025-001. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the Sheriff's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Sheriff's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.



Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify deficiencies in internal control over compliance that we consider to be significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2025-001, and 2025-002 to be significant deficiencies.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on The Sheriff's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Sheriff's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

EisnerAmper LLP

EISNERAMPER LLP
Baton Rouge, Louisiana
March 25, 2026



EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2025

FEDERAL DEPARTMENT/PASS-THROUGH ENTITY/PROGRAM	FEDERAL ALN NUMBER	GRANT NUMBER	FEDERAL EXPENDITURES	AMOUNTS PROVIDED TO SUBRECIPIENTS
United States Department of Justice				
<u>Direct Program:</u>				
<i>Office of Justice Programs:</i>				
Edward Byrne Memorial Justice Assistance Grant Program:				
Justice Assistance Grant 2021	16.738	15PBJA-21-GG-01502-JAGX	\$ 47,343	\$ 47,343
Justice Assistance Grant 2022	16.738	15PBJA-22-GG-02185-JAGX	54,518	43,619
Subtotal			<u>101,861</u>	<u>90,962</u>
Congressionally Recommended Awards:				
Justice Assistance Discretionary Grant 2022	16.753	15PBJA-22-GG-00133-BRND	74,959	-
Justice Assistance Discretionary Grant 2024	16.753	15PBJA-24-GG-00297-BRND	183,666	62,703
Subtotal			<u>258,625</u>	<u>62,703</u>
Bulletproof Vest Partnership Grants:				
FY22 Bullet Proof Vest Partnership	16.607	N/A	47,337	-
FY23 Bullet Proof Vest Partnership	16.607	N/A	8,069	-
Subtotal			<u>55,406</u>	<u>-</u>
<u>Passed Through:</u>				
<i>Louisiana Commission on Law Enforcement and Administration of Criminal Justice:</i>				
Public Safety Partnership and Community Policing Grants:				
COPS Technology and Equipment Grant 2023	16.710	15JCOPS-23-GG-01841-TECP	573,343	-
<u>Passed Through:</u>				
<i>Louisiana Commission on Law Enforcement and Administration of Criminal Justice:</i>				
Edward Byrne Memorial Justice Assistance Grant Program				
Violent Crime Task Force	16.738	2022-DJ-01-7763	9,978	5,018
Targeting Violent Criminals	16.738	2022-DJ-01-7764	14,998	-
Multi-Jurisdictional Task Force	16.738	2021-DJ-01 7178	3,648	-
Multi-Jurisdictional Task Force	16.738	2022-DJ-01-7755	28,282	-
Subtotal			<u>56,906</u>	<u>5,018</u>
<u>Direct Program:</u>				
<i>Office of Justice Programs:</i>				
Equitable Sharing Agreement & Certification Program:				
Justice Funds	16.922	N/A	323,684	-
<u>Passed Through:</u>				
<i>Louisiana Commission on Law Enforcement and Administration of Criminal Justice:</i>				
Crime Victims Assistance	16.575	2022-VA-04/01/02/03-7623	24,115	-
Crime Victims Assistance	16.575	2023-VA-04/03/01/02-8153	40,955	-
Subtotal			<u>65,070</u>	<u>-</u>
Total United States Department of Justice			<u>1,434,895</u>	<u>158,683</u>
United States Department of Transportation				
<u>Passed Through:</u>				
<i>Louisiana Department of Public Safety and Corrections:</i>				
Alcohol Open Container Requirements	20.607	2024-30-18	79,167	-
Subtotal			<u>79,167</u>	<u>-</u>
Minimum Penalties for Repeat Offenders For Driving Intoxicated	20.608	2025-30-18	111,056	-
Subtotal			<u>111,056</u>	<u>-</u>
State and Community Highway Safety	20.600 *	2024-30-18	66,792	-
National Priority Safety Programs	20.616 *	2024-30-18	33,413	-
State and Community Highway Safety	20.600 *	2025-30-18	103,983	-
National Priority Safety Programs	20.616 *	2025-30-18	29,325	-
Subtotal			<u>233,513</u>	<u>-</u>
Total United States Department of Transportation			<u>423,736</u>	<u>-</u>

(continued)

EAST BATON ROUGE PARISH SHERIFF
Baton Rouge, Louisiana

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2025

FEDERAL DEPARTMENT/PASS-THROUGH ENTITY/PROGRAM	FEDERAL ALN NUMBER	GRANT NUMBER	FEDERAL EXPENDITURES	AMOUNTS PROVIDED TO SUBRECIPIENTS
<u>United States Department of Homeland Security</u>				
<i>Passed Through:</i>				
<i>Governor's Office of Homeland Security & Emergency Preparedness:</i>				
High Intensity Drug Trafficking Areas Program	95.001	G23GC0001A	8,166	-
High Intensity Drug Trafficking Areas Program	95.001	G24GC0001A	143,776	-
Subtotal			151,942	-
Port Security Grant Program	97.056	EMW2022PU00236	15,828	-
Subtotal			15,828	-
FEMA Disaster Grants - Public Assistance, Helene	97.036	DR-4827-NC	328,000	
FEMA Disaster Grants - Public Assistance, Francine	97.036	FEMA-DR-4817	37,984	
Subtotal			365,984	-
Total United States Department of Homeland Security			533,754	-
<u>United States Department of Treasury</u>				
<i>Passed Through:</i>				
<i>City-Parish of East Baton Rouge</i>				
State and Local (COVID-19) Recovery Funds	21.027	EBRARP GLOM	912,776	-
Subtotal			912,776	-
Total Expenditures			\$ 3,305,161	\$ 158,683
* Highway Safety Cluster - Total	\$ 233,513			(concluded)
Total for Edward Byrne Memorial Justice Assistance Grant Program (16.738)	\$ 158,767			
Total for State and Community Highway Safety (20.600)	\$ 170,775			
Total for National Priority Safety Programs (20.616)	\$ 62,738			

See the accompanying notes to this schedule.

EAST BATON ROUGE PARISH SHERIFF

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025**

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the East Baton Rouge Parish Sheriff and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE B – INDIRECT COST RATE

The Sheriff has not negotiated an indirect cost rate. Also, the Sheriff elected not to use the 10% de minimis cost rate as allowed by 2 CFR 200.414 Indirect (F&A) costs.

NOTE C – Reconciliation to Financial Statements

The federal grant expenditures are reported within the various expenditure categories of the general fund and are not readily distinguishable to the Schedule of Expenditures of Federal Awards. However, revenue is generally recorded for these grants in an amount equal to allowable costs incurred and therefore the following reconciliation to reported federal grant revenue is provided:

Total expenditures per SEFA	\$ 3,305,161
Revenue expended over collected for Equitable Sharing Program	1,016,404
FEMA revenues paid in excess of amounts obligated in a prior year	<u>43,466</u>
Federal grants revenue per financial statements	<u>\$ 4,365,031</u>

EAST BATON ROUGE PARISH SHERIFF
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2025

A. Summary of Auditors' Results

Financial Statements

Type of auditor's report issued: *Unmodified*

Internal Control over Financial Reporting:

- Material weakness(es) identified? _____ yes no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes none reported

Noncompliance material to financial statements noted? _____ yes no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ yes no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? yes _____ none reported

Type of auditor's report issued on compliance for major programs: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance? yes _____ no

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
16.738	Edward Byrne Memorial Justice Assistance Grant Program
16.753	Congressionally Recommended Awards
16.710	Public Safety Partnership and Community Policing Grants
21.027	State and Local (COVID-19) Recovery Funds

The threshold for distinguishing types A & B programs was program expenditures exceeding \$750,000.

The East Baton Rouge Parish Sheriff was not determined to be a low-risk auditee.

EAST BATON ROUGE PARISH SHERIFF
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2025

B. Findings – Financial Statement Audit

None

C. Findings and Questioned Costs – Major Federal Award Programs

2025-001: Compliance over Reporting

Congressionally Recommended Awards
Assistance Listing Numbers – 16.753

Criteria: The Uniform Guidance Federal regulations per 2 CFR section 200.329 requires among other things, that all non-federal entities to submit performance reports in accordance with the federal award terms and conditions. Federal awarding agencies or pass-through entities may require quarterly performance reports, which must be submitted within 30 days after the end of the reporting period, unless otherwise specified in the award agreement.

Universe/Population: Quarterly performance reports required to be filed in accordance with the individual grant numbers and ALN 16.753 that were due during the period under audit. Based on these requirements, the population consisted of 11 reports.

Condition: The Sheriff's Office did not submit the required quarterly report within the prescribed timeframe. Specifically, the report for the quarter ended December 31, 2024, which was required to be submitted by January 30, 2025, was submitted on February 4, 2025.

Cause: The Sheriff was late in filing the required quarterly report. The delay was due to inadequate monitoring of reporting deadlines and internal review procedures to ensure timely submission of required reports.

Effect: Failure to submit required reports in a timely manner places the Sheriff's Office in noncompliance with federal award requirements and could result in increased federal oversight or other administrative actions by the grantor.

Recommendation: The Sheriff should strengthen internal controls over grant reporting by implementing procedures to track reporting deadlines and ensure reports are reviewed and submitted timely in accordance with federal award requirements.

View of Responsible Official: The Sheriff's Office concurs with the finding. Management indicated that procedures will be implemented to improve tracking and oversight of grant reporting deadlines to ensure timely submission of all required reports in the future

EAST BATON ROUGE PARISH SHERIFF
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2025

C. Findings and Questioned Costs – Major Federal Award Programs (continued)

2025-002: Preparation of the Schedule of Expenditures of Federal Awards

Questioned Costs: N/A

Criteria: The Uniform Guidance Subpart F section 200.510 requires the preparation of the Schedule of Expenditures of Federal Awards (SEFA) to include an accurate reporting of federal awards expended based on the terms and conditions of the grants. For the SEFA to be prepared accurately and properly report the amounts expended for federal awards, a system of controls should be in existence that includes the timely preparation and review of the amounts reported on the SEFA.

Condition: The SEFA prepared by the Sheriff's personnel did not properly report the correct amount of the federal awards expended for the Federal programs administered by the Sheriff. The amount of expenditures reported omitted expenditures required to be included on the schedule.

Cause: A formal review of the SEFA by an individual not involved in the preparation of the schedule of expenditure of federal awards was not performed and the schedules was not adequately reconciled expenditures and completeness of the federal award data.

Effect: The SEFA provided to us did not contain the correct amounts of expenditures for federal awards incurred during the fiscal year which is the basis used to determine the major federal programs to be audited in a fiscal year. Major programs selected and tested by the auditor were incorrect and resulted in unplanned costs to the Sheriff for revisions and testing of additional programs.

Recommendation: The Sheriff should strengthen its controls including its review and approval processes over the information and balances that are accumulated and reported on the SEFA to make sure the expenditures reported are an accurate representation of federal costs.

View of Responsible Official: Management has developed and will implement a new SEFA preparation procedure and a more robust review and reconciliation process prior to submission to our auditors.

EAST BATON ROUGE PARISH SHERIFF
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2024

B. Findings – Financial Statement Audit

None

C. Findings and Questioned Costs – Major Federal Award Programs

2024-001: Compliance over Subrecipient Monitoring, Procurement, and Reporting

Edward Byrne Memorial Justice Assistance Grant Program
Assistance Listing Numbers – 16.738

Condition: Funding passed down to subrecipients of the federal program are not adequately reviewed for all applicable compliance requirements as required under the Uniform Guidance. We noted that for the subrecipient a grant accountant reviewed the expenditures for allowable activities and allowable costs, however these costs were not reviewed for appropriate federal procurement and reporting requirements.

Current Year Status: **Resolved**

March 25, 2026

Honorable Sid J. Gautreaux, III
Sheriff and Tax Collector
East Baton Rouge Parish Sheriff
Baton Rouge, Louisiana

Sheriff Gautreaux:

We have audited the financial statements of the East Baton Rouge Parish Sheriff (the Sheriff) for the year ended June 30, 2025, and have issued our report thereon. As part of our audit, we considered the Sheriff's internal control over financial reporting as well as compliance with the terms of applicable laws and regulations, contracts, and grant agreements that could have a material effect on its financial statements under *Government Auditing Standards*. The purpose of our consideration of internal control and compliance was to establish a basis for designing our auditing procedures, and to determine the effects of compliance on the financial statements. Our consideration was not for the purpose of expressing an opinion on the effectiveness of the Sheriff's internal control or expressing an opinion on compliance.

Our consideration of internal control was for the limited purposes described in the preceding paragraph and was not designed to identify all deficiencies that might be significant deficiencies or material weaknesses in internal control and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses. However, as described below, we identified certain matters involving internal control and other operations matters that are presented for your consideration.

This letter does not affect our reports dated March 25, 2026, on the financial statements of Sheriff or the Sheriff's internal control over financial reporting in accordance with *Government Auditing Standards*. Our comment: is summarized below:

ML 2025-001 Documenting Controls over Reconciliations and Report Submissions

Condition: Control activities serve the purpose of preventing errors or unauthorized transactions or detecting errors or unauthorized transactions timely. For control activities to be effective, an established protocol for timing, frequency and documentation requirements should be followed. We noted the following items.

- Pensionable wages included on the remittances and submitted to the retirement system are not reconciled to payroll reports and the general ledger.
- Before the submission of federal grant quarterly reports, a review of the information entered should be conducted. There is no documentation evidencing this review.

Recommendations: The Sheriff's Office should establish a structured frequency and documentation standard for the controls described above.

Management Response: Management agrees with this comment and will document and implement greater controls over the pensionable wage's reconciliation process and the federal grant quarterly reporting review process to ensure accuracy and completeness in conformity with best practice suggestions.

ML 2025-002

**Documentation and Review of User Controls over Third-Party Services
Organization Control Reports**

Condition:

The Sheriff uses third party vendors for various IT applications. The third party's controls pertaining to accounting records and transactions and perhaps personal identification information generally are assessed and reported on in the third party's Service Organization Control (SOC) Type 1 or Type 2 Reports. User entity level controls should be assessed in conjunction with the service organization level controls. This assessment was not completed timely and was not documented.

Recommendations:

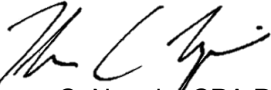
We recommend that on an annual basis, management assesses and documents its review of user controls in conjunction with the third party's service organization controls. This should be documented in a memo acknowledging receipt and review of the SOC Type 1 and/or Type 2 Reports obtained as well as any changes that may be needed to current internal processes and a plan for the implementation as necessary.

Management Response:

The Computer Operations department will establish an annual process to obtain and review SOC 1 Type 2 reports from applicable third-party vendors. We will identify and evaluate the vendors controls, and document any findings in a standardized memorandum. In cases where a SOC 1 Type 2 report is not available, the Computer Operations department will document that the third-party vendor does not have a report and request a response from the vendor to provide EBRSO.

We will be glad to discuss these matters further at your convenience.

Very truly yours,



Thomas C. Naquin, CPA Partner
EISNERAMPER LLP



Status of Prior Year Management Letter Comments

ML 2024-001

Documenting Controls over Reconciliations and Report Submissions

Condition:

Control activities serve the purpose of preventing errors or unauthorized transactions or detecting errors or unauthorized transactions timely. For control activities to be effective, an established protocol for timing, frequency and documentation requirements should be followed. We noted the following items.

- The accounting and payroll departments do not formally document the reconciliation of pensionable wages between the two departments over the course of the fiscal year. While communication between the two departments does occur often, the two departments track and maintain separate payroll reports and reconciliation reports timely with little communication between the departments over differences.
- Before the submission of federal grant quarterly reports, a review of the information entered should be conducted. While there is a control over the accuracy of the information to be submitted, prior to being input into the reporting system, no such review is being performed to ensure the accuracy or completeness of the information being submitted.

Management Response:

Management agrees with this comment and will document and implement greater controls over the pensionable wage's reconciliation process and the federal grant quarterly reporting review process to ensure accuracy and completeness in conformity with best practice suggestions.

Follow Up on Management Response: *This matter was not resolved in the current year based on testing performed. There was no evidence of Management implementing the best practices suggested. See ML 2025-001.*



EISNERAMPER

East Baton Rouge Parish Sheriff

REPORT ON STATEWIDE
AGREED-UPON PROCEDURES
on COMPLIANCE and
CONTROL AREAS

FOR THE YEAR ENDED
JUNE 30, 2025



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**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the East Baton Rouge Parish Sheriff and the Louisiana Legislative Auditor

We have performed the procedures enumerated in Schedule A on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) of the East Baton Rouge Parish Sheriff (the Sheriff) for the fiscal period July 1, 2024 through June 30, 2025. The Sheriff's management is responsible for those C/C areas identified in the SAUPs.

The Sheriff has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of performing specified procedures on the C/C areas identified in the LLA's SAUPs for the fiscal period July 1, 2024 through June 30, 2025. Additionally, the LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures we performed, and the associated findings are summarized in the attached Schedule A, which is an integral part of this report.

We were engaged by the Sheriff to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs of the Sheriff for the fiscal period July 1, 2024 through June 30, 2025. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Sheriff and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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



EISNERAMPER LLP
Baton Rouge, Louisiana
March 25, 2026

**EAST BATON ROUGE PARISH SHERIFF
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
JUNE 30, 2025**

Schedule A

The procedures performed and the results thereof are set forth below. The procedure is stated first, followed by the results of the procedure presented in italics. If the item being subjected to the procedures is positively identified or present, then the results will read *“no exception noted”* or for step 13 *“we performed the procedure and discussed the results with management”*. If not, then a description of the exception ensues.

1) Written Policies and Procedures

A. Obtain and inspect the entity’s written policies and procedures and observe whether they address each of the following categories and subcategories (if applicable to public funds and the entity’s operations):

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

No exception noted.

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

No exception noted.

iii. **Disbursements**, including processing, reviewing, and approving

No exception noted.

iv. **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management’s actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

No exception noted.

v. **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.

The Sheriff has written policies and procedures for Payroll/Personnel however, the policy does not specify (3) approval process for employees’ rate of pay or approval and maintenance of pay rate schedules. This is considered an exception. For attributes (1) and (2), no exceptions were noted.

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

No exception noted.

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

No exception noted.

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- viii. **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

No exception noted.

- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

The Sheriff has written policies for Ethics, however, the policy does not specify (3) system to monitor possible ethics violations; or (4) a requirement that documentation be maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy. These are considered exceptions. For policy attributes (1) and (2), no exceptions were noted.

- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

No exception noted.

- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

The Sheriff has written policies and procedures for Information Technology Disaster Recovery/Business Continuity however, the policy does not specify (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, and (5) timely application of all available system and software patches/updates. This is considered an exception. For attributes (1), (2) and (6), no exceptions were noted.

- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

No exception noted.

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2) Board or Finance Committee

A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

- i. Observe whether the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual comparisons, at a minimum, on all proprietary funds, and semi-annual budget-to-actual comparisons, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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Schedule A

3) Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

A listing of bank accounts was provided and included a total of 63 bank accounts. Management identified the entity's two main operating accounts. No exceptions were noted as a result of performing this procedure.

From the listing provided, we selected 5 bank accounts (2 main operating and 3 randomly) and obtained the bank reconciliations for the month ending September 30, 2024, resulting in 5 bank reconciliations obtained and subjected to the below procedures.

- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

No exception noted.

- ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated, electronically logged); and

No exception noted.

- iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

No exception noted.

4) Collections (excluding electronic funds transfers)

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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- i. Employees responsible for cash collections do not share cash drawers/registers;

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit;

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or custodial fund additions, is (are) not also responsible for collecting cash, unless another employee verifies the reconciliation.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- i. Observe that receipts are sequentially pre-numbered.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- iii. Trace the deposit slip total to the actual deposit per the bank statement.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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- iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- v. Trace the actual deposit per the bank statement to the general ledger.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

5) Non-payroll Disbursements (excluding card purchases, travel reimbursements, and petty cash purchases)

- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

The listing of locations that process payments for the fiscal period was provided and included 4 disbursement locations. No exceptions were noted as a result of performing this procedure.

From the listing provided, we selected all four payment processing locations and performed the procedures below.

- B. For each location selected under #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that:

The listing of employees involved with non-payroll purchasing and payment functions for each payment processing location selected in procedure #5A was provided. No exceptions were noted as a result of performing this procedure.

Observation was made of the Entity's written policies and procedures or inquiry with employee(s) regarding job duties was performed in order to perform the procedures below.

- i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;

For 1 of the 4 payment processing locations, the same individual was involved in initiating a request, approving a purchase, and placing an order/making the purchase. This is considered an exception. No exceptions noted for the remaining 3 locations.

- ii. At least two employees are involved in processing and approving payments to vendors;

For 1 of the 4 payment processing locations, the same individual was involved in processing and approving payments to vendors. This is considered an exception. No exceptions noted for the remaining 3 locations.

- iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;

For 1 of the 4 payment processing locations, the person processing payments had access to and could modify vendor files. This is considered an exception. No exceptions noted for the remaining 3 locations.

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- iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and

For 1 of the 4 payment processing locations, the same individual who signs checks was also responsible for processing payments and mailing payments. This is considered an exception. No exceptions noted for the remaining 3 locations.

- v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

No exception noted.

- C. For each location selected under #3A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and

A listing of non-payroll disbursements for each payment processing location selected in procedures #5A was provided related to the reporting period. No exceptions were noted as a result of performing this procedure.

From each of the listings provided, we randomly selected 5 disbursements, totaling 20 disbursements and performed the procedures below.

- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice, and that supporting documentation indicates that deliverables included on the invoice were received by the entity, and

No exception noted.

- ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #3B above, as applicable.

For one location, all 5 disbursements selected for testing resulted in the same exceptions identified at 5) B. i 5) B. ii and 5B. iv. Further, we also noted that for 1 disbursement made at a separate disbursement location, 1 instance occurred where the same employee who entered the purchase order into the system also approved the purchase order. These are considered exceptions.

- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #2A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing does include electronic disbursements.

No exception noted.

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6) Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)

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

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported; and

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- ii. Observe that finance charges and late fees were not assessed on the selected statements.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- C. Using the monthly statements or combined statements selected under procedure #6B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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7) Travel and Travel-Related Expense Reimbursements (excluding card transactions)

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov);

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by "Written Policies and Procedures", procedure #1A(vii); and

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

8) Contracts

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and

An active vendor list for the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 5 contracts and performed the procedures below.

- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;

No exception noted.

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- ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter);

No exception noted.

- iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and

No exception noted.

- iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

No exception noted.

9) Payroll and Personnel

- A. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- B. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- i. Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

10) Ethics

- A. Using the 5 randomly selected employees/officials from procedure "Payroll and Personnel" procedure #9A, above obtain ethics documentation from management, and
- i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

11) Debt Service

- A. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued as required by Article VII, Section 8 of the Louisiana Constitution.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

**EAST BATON ROUGE PARISH SHERIFF
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
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Schedule A

- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

12) Fraud Notice

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- B. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

13) Information Technology Disaster Recovery/Business Continuity

- A. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**

- i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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Schedule A

- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in Payroll and Personnel procedure #9C. Observe evidenced that the selected terminated employees have been removed or disabled from the network.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- C. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:12671. The requirements are as follows:

- Hired before June 9, 2020 - completed the training; and
- Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

14) Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees/officials from "Payroll and Personnel" procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

As procedures #9A was not performed in the current period due to it being in rotation, a random sample of 5 employees was selected for testing. For 1 of the 5 employees, there was no documentation provided for one hour of sexual harassment training. This is considered an exception. No exceptions were noted for the remaining 4 employees tested.

- B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

No exception noted.

- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:

- i. Number and percentage of public servants in the agency who have completed the training requirements;

No exception noted.

- ii. Number of sexual harassment complaints received by the agency;

No exception noted.

- iii. Number of complaints which resulted in a finding that sexual harassment occurred;

No exception noted.

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- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

No exception noted.

- v. Amount of time it took to resolve each complaint.

No exception noted.

**EAST BATON ROUGE PARISH SHERIFF
MANAGEMENT'S RESPONSE AND CORRECTIVE ACTION PLAN
JUNE 30, 2025**

Schedule B

Management has reviewed and will address the exceptions noted above.