

**EAST CARROLL PARISH SHERIFF**  
**Lake Providence, Louisiana**

**Annual Financial Statements**  
**With Independent Auditor's Report**  
**As of and for the Year Ended**  
**June 30, 2017**  
**With Supplemental Information Schedules**

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

Annual Financial Statements  
As of and for the Year Ended June 30, 2017  
With Supplemental Information Schedules

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Member:  
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Practice Limited to  
Governmental Accounting,  
Auditing and  
Financial Reporting

### Independent Auditor's Report

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

#### Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities and major fund of the East Carroll Parish Sheriff, a component unit of the East Carroll Parish Police Jury, as of June 30, 2017, and for the year then ended, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements as listed in the table of contents.

#### *Management's Responsibility for the Financial Statements*

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

#### *Auditor's Responsibility*

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

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

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

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana  
Independent Auditor's Report,  
June 30, 2017

*Opinions*

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position and major fund of the East Carroll Parish Sheriff as of June 30, 2017, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

*Other Matters*

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 8 through 12 and the budgetary comparison information on pages 40 through 43, and the schedule of the Sheriff's proportionate share of the net pension liability on pages 44 through 45, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with managements's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

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

The combining and individual nonmajor fund financial statements are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The Sheriff's sworn statement presented on page 47 and the schedule of compensation, benefits, and other payments to agency head on page 48 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana  
Independent Auditor's Report,  
June 30, 2017

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, I have also issued a report dated August 23, 2017, on my consideration of the East Carroll Parish Sheriff's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the East Carroll Parish Sheriff's internal control over financial reporting and compliance.



West Monroe, Louisiana  
August 23, 2017

**REQUIRED SUPPLEMENTARY INFORMATION  
PART I**

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

**Management's Discussion and Analysis**  
June 30, 2017

As management of the East Carroll Parish Sheriff, I offer readers of the East Carroll Parish Sheriff's financial statements this narrative overview and analysis of the financial activities of the East Carroll Parish Sheriff for the fiscal year ended June 30, 2017. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

**Overview of the Financial Statements**

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

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

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

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

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

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

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

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

The East Carroll Parish Sheriff adopts an annual appropriated budget for the general fund and the special revenue funds. A budgetary comparison statement is provided for the major funds to demonstrate compliance with these budgets.

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

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

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

### **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, assets of the East Carroll Parish Sheriff exceeded liabilities by \$7,930,062. East Carroll Parish Sheriff's net position reflects its investment in capital assets (furniture and equipment), less any related debt used to acquire those assets that is still outstanding and reserves for debt service and inventory. These assets are not available for future spending. Although the investment in capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources.

The balance in unrestricted net position is affected by two factors: 1) resources expended, over time, by the East Carroll Parish Sheriff to acquire capital assets from sources other than internally generated funds (i.e., debt), and 2) required depreciation on assets having been included in the statement of net position.

STATEMENT OF NET POSITION

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$6,662,679	\$4,595,102
Receivables	1,270,360	1,233,389
Inventory	43,496	35,372
Due from other funds	58,333	2,050
Utility deposit	310	310
Capital assets (net of accumulated depreciation)	<u>14,892,890</u>	<u>15,082,532</u>
<b>TOTAL ASSETS</b>	<u>22,928,068</u>	<u>20,948,755</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension related	<u>447,931</u>	<u>42,073</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u>\$23,375,999</u>	<u>\$20,990,828</u>
<b>LIABILITIES</b>		
Accounts payable	\$225,556	\$157,767
Salaries payable	44,010	38,499
Due to other funds	585	
Interest payable	69,685	73,450
Long term liabilities:		
Due within one year	740,000	695,000
Due in more than one year	12,125,000	12,865,000
Deferred issuance costs	(520,663)	(564,052)
Net pension liability	<u>1,589,364</u>	<u>2,216,902</u>
<b>TOTAL LIABILITIES</b>	<u>14,273,537</u>	<u>15,482,566</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension related	1,172,400	606,721
<b>NET POSITION</b>		
Invested in capital assets, net of related debt	2,027,890	1,522,532
Reserved for debt service	1,607,238	1,607,111
Reserved for Inventory	43,496	35,372
Unrestricted	<u>4,251,438</u>	<u>1,736,526</u>
<b>TOTAL NET POSITION</b>	<u>7,930,062</u>	<u>4,901,541</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<u>\$23,375,999</u>	<u>\$20,990,828</u>

STATEMENT OF ACTIVITIES

	<u>2017</u>	<u>2016</u>
Public safety:		
Personal services	\$2,038,437	\$2,262,389
Operating services	6,562,501	5,656,313
Materials and supplies	1,416,337	1,388,743
Travel	40,941	39,673
Debt service interest and other	924,868	967,684
Depreciation expense	526,851	469,801
<b>Total Program Expenses</b>	<u>11,509,935</u>	<u>10,784,603</u>
Program revenues:		
Commissions on license and taxes	45,997	28,670
Civil and criminal fees	149,752	95,051

Feeding prisoners	\$11,425,898	\$10,668,534
Vending machines, phones, work release	543,571	511,542
Tax notices	11,152	19,801
Bond fees	16,437	22,507
Total program revenues	<u>12,192,807</u>	<u>11,346,105</u>
Net Program Expenses	<u>682,872</u>	<u>561,502</u>
General revenues:		
Taxes		
Ad valorem	553,875	544,871
Sales tax	626,273	727,974
Grants and contributions not restricted to specific programs:		
Federal sources	54,794	17,432
State sources:		
State revenue sharing (net)	43,055	41,366
State supplemental pay	115,042	114,115
Other state grants	219,006	227,590
Local sources	399	651
Interest earned	5,859	2,093
Miscellaneous	727,346	683,047
Change in Net Position	3,028,521	2,920,641
Net Position - Beginning of year	<u>4,901,541</u>	<u>1,980,900</u>
Net Position - End of year	<u>\$7,930,062</u>	<u>\$4,901,541</u>

## Financial Analysis of the Government's Funds

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

As of June 30, 2017, combined governmental fund balances of \$7,765,027 shows an increase of \$2,095,070 over June 30, 2016. The General Fund's portion of the unreserved, unassigned fund balance of \$1,034,631 shows an increase (of approximately \$292,742) from the prior year amount. The Riverbend Detention Center's portion of the restricted fund balance of \$6,078,337 shows an increase (of approximately \$1,784,946) from the prior year amount.

## General Fund Budgetary Highlights

Differences between General Fund's original budget and the final budget for expenditures between the original budget and the final budget were an increase in personal services and benefits, operating services, materials and supplies, travel and other charges, and capital outlay.

Differences between Riverbend Detention Center's original budget and the final budget for expenditures between the original budget and the final budget were an increase in operating services and materials and supplies.

## **Capital Asset and Debt Administration**

**Capital assets.** The East Carroll Parish Sheriff's investment in capital assets for its governmental activities as of June 30, 2017, amounts to \$14,892,890 (net of accumulated depreciation). This investment includes buildings, furniture and equipment. The increase in capital assets for the year was \$337,209 and no deletions for the year.

**Long-term debt.** The East Carroll Parish Sheriff is a participating employer in a cost-sharing, multiple-employer defined benefit pension plan. The Sheriffs' portion of net pension liability at June 30, 2017 is \$1,589,364. The liability for the revenue bonds at June 30, 2017 is \$12,865,000.

### **Requests for Information**

This financial report is designed to provide a general overview of the East Carroll Parish Sheriff's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the East Carroll Parish Sheriff, P.O. Box 246, Lake Providence LA 71254.

August 23, 2017

**BASIC FINANCIAL STATEMENTS**

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

STATEMENT OF NET POSITION  
June 30, 2017

**ASSETS**

Cash and cash equivalents	\$6,662,679
Receivables	1,270,360
Due from other funds	58,333
Inventory	43,496
Utility deposit	310
Capital assets (net of accumulated depreciation)	<u>14,892,890</u>
<b>TOTAL ASSETS</b>	<u><u>22,928,068</u></u>

**DEFERRED OUTFLOW OF RESOURCES**

Pension related	<u>447,931</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u><u>\$23,375,999</u></u>

**LIABILITIES**

Accounts payable	225,556
Salaries payable	44,010
Interest payable	69,685
Due to other funds	585
Long term liabilities:	
Due within one year	740,000
Due in more than one year	12,125,000
Deferred issuance costs	(520,663)
Net pension liability	<u>1,589,364</u>
<b>TOTAL LIABILITIES</b>	<u><u>14,273,537</u></u>

**DEFERRED INFLOWS OF RESOURCES**

Pension related	1,172,400
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**NET POSITION**

Invested in capital assets, net of related debt	2,027,890
Reserved for debt service	1,607,238
Reserved for inventory	43,496
Unrestricted	<u>4,251,438</u>
<b>TOTAL NET POSITION</b>	<u><u>7,930,062</u></u>

TOTAL LIABILITIES, DEFERRED INFLOWS OF  
RESOURCES AND NET POSITION

\$23,375,999

The accompanying notes are an integral part of this statement.

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana  
STATEMENT OF ACTIVITIES  
June 30, 2017

Public safety:	
Personal services	\$2,038,437
Operating services	6,562,501
Materials and supplies	1,416,337
Travel	40,941
Debt service interest and other	924,868
Depreciation expense	526,851
Total Program Expenses	<u>11,509,935</u>
Program revenues:	
Commissions on licenses and taxes	45,997
Civil and criminal fees	149,752
Feeding prisoners	11,425,898
Vending machines, phones, work release	543,571
Tax notices, etc.	11,152
Bond fees	16,437
Total program revenues	<u>12,192,807</u>
Net Program Expenses	682,872
General revenues:	
Taxes:	
Ad Valorem	553,875
Sales	626,273
Grants and contributions not restricted to specific programs:	
Federal sources	54,794
State sources:	
State revenue sharing (net)	43,055
State supplemental pay	115,042
Other state grants	219,006
Local sources	399
Interest earned	5,859
Miscellaneous	727,346
Change in Net Position	3,028,521
<b>NET POSITION</b>	
Beginning of year	<u>4,901,541</u>
End of year	<u><u>\$7,930,062</u></u>

The accompanying notes are an integral part of this statement.

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana  
GOVERNMENTAL FUNDS

Balance Sheet, June 30, 2017

	-----Major Funds-----			TOTAL
	GENERAL FUND	RIVERBEND DETENTION CENTER	OTHER GOVERN- MENTAL FUNDS	
<b>ASSETS</b>				
Cash and cash equivalents	\$967,101	\$5,149,520	\$546,058	\$6,662,679
Receivables	101,623	1,061,701	107,036	1,270,360
Due from other funds	585	57,730	18	58,333
Inventory		43,496		43,496
Utility deposit		310		310
<b>TOTAL ASSETS</b>	<u><u>\$1,069,309</u></u>	<u><u>\$6,312,757</u></u>	<u><u>\$653,112</u></u>	<u><u>\$8,035,178</u></u>
<b>LIABILITIES AND FUND EQUITY</b>				
Liabilities:				
Accounts payable	\$6,532	\$217,971	\$1,053	\$225,556
Salaries payable	28,146	15,864		44,010
Due to other funds		585		585
<b>Total Liabilities</b>	<u>34,678</u>	<u>234,420</u>	<u>1,053</u>	<u>270,151</u>
Fund Equity:				
Restricted - public safety		6,078,337	652,059	6,730,396
Fund balance - unassigned	1,034,631			1,034,631
<b>Total Fund Equity</b>	<u>1,034,631</u>	<u>6,078,337</u>	<u>652,059</u>	<u>7,765,027</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u><u>\$1,069,309</u></u>	<u><u>\$6,312,757</u></u>	<u><u>\$653,112</u></u>	<u><u>\$8,035,178</u></u>

The accompanying notes are an integral part of this statement.

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

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

For the Year Ended June 30, 2017

Total Fund Balances at June 30- Governmental Funds (Statement C)		\$7,765,027
Deferred outflow of resources		447,931
Cost of capital assets at June 30	\$17,445,868	
Less: Accumulated depreciation as of June 30	<u>(2,552,978)</u>	14,892,890
Long term liabilities at June 30, 2017:		
Bonds payable		(12,865,000)
Deferred issuance costs		520,663
Accrued interest payable		(69,685)
Net pension liability		(1,589,364)
Deferred inflows of resources		<u>(1,172,400)</u>
Net Position at June 30 (Statement A)		<u>\$7,930,062</u>

The accompanying notes are an integral part of this statement.

EAST CARROLL PARISH SHERIFF  
 Lake Providence, Louisiana  
 GOVERNMENTAL FUND TYPE

Statement of Revenues, Expenditures, and  
 Changes in Fund Balance

For the Year Ended June 30, 2017

	-----Major Funds-----			TOTAL
	GENERAL FUND	RIVERBEND DETENTION CENTER	OTHER GOVERNMENTAL FUNDS	
Taxes :				
Ad valorem	\$553,875			\$553,875
Sales tax	626,273			626,273
Intergovernmental revenues:				
Federal grants	54,794			54,794
State grants:				
Feeding prisoners		\$11,425,898		11,425,898
State revenue sharing (net)	43,055			43,055
State supplemental pay	115,042			115,042
Other state grants	81,933		\$137,073	219,006
Local grants	399			399
Fees, charges, and commissions for services:				
Commissions on licenses and taxes	45,997			45,997
Civil and criminal fees	149,752			149,752
Tax notices, etc.	11,152			11,152
Bond fees	16,437			16,437
Vending machine, phones, work release		543,571		543,571
Use of money and property	743	4,441	675	5,859
Other revenues	114,540	34,172	481,359	630,071
Total revenues	<u>1,813,992</u>	<u>12,008,082</u>	<u>619,107</u>	<u>14,441,181</u>
<b>EXPENDITURES</b>				
Public safety:				
Current:				
Personal services and related benefits	1,588,544	820,335		2,408,879
Operating services	219,788	6,318,776	23,937	6,562,501
Materials and supplies	77,018	1,311,531	27,788	1,416,337
Travel and other charges	37,051	3,890		40,941
Debt service		1,580,244		1,580,244
Capital outlay	198,849	138,360		337,209
Total expenditures	<u>2,121,250</u>	<u>10,173,136</u>	<u>51,725</u>	<u>12,346,111</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<u>(307,258)</u>	<u>1,834,946</u>	<u>567,382</u>	<u>2,095,070</u>

(Continued)

EAST CARROLL PARISH SHERIFF  
 Lake Providence, Louisiana  
 GOVERNMENTAL FUND TYPE - GENERAL FUND  
 Statement of Revenues, Expenditures, and  
 Changes in Fund Balance

	-----Major Funds-----			TOTAL
	GENERAL FUND	RIVERBEND DETENTION CENTER	OTHER GOVERN- MENTAL FUNDS	
<b>OTHER FINANCING SOURCE (Use):</b>				
Transfers in	\$600,000	\$200,000		\$800,000
Transfers out		(250,000)	(\$550,000)	(800,000)
Total Other Financing Source (Use)	600,000	(50,000)	(550,000)	NONE
<b>EXCESS OF REVENUES AND OTHER SOURCE OVER EXPENDITURES AND OTHER USE</b>	292,742	1,784,946	17,382	2,095,070
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	741,889	4,293,391	634,677	5,669,957
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$1,034,631</u>	<u>\$6,078,337</u>	<u>\$652,059</u>	<u>\$7,765,027</u>

(Concluded)

The accompanying notes are an integral part of this statement.

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

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

For the Year Ended June 30, 2017

Total net change in fund balances - governmental funds (Statement D)	\$2,095,070
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeds capital outlay in the period.	(189,642)
Discounts on bond issues and other costs of issuance are reported as an expenditure in the governmental funds but are carried to the government wide statement of net position and amortized over the life of the bonds. This is the difference between the total deferred costs carried to the statement of net position and the amount amortized for the current year.	(43,389)
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	3,765
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	695,000
Non-employer contributions to pension plan	97,275
Pension expense	<u>370,442</u>
Change in Net Position of governmental activities (Statement B)	<u>\$3,028,521</u>

The accompanying notes are an integral part of this statement.

EAST CARROLL PARISH SHERIFF  
 Lake Providence, Louisiana  
 Statement of Fiduciary Net Assets - Agency Funds

June 30, 2017

	TAX COLLECTOR FUND	CONFIS CATED FUNDS	CRIMINAL FUND	CIVIL FUND	ECDC INMATE	RBDC INMATE	TOTAL
<b>ASSETS</b>							
Cash and cash equivalents	\$5,094	\$16,582	\$20,326	\$9,000	\$5,195	\$75,839	\$132,036
<b>TOTAL ASSETS</b>	<u>\$5,094</u>	<u>\$16,582</u>	<u>\$20,326</u>	<u>\$9,000</u>	<u>\$5,195</u>	<u>\$75,839</u>	<u>\$132,036</u>
<b>LIABILITIES</b>							
Due to other funds					\$18	\$57,730	\$57,748
Due to taxing bodies and others	\$5,094	\$16,582	\$20,326	\$9,000	5,177	18,108	74,287
<b>TOTAL LIABILITIES</b>	<u>\$5,094</u>	<u>\$16,582</u>	<u>\$20,326</u>	<u>\$9,000</u>	<u>\$5,195</u>	<u>\$75,838</u>	<u>\$132,035</u>

The accompanying notes are an integral part of this statement.

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

Notes to the Financial Statements  
As of and For the Year Ended June 30, 2017

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the sheriff serves a four year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The sheriff also administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, serving subpoenas, et cetera. As the ex-officio tax collector of the parish, the sheriff is responsible for the collection and distribution of ad valorem property taxes, parish occupational licenses, state revenue sharing funds, sportsmen licenses, and fines, costs, and bond forfeitures imposed by the district court.

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

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

**A. REPORTING ENTITY**

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

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the East Carroll Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial responsibility. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana  
Notes to the Financial Statements (Continued)

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

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

**B. BASIC FINANCIAL STATEMENTS - GOVERNMENT-WIDE STATEMENTS**

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

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

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

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana  
Notes to the Financial Statements (Continued)

when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

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

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

### C. BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS

The financial transactions of the sheriff are reported in individual funds in the fund financial statements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. Fund financial statements report detailed information about the sheriff. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

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

#### **Governmental Fund Types**

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

**Special Revenue Funds** - The Detention Center Special Revenue Funds, are used to account for the proceeds of specific revenue sources such as grants and state and parish funds for maintaining state and parish prisoners. Those revenues are restricted to expenditures for specified purposes.

**Capital Projects Funds** - The capital projects funds account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

**Fiduciary Fund Type - Agency Funds**

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

**D. BASIS OF ACCOUNTING**

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

**1. Accrual:**

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

**2. Modified Accrual:**

The governmental funds financial statements are presented on the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana  
Notes to the Financial Statements (Continued)

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

**Revenues**

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

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

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

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

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

**Expenditures**

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

**E. SALES TAXES**

On November 2, 2004, voters of the parish approved a one per cent sales and use tax which is dedicated for the purpose of drug education, prevention and enforcement, personnel,

EAST CARROLL PARISH SHERIFF  
 Lake Providence, Louisiana  
 Notes to the Financial Statements (Continued)

training and equipment, and other lawful expenses of the operations of the law enforcement district. The tax is for an indefinite period of time.

**F. CASH AND CASH EQUIVALENTS**

Under state law, the sheriff may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2017, the sheriff has cash and equivalents (book balances) totaling \$6,794,715 as follows:

Demand deposits	\$6,794,615
Petty cash	<u>100</u>
Total	<u>\$6,794,715</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash and cash equivalents (bank balances) at June 30, 2017, are secured as follows:

Bank balances	<u>\$6,931,626</u>
Federal deposit insurance	\$2,013,701
Pledged securities (uncollateralized)	<u>5,746,664</u>
Total	<u>\$7,760,365</u>

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

**G. CAPITAL ASSETS**

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of

EAST CARROLL PARISH SHERIFF  
 Lake Providence, Louisiana  
 Notes to the Financial Statements (Continued)

donation. The sheriff maintains a threshold level of \$1,000 or more for capitalizing capital assets.

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

<u>Description</u>	<u>Estimated Lives</u>
Buildings	20-40 years
Furniture and fixtures	5 - 10 years
Vehicles	5 - 15 years
Equipment	5 - 20 years

**H. RISK MANAGEMENT**

The sheriff is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets and errors and omissions. To handle such risk of loss, the sheriff maintains commercial insurance policies covering his automobiles and surety bond coverage. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended June 30, 2017.

**I. VACATION AND SICK LEAVE**

Employees will receive one week annual vacation leave for the first year of service and two weeks for the second year of service. A week is defined as the number of days normally worked during the employee's tour of duty. Annual vacation leave does not accrue and cannot be carried forward in the next year. Sick leave accrues at one-half (1/2) day per month after three months of employment, up to a total of six (6) days per year, with a cap of 12 days. There is no monetary value for accumulated sick leave.

**J. PENSION PLANS**

The East Carroll Parish Sheriff's Office is a participating employer in a cost-sharing, multiple-employer defined benefit pension plan as described in Note 4. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related

EAST CARROLL PARISH SHERIFF  
 Lake Providence, Louisiana  
 Notes to the Financial Statements (Continued)

to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions for the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within the plan.

**2. RECEIVABLES**

The receivables of \$1,270,360 at June 30, 2017, are as follows:

Class of receivables:	RB			Total
	General Fund	Detention Center	Non Major and Agency	
Taxes - Sales	\$68,767			\$68,767
Intergovernmental revenues:				
State grants	23,030		\$68,537	91,567
Fees, charges, and commissions for services	1,026	\$1,061,701	38,499	1,101,226
Other	8,800			8,800
Total	<u>\$101,623</u>	<u>\$1,061,701</u>	<u>\$107,036</u>	<u>\$1,270,360</u>

**3. CHANGES IN CAPITAL ASSETS**

A summary of changes in buildings and office furnishings and equipment for the year ended June 30, 2017, follows:

	Beginning Balance	Additions	Deletions	Ending Balance
General Fund:				
Weapons	\$25,369	\$1,448		\$26,817
Furniture and equipment	177,968	10,384		188,352
Vehicles	601,321	187,017		788,338
Sub-total General Fund	804,658	198,849	NONE	1,003,507
East Carroll Detention Center:				
Buildings	1,533,329			1,533,329
Improvements other than buildings	86,984			86,984
Weapons	11,317			11,317
Furniture and equipment	189,558			189,558
Vehicles	103,314			103,314
Sub-total ECDC	<u>1,924,502</u>	<u>NONE</u>	<u>NONE</u>	<u>1,924,502</u>
Riverbend Detention Center:				
Buildings	14,236,886	30,204		14,267,090
Furniture and equipment	110,611	13,347		123,958

EAST CARROLL PARISH SHERIFF  
 Lake Providence, Louisiana  
 Notes to the Financial Statements (Continued)

Vehicle	\$32,002	\$94,809		\$126,811
Sub-total RBDC	14,379,499	138,360	NONE	14,517,859
Total assets	17,108,659	337,209	NONE	17,445,868
Less accumulated depreciation	2,026,127	526,851	NONE	2,552,978
Net capital assets	\$15,082,532	(\$189,642)	NONE	\$14,892,890

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

The Sheriffs' Pension and Relief Fund (Fund) is a cost-sharing multiple-employer defined benefit pension plan established in accordance with the provisions of Louisiana Revised Statute 11:2171 to provide retirement, disability and survivor benefits to employees of the sheriff's offices throughout the State of Louisiana, employees of the Louisiana Sheriffs' Association and the Sheriff's Pension and Relief Fund's office. The sheriff's office implemented Government Accounting Standards Board (GASB) Statement 68 on Accounting and Financial Reporting for Pensions and Statement 71 on Pension Transition for Contributions Made Subsequent to the Measurement Date, an Amendment of GASB 68. These standards require the Sheriff's office to record its proportional share of each of the pension plans Net Pension Liability.

*Summary of Significant Accounting Policies.*

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

The Sheriffs' Pension and Relief Fund's employer schedules were prepared using the accrual basis of accounting. Members' earnable compensation, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed. The member's earnable compensation is attributed to the employer for which the member is employed as of June 30, 2016.

*Plan Description.*

The Sheriffs' Pension and Relief Fund was established for the purpose of providing retirement benefits for employees of sheriffs' offices throughout the State of Louisiana, employees of Louisiana Sheriffs' Association and the employees of the Fund. The projection of benefit payments in the calculation of the

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana  
Notes to the Financial Statements (Continued)

total pension liability includes all benefits to be provided to current active and inactive employees through the Fund in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

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

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

### *Plan Benefits*

#### Retirement Benefits

For members who become eligible for membership on or before December 31, 2011: Members with twelve years of creditable service may retire at age fifty-five; members with thirty years of service may retire regardless of age. The retirement allowance is equal to 3.33 percent of their final-average salary for each year of credited service. The retirement benefit cannot exceed 100 per cent of their final-average salary. Active, contributing members with at least ten years of creditable service may retire at age sixty. The accrued normal retirement benefit is reduced actuarially for each month or fraction thereof that retirement begins prior to the member's earliest normal retirement date assuming continuous service.

For a member whose first employment making him eligible for membership in the system began on or after January 1, 2012: Members with twelve years of creditable service may retire at age sixty-two; members with twenty years of service may retire at age sixty; members with thirty years of creditable service may retire at age fifty-five. The benefit accrual rate for such members with less than thirty years of service is three percent; for members with thirty or more years of service; the accrual rate is 3.33 percent. The retirement allowance is equal to the benefit accrual rate times the member's average final compensation multiplied by his years of creditable service, not to exceed (after reduction for optional payment form) 100% of average final compensation. Members with twenty or more years of service may retire with a reduced retirement at age fifty.

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

For a member whose first employment making him eligible for membership in the system began after June 30, 2006 and before July 1, 2013, final average compensation is based on the average monthly earnings

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana  
Notes to the Financial Statements (Continued)

during the highest sixty consecutive months or joined months if service was interrupted. The earnings to be considered for each twelve-month period within the sixty month period shall not exceed 125% of the preceding twelve-month period.

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

Disability Benefits

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

Survivor Benefits

Survivor benefits for death solely as a result of injuries received in the line of duty are based on the following. For a spouse alone, a sum equal to 50% of the members' final average compensation with a minimum of \$150 per month. If a spouse is entitled to benefits and has a child or children under eighteen years of age (or over said age if physically or mentally incapacitated and dependent upon the member at the time of his death), an additional sum of 15% of the member's final average compensation is paid to each child with total benefits paid to spouse and children to exceed 100%. If a member dies with no surviving spouse, surviving children under age eighteen will receive monthly benefits of 15% of the member's final average compensation up to a maximum of 60% of final average compensation if there are more than four children. If a member is eligible for normal retirement at the time of death, the surviving spouse receives an automatic option 2 benefit. The additional benefit payable to children shall be the same as those available for members who die in the line of duty. In lieu of receiving option 2 benefit, the surviving spouse may receive a refund of the member's accumulated contributions. All benefits payable to surviving children shall be extended through age twenty-two, if the child is a full time student in good standing enrolled at a board approved or accredited school, college, or university.

Deferred Benefits:

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

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana  
Notes to the Financial Statements (Continued)

Back Deferred Retirement Option Plan (Back-DROP)

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

Plan members are required by state statute to contribute 10.25 percent of their annual covered salary and the East Carroll Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 13.25 percent of annual covered payroll. Contributions to the System also include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and funds as required and available from insurance premium taxes. The contribution requirements of plan members and the East Carroll Parish Sheriff are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The East Carroll Parish Sheriff's contributions to the System for the years ended June 30, 2017, 2016, and 2015 were \$233,081, \$235,155, and \$469,886, respectively, equal to the required contributions for each year.

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

At June 30, 2017, the Sheriff reported a liability of \$1,589,364 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Sheriffs' proportion of the net pension liability was based on a projection of the Sheriffs' long-term share of contributions to the pension plan relative to the projected contributions of all participating sheriffs', actuarially determined. At June 30, 2016, the Sheriffs' proportion was .2504 percent, which was a decrease of .247 from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the Sheriff recognized pension expense of \$1,374. At June 30, 2016, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

EAST CARROLL PARISH SHERIFF  
 Lake Providence, Louisiana  
 Notes to the Financial Statements (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Beginning balance	\$42,073	\$606,721
Change in system deferred outflows and inflows of resources	407,932	(354,224)
Changes in proportionate share		919,706
Differences between Sheriff contributions and proportionate share of contributions		197
Contributions for measurement period	(235,155)	
Sheriff contributions subsequent to the measurement date	233,081	
Total	\$447,931	\$1,172,400

\$233,081 reported as deferred outflows of resources related to pensions resulting from the East Carroll Parish Sheriffs' contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2017	(\$337,161)
2018	(337,161)
2019	(221,216)
2020	(247,375)
2021	(182,409)
2022	(182,408)
Total	(1,507,730)

**Actuarial assumptions.** The total pension liability in the June 30, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date	June 30, 2016
Actuarial cost Method	Entry Age Normal Method
Actuarial Assumptions:	
Investment Rate of Return	7.6%, net of investment expense
Discount Rate	7.5%

EAST CARROLL PARISH SHERIFF  
 Lake Providence, Louisiana  
 Notes to the Financial Statements (Continued)

Projected salary increases	5.5% (2.875% inflation, 2.625% merit)
Mortality rates	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Table for active members, healthy annuitants and beneficiaries RP-2000 Disabled Lives Mortality Table
Expected remaining service lives	7 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the system and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

The mortality rate assumptions were set after reviewing an experience study performed over the period July 1, 2009 through June 30, 2014. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality.

The discounted rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the Fund's actuary. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

*Sensitivity of the Sheriffs' proportionate share of the net pension liability to changes in the discount rate.* The following presents the net pension liability of the participating employers calculated using the discount rate of 7.5%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate.

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Sheriffs' proportionate share of the net pension liability	\$2,696,518	\$1,589,364	\$675,540

EAST CARROLL PARISH SHERIFF  
 Lake Providence, Louisiana  
 Notes to the Financial Statements (Continued)

**5. DUE FROM/TO OTHER FUNDS**

Individual balances due from/to other funds at June 30, 2017, are as follows:

	<u>Due To</u>	<u>Due From</u>
Sheriff's Office General Fund		\$585
Riverbend Detention Center Operating	\$58,315	
East Carroll Commissary	18	
Agency Funds:		
Riverbend Inmate		57,730
East Carroll Inmate		18
Total	<u>\$58,333</u>	<u>\$58,333</u>

**6. LONG-TERM OBLIGATIONS**

On July 14, 2014, the sheriff issued \$14,945,000 in revenue bonds with interest rates of 6.50%. The net proceeds were used to purchase U.S. government securities. The bonds were issued to purchase Riverbend Correctional facility.

The following is a summary of long-term obligation transactions for the year ended June 30, 2017:

	<u>Revenue Bonds</u>
Long-term obligations, June 30, 2016	\$13,560,000
Additions	NONE
Deletions	<u>(695,000)</u>
Long-term obligations, June 30, 2017	<u>\$12,865,000</u>

Revenue bonds payable at June 30, 2017, are comprised of the following individual issues:

\$14,945,000 - dated July 16, 2014. The principal is due in annual installments of \$655,000 to \$1,480,000 through June 1, 2029, with interest at 6.5 per cent. Debt retirement payments are made from the Detention Center Fund.	<u>\$12,865,000</u>
--	---------------------

As shown on Statement C, \$1,494,500 is available in the Detention Center Fund to service the revenue bonds. The annual requirements to amortize outstanding bonds at June 30, 2017, are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$740,000	\$836,225	\$1,576,225
2019	790,000	788,125	1,578,125

EAST CARROLL PARISH SHERIFF  
 Lake Providence, Louisiana  
 Notes to the Financial Statements (Continued)

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$840,000	\$736,775	\$1,576,775
2021	895,000	682,175	1,577,175
2022	955,000	624,000	1,579,000
2023-2027	5,775,000	2,106,000	7,881,000
2028-2029	2,870,000	282,750	3,152,750
Total	<u>\$12,865,000</u>	<u>\$6,056,050</u>	<u>\$18,921,050</u>

**7. CHANGES IN AGENCY FUND BALANCES**

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

	<u>Tax Collector Fund</u>	<u>Con- fiscated Fund</u>	<u>Criminal Fund</u>	<u>Civil Fund</u>	<u>ECDC Inmate Fund</u>	<u>RBDC Inmate Fund</u>	<u>Total</u>
Balance at June 30, 2016	\$3,561	\$15,665	\$25,662	\$9,000	\$5,177	\$41,604	\$100,669
Additions	5,652,102	5,426	1,459,045	193,441	NONE	2,125,417	9,435,431
Reductions	<u>(5,650,569)</u>	<u>(4,509)</u>	<u>(1,464,381)</u>	<u>(193,441)</u>	<u>NONE</u>	<u>(2,148,913)</u>	<u>(9,461,813)</u>
Balance at June 30, 2017	<u>\$5,094</u>	<u>\$16,582</u>	<u>\$20,326</u>	<u>\$9,000</u>	<u>\$5,177</u>	<u>\$18,108</u>	<u>\$74,287</u>

**8. TAX COLLECTOR ENDING CASH BALANCE**

At June 30, 2017, the tax collector has cash and equivalents (book balances) totaling \$5,094 as follows:

Redemptions and refunds	<u>\$5,094</u>
Total	<u>\$5,094</u>

**9. AD VALOREM TAXES COLLECTED**

The tax collector has collected and disbursed the following taxes for the year ended June 30, 2017, by taxing body as follows:

Louisiana Forestry Service	\$3,118
Fifth District Levee Board	173,034
Louisiana Tax Commission	6,247
East Carroll Parish Assessor	370,802
East Carroll Parish Police Jury	2,491,186
East Carroll Parish School Board	684,179
East Carroll Parish Sheriff	553,955
East Carroll Parish Hospital	439,889

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana  
Notes to the Financial Statements (Continued)

Lake Providence Port Commission	\$148,572
Bunches Bend Protection District	<u>468,655</u>
Total	<u>\$5,339,637</u>

**10. TAX UNCOLLECTED AND UNSETTLED**

At June 30, 2017, the tax collector has collected all assessed taxes for the year ended June 30, 2017.

**11. LITIGATION AND CLAIMS**

At June 30, 2017, the East Carroll Parish Sheriff is involved in several lawsuits. In the opinion of the sheriff's legal counsel, the outcome will not materially affect the financial statements.

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

The East Carroll Parish Sheriff's office is located in the parish courthouse. The cost of maintaining and operating the courthouse, as required by Louisiana Revised Statute 33:4715, is paid by the East Carroll Parish Police Jury.

**REQUIRED SUPPLEMENTARY INFORMATION**

**PART II**

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
For the Year Ended June 30, 2017

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL (BUDGETARY BASIS)</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>				
Taxes:				
Ad valorem	\$476,000	\$476,000	\$553,875	\$77,875
Sales	650,000	650,000	626,273	(23,727)
Intergovernmental revenues:				
Federal grants - federal revenue			54,794	54,794
State funds:				
State revenue sharing (net)	42,000	42,000	43,055	1,055
State supplemental pay	120,000	120,000	115,042	(4,958)
Other state grants	97,000	97,000	81,933	(15,067)
Local grant			399	399
Fees, charges, and commissions for services:				
Commissions on licenses and taxes	22,000	22,000	45,997	23,997
Civil and criminal fees	49,500	49,500	149,752	100,252
Tax notices, etc	14,000	14,000	11,152	(2,848)
Bond fees	17,000	17,000	16,437	(563)
Use of money and property	500	500	743	243
Other revenue	82,994	82,994	114,540	31,546
Total revenues	<u>1,570,994</u>	<u>1,570,994</u>	<u>1,813,992</u>	<u>242,998</u>
<b>EXPENDITURES</b>				
Public safety:				
Current:				
Personal services and benefits	1,524,491	1,615,491	1,588,544	26,947
Operating services	201,950	211,950	219,788	(7,838)
Materials and supplies	50,000	75,000	77,018	(2,018)
Travel and other charges	41,176	56,176	37,051	19,125
Capital outlay	55,000	145,000	198,849	(53,849)
Total expenditures	<u>1,872,617</u>	<u>2,103,617</u>	<u>2,121,250</u>	<u>(17,633)</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<u>(301,623)</u>	<u>(532,623)</u>	<u>(307,258)</u>	<u>225,365</u>

(Continued)

EAST CARROLL PARISH SHERIFF  
 Lake Providence, Louisiana  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL (BUDGETARY BASIS)</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>OTHER FINANCING SOURCE -</b>				
Transfers in	<u>\$350,000</u>	<u>\$350,000</u>	<u>\$600,000</u>	<u>250,000</u>
Total financing sources	<u>350,000</u>	<u>350,000</u>	<u>600,000</u>	<u>250,000</u>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES</b>	48,377	(182,623)	292,742	\$475,365
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>128,547</u>	<u>876,119</u>	<u>741,889</u>	<u>(134,230)</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$176,924</u>	<u>\$693,496</u>	<u>\$1,034,631</u>	<u>\$341,135</u>

(Concluded)

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

BUDGETARY COMPARISON SCHEDULE  
RIVERBEND DETENTION CENTER FUND  
For the Year Ended June 30, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>				
State funds - Feeding and keeping prisoners	\$7,283,760	\$7,283,760	\$11,425,898	\$4,142,138
Fees, charges, and commissions for services-				
Vending machine, phones, work release	400,000	400,000	543,571	143,571
Use of money and property	500	500	4,441	3,941
Other revenue	18,500	18,500	34,172	15,672
Total revenues	<u>7,702,760</u>	<u>7,702,760</u>	<u>12,008,082</u>	<u>4,305,322</u>
<b>EXPENDITURES</b>				
Public safety:				
Current:				
Personal services and benefits	829,406	829,406	820,335	9,071
Operating services	4,125,006	6,267,006	6,318,776	(51,770)
Materials and supplies	845,884	1,181,884	1,311,531	(129,647)
Travel and other charges	3,000	3,000	3,890	(890)
Debt service	1,597,350	1,597,350	1,580,244	17,106
Capital outlay	100,000	100,000	138,360	(38,360)
Total expenditures	<u>7,500,646</u>	<u>9,978,646</u>	<u>10,173,136</u>	<u>(194,490)</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<u>202,114</u>	<u>(2,275,886)</u>	<u>1,834,946</u>	<u>4,110,832</u>
<b>OTHER FINANCING SOURCE (USE)</b>				
Transfers in			200,000	200,000
Transfers out	(200,000)	(200,000)	(250,000)	(50,000)
Total financing source (use)	<u>(200,000)</u>	<u>(200,000)</u>	<u>(50,000)</u>	<u>150,000</u>
<b>EXCESS (Deficiency) OF REVENUES AND OTHER SOURCE OVER EXPENDITURES AND OTHER USE</b>	2,114	(2,475,886)	1,784,946	4,260,832
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>366,339</u>	<u>3,000,117</u>	<u>4,293,391</u>	<u>4,410,832</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$368,453</u>	<u>\$524,231</u>	<u>\$6,078,337</u>	<u>\$8,671,664</u>

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

NOTE TO BUDGETARY COMPARISON SCHEDULE  
For the Year Ended June 30, 2017

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

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

**East Carroll Parish Sheriff**  
**Schedule of Employer's Share of Net Pension Liability**  
**June 30, 2017**

Actuarial Valuation Date	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2014	0.671240%	\$2,658,118	\$3,297,443	80.61%	87.34%
June 30, 2015	0.497340%	\$2,216,902	\$1,710,220	129.63%	86.16%
June 30, 2016	0.250416%	\$1,589,364	\$1,759,101	90.35%	82.09%

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

**East Carroll Parish Sheriff  
Schedule of Employer Contributions  
June 30, 2017**

Actuarial Valuation Date	Contractually Required Contribution	Contributions in Relations to Contractual Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a Percentage of Covered Payroll
June 30, 2014	\$469,886	\$469,886	\$0	\$3,297,443	14.25%
June 30, 2015	\$235,155	\$235,155	\$0	\$1,710,220	13.75%
June 30, 2016	\$233,081	\$233,081	\$0	\$1,759,101	13.25%

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

**OTHER SUPPLEMENTARY INFORMATION**

**PART III**

STATE OF LOUISIANA

PARISH OF EAST CARROLL

**AFFIDAVIT  
WYDETTE L. WILLIAMS, SHERIFF OF EAST CARROLL PARISH**

BEFORE ME, the undersigned authority, personally came and appeared, WYDETTE L. WILLIAMS, SHERIFF OF EAST CARROLL PARISH, State of Louisiana, who after being duly sworn, deposed and said:

The following information is true and correct:

\$5,094 is the amount of cash on hand in the tax collector account on June, 30, 2017.

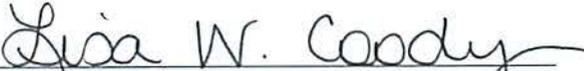
He further deposed and said:

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

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

  
\_\_\_\_\_  
WYDETTE L. WILLIAMS, SHERIFF  
SHERIFF & EX-OFFICIO TAX COLLECTOR

SWORN to and subscribed before me, Notary, this 23<sup>rd</sup> day of August, 2017, in my office in Lake Providence, Louisiana.

  
\_\_\_\_\_  
LISA W. COODY, NOTARY PUBLIC #51645  
EAST CARROLL PARISH, LOUISIANA

EAST CARROLL PARISH SHERIFF  
Lake Providence, LouisianaSchedule of Compensation, Benefits and Other Payments to Agency Head  
For the Year Ended June 30, 2017

WYDETTE WILLIAMS, SHERIFF

<u>PURPOSE</u>	<u>AMOUNT</u>
Salary	\$144,917
Expense allowance	14,492
Benefits-insurance	9,298
Benefits-retirement	21,919
Benefits-medicare	2,316
Meals	298
Registration fees	385
Housing and lodging	2,871
Cellphone	634
Membership dues-Sheriffs Association	13,295

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana  
SUPPLEMENTAL INFORMATION SCHEDULES  
For the Year Ended June 30, 2017

**NON MAJOR FUNDS**

**NARCOTICS FUND**

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

**EAST CARROLL DETENTION CENTER COMMISSARY FUND**

The Commissary Fund accounts for the purchase and resale of personal items to the inmates at the East Carroll detention center.

**RIVERBEND DETENTION CENTER COMMISSARY FUND**

The Commissary Fund accounts for the purchase and resale of personal items to the inmates at the Riverbend detention center.

EAST CARROLL PARISH SHERIFF  
 Lake Providence, Louisiana  
 GOVERNMENTAL FUND TYPE - NON MAJOR FUNDS

Combining Balance Sheet, June 30, 2017

	<u>ECDC OPERATING</u>	<u>NARCOTICS</u>	<u>ECDC COMMISSARY</u>	<u>RBDC COMMISSARY</u>	<u>TOTAL</u>
<b>ASSETS</b>					
Cash	\$262,392	\$3,058	\$22,732	\$257,876	\$546,058
Accounts receivables	68,537			38,499	107,036
Due from other funds			18		18
Total Assets	<u>\$330,929</u>	<u>\$3,058</u>	<u>\$22,750</u>	<u>\$296,375</u>	<u>\$653,112</u>
<b>LIABILITIES AND FUND EQUITY</b>					
Liabilities:					
Accounts payable				\$1,053	\$1,053
Fund Equity -					
Reserved - public safety	<u>\$330,929</u>	<u>\$3,058</u>	<u>\$22,750</u>	<u>295,322</u>	<u>652,059</u>
<b>LIABILITIES AND FUND EQUITY</b>	<u>\$330,929</u>	<u>\$3,058</u>	<u>\$22,750</u>	<u>\$296,375</u>	<u>\$653,112</u>

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana  
GOVERNMENTAL FUND TYPE - NON MAJOR FUNDS

Combining Schedule of Revenues, Expenditures, and  
Changes in Fund Balances  
For the Year Ended June 30, 2017

	<u>ECDC OPERATING</u>	<u>NARCOTICS</u>	<u>ECDC COMMISSARY</u>	<u>RBDC COMMISSARY</u>	<u>TOTAL</u>
<b>REVENUES</b>					
State revenue	\$137,073				\$137,073
Use of money and property	245	\$1	\$26	\$403	675
Other revenues		2,337		479,022	481,359
Total revenues	<u>137,318</u>	<u>2,338</u>	<u>26</u>	<u>479,425</u>	<u>619,107</u>
<b>EXPENDITURES</b>					
Public safety:					
Current:					
Operating services	15,684			8,253	23,937
Materials and supplies	26,357	739	12	680	27,788
Total expenditures	<u>42,041</u>	<u>739</u>	<u>12</u>	<u>8,933</u>	<u>51,725</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>95,277</u>	<u>1,599</u>	<u>14</u>	<u>470,492</u>	<u>567,382</u>
<b>OTHER FINANCING USE</b>					
Transfer out				(550,000)	(550,000)
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES AND OTHER USE</b>	<u>95,277</u>	<u>1,599</u>	<u>14</u>	<u>(79,508)</u>	<u>17,382</u>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>235,652</u>	<u>1,459</u>	<u>22,736</u>	<u>374,830</u>	<u>634,677</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$330,929</u>	<u>\$3,058</u>	<u>\$22,750</u>	<u>\$295,322</u>	<u>\$652,059</u>

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana  
SUPPLEMENTAL INFORMATION SCHEDULES  
As of and For the Year Ended June 30, 2014

**FIDUCIARY FUND TYPE - AGENCY FUNDS**

**TAX COLLECTOR FUND**

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

**CONFISCATED FUNDS**

The Confiscated Funds account was established to track funds seized in narcotics arrests.

**CRIMINAL FUND**

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

**CIVIL FUND**

The Civil Fund accounts for the collection of funds in civil suits, sheriff's sales, and garnishments and payments of these collections to recipients in accordance with applicable laws.

**EAST CARROLL DETENTION CENTER INMATE FUND (ECDC)**

The East Carroll Detention Center Inmate Fund accounts for funds of inmates that are used for personal items purchased by the inmates at the concessions store located at the detention center.

**RIVERBEND DETENTION CENTER INMATE FUND (RBDC)**

The Riverbend Detention Center Inmate Fund accounts for funds of inmates that are used for personal items purchased by the inmates at the concessions store located at the detention center.

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana  
FIDUCIARY FUND TYPE - AGENCY FUNDS

Combining Schedule of Changes in Balances  
Due to Taxing Bodies and Others  
For the Year Ended June 30, 2014

	TAX COLLECTOR FUND	CON- FISCATED FUND	CRIMINAL FUND	SHERIFF'S CIVIL FUND	ECDC INMATE FUND	RBDC INMATE FUND	TOTAL
<b>UNSETTLED BALANCES DUE TO TAXING BODIES AND OTHERS AT BEGINNING OF YEAR</b>	\$3,561	\$15,665	\$25,662	\$9,000	\$5,177	\$41,604	\$100,669
<b>ADDITIONS</b>							
Deposits :							
Ad valorem taxes	5,486,260						5,486,260
State Revenue Sharing	136,507						136,507
Beer and Liquor licenses	3,920						3,920
Interest on:							
NOW accounts	514						514
Delinquent taxes	3,938						3,938
Tax notices, etc.	10,890						10,890
Appearance bonds, fines, etc.			1,459,045				1,459,045
Inmate deposits		5,409				2,125,417	2,130,826
Sheriff's sales, etc.				193,441			193,441
Other	10,073	17					10,090
Total additions	<u>5,652,102</u>	<u>5,426</u>	<u>1,459,045</u>	<u>193,441</u>	<u>NONE</u>	<u>2,125,417</u>	<u>9,435,431</u>
Total	<u>5,655,663</u>	<u>21,091</u>	<u>1,484,707</u>	<u>202,441</u>	<u>5,177</u>	<u>2,167,021</u>	<u>9,536,100</u>
<b>REDUCTIONS</b>							
Deposits settled to:							
Clerk of Court	345		144,789	2,474			147,608
Louisiana Dept. Of Forestry	3,118						3,118
Louisiana Tax Commission	6,247						6,247
Fifth District Levee Board	177,159						177,159
Crime Lab			191,800				191,800
Judicial Expense			31,127				31,127
Louisiana Comm. on Law Enf.			13,946				13,946
East Carroll Parish:							
Criminal Court Fund			357,629				357,629
District attorney			187,440				187,440
Police Jury	2,540,094						2,540,094
School Board	700,621						700,621
Sheriff	609,220		182,865	7,625			799,710
Assessor	379,986						379,986
Hospital	451,163						451,163
Indigent Defender Board			292,498				292,498
Litigants			10,099	182,562			192,661
Lake Providence Port Comm.	152,379						152,379
Pension Funds	153,100						153,100

(Continued)

EAST CARROLL PARISH SHERIFF  
 Lake Providence, Louisiana  
 FIDUCIARY FUND TYPE - AGENCY FUNDS  
 Combining Schedule of Changes in Balances  
 Due to Taxing Bodies and Others, 2017

	TAX COLLECTOR FUND	CON- FISCATED FUND	CRIMINAL FUND	SHERIFF'S CIVIL FUND	ECDC INMATE FUND	RBDC INMATE FUND	TOTAL
<b>REDUCTIONS (CONTD.)</b>							
Deposits settled to (contd.):							
Inmate disbursements		\$4,509				\$2,148,913	\$2,153,422
Bunches Bend Protection District	\$469,081						469,081
Refunds	8,056						8,056
Other settlements			\$52,188	\$780			52,968
Total reductions	<u>5,650,569</u>	<u>4,509</u>	<u>1,464,381</u>	<u>193,441</u>	<u>NONE</u>	<u>2,148,913</u>	<u>9,461,813</u>
<b>UNSETTLED BALANCES DUE TO TAXING BODIES AND OTHERS AT END OF YEAR</b>							
	<u>\$5,094</u>	<u>\$16,582</u>	<u>\$20,326</u>	<u>\$9,000</u>	<u>\$5,177</u>	<u>\$18,108</u>	<u>\$74,287</u>

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

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

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

Member:  
American Institute of  
Certified Public Accountants  
Society of Louisiana Certified  
Public Accountants

**MARY JO FINLEY, CPA, INC.**  
*A PROFESSIONAL ACCOUNTING CORPORATION*  
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Practice Limited to  
Governmental Accounting,  
Auditing and  
Financial Reporting

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

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of East Carroll Parish Sheriff, a component unit of the East Carroll Parish Police Jury as of and for the year ended June 30, 2017 and the related notes to the financial statements, which collectively comprise the East Carroll Parish Sheriff's basic financial statements, and have issued my report thereon dated August 23, 2017.

**Internal Control Over Financial Reporting**

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

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

EAST CARROLL PARISH SHERIFF

Lake Providence, Louisiana

Independent Auditor's Report on Compliance

And Internal Control Over Financial Reporting, etc.

June 30, 2017

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

**Compliance and Other Matters**

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

**Purpose of this Report**

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



West Monroe, Louisiana

August 23, 2017

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

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

**A. SUMMARY OF AUDIT RESULTS**

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

**B. FINDINGS - FINANCIAL STATEMENTS AUDIT**

None

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

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

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

# MARY JO FINLEY, CPA, INC.

A PROFESSIONAL CORPORATION

116 Professional Drive - West Monroe, LA 71291

Phone (318) 329-8880 - Fax (318) 329-8883

Independent Accountant's Report  
on Applying Agreed-Upon Procedures

East Carroll Parish Sheriff  
PO Box 246  
Lake Providence, LA 71001

To the East Carroll Parish Sheriff's Office

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

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

The procedures and associated findings are as follows:

## **AGREED-UPON PROCEDURES**

### **WRITTEN POLICIES AND PROCEDURES**

1. The East Carroll Parish Sheriff has no written policies and procedures for the test period.

### **BOARD (OR FINANCE COMMITTEE, IF APPLICABLE)**

2. The East Carroll Parish Sheriff's office does not have a board or a finance committee therefore this procedure is not applicable.

### **BANK RECONCILIATIONS**

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

The agency provided me with a certified list of all bank accounts.

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

The agency had a total of 27 bank accounts, so a random sample of 9 bank accounts were selected to test the following:

A) Bank reconciliations have been prepared;

For the 9 bank accounts selected above, all were reconciled each month for the period tested.

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

For the 9 bank accounts selected above, it was determined that the auditor reviewed all reconciliations on interim audit reviews. The auditor was independent of involvement in the transactions of the associated bank account.

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

For the 9 bank accounts selected above, 8 of the 9 accounts had no outstanding reconciling items over six months. One account had several checks over 6 months old.

## COLLECTIONS

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

Agency provided me with a certified list of collection locations and I verified that it was complete.

6. Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis

(if more than 5 locations). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* **For each cash collection location selected:**

The agency has 2 collection locations. Both were selected for testing for the following:

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

All employees of the sheriff's office are covered by a commercial crime insurance policy. All employees collect payments and work out of the same cash drawers. All employees are able to reconcile the cash registers and make deposits, which are then posted by the office assistant, who also reconciles the bank accounts. Bank reconciliations are reviewed by the auditor on interim reviews.

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

The cash registers are reconciled and deposits are made daily. The deposit is made by an employee that is different from the employee that is reconciling the general ledger for that particular fund.

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

The agency provided a certified list of the highest (dollar) week of cash collections for each collection location. We verified the highest week was May 21, 2017 thru May 27, 2017, which was tested for the following:

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

The 14 funds were tested for deposits of collections. For the week tested, 1 of the 14 funds did not make daily deposits.

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

The 14 funds were tested for deposits of collections. All collections for the week tested had proper documentation.

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

The agency has no written policies or procedures to determine completeness of collections or revenue sources.

#### **DISBURSEMENTS-GENERAL (EXCLUDING CREDIT CARD/DEBIT CARD/P-CARD PURCHASES OR PAYMENTS)**

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

Agency provided a complete year to date general ledger for every fund and represented that the general ledgers were complete.

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

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

Of the disbursements selected to be tested, 1 of the 50 tested had no purchase order or requisitions.

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

Of the 50 disbursements selected to test, none were approved by the person that initiated the purchase.

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

Of the 50 disbursements selected to be tested, all were processed with all of the required support.

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

East Carroll sheriff uses GFA software which does not allow them to restrict any user from adding vendors.

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

The sheriff, office manager and office assistant signs checks and the office assistant reconciles all of the bank accounts.

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

The unused checks are stored in a secure location, but are not restricted to the employees with signatory authority.

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

The East Carroll sheriff's office does not use a signature stamp.

### **CREDIT CARDS/DEBIT CARDS/FUEL CARDS/P-CARDS**

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

The agency provided me with a certified list of all active credit cards, fuel cards, etc.

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

From the list in #14, 10 credit/fuel cards were randomly selected to test the following:

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

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

The office manager reviews all credit card statements.

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

For the 10 cards tested, there were no service charges or late fees.

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

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

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

All of the transactions tested had the original itemized receipts. Fuel card does not provide receipts, mileage is traced on fuel purchases.

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

The transactions tested appear to be for business purposes.

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

There is no other documentation required for credit card purchases.

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

There were no transactions on the credit cards that required compliance with the public bid law. The agency had no written policies or procedures concerning purchases/disbursements during the test period.

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

For the 10 cards selected there was no evidence of Article 7, Section 14 violations.

## **TRAVEL AND EXPENSE REIMBURSEMENT**

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

The agency provided me with a certified list of employees who received travel or related expense reimbursements during the testing period.

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

Agency provided its policies and procedures for travel, which was compared to the U.S. General Services Administration policies. None of the agencies rates exceeded the GSA rates.

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

The 3 employees with the most travel costs during the test period were selected and tested for the following:

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

The agency had no written policies or procedures for travel, so amounts selected were compared to the GSA rates, no exceptions noted.

- B) Report whether each expense is supported by:

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

All travel reimbursements tested had original itemized receipts.

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

All travel reimbursements tested were determined to be for business purposes.

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

No other documentation is required by the agency for travel reimbursements.

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

No violations of Article 7 Section 14 were noted during testing.

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

Travel reimbursements were approved by a supervisor, office manager or the sheriff.

## CONTRACTS

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

Agency provided a certified list of all contracts in effect during the test period.

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

The 3 contracts (agency only had 3) that were paid the most money were selected from the list of contracts from #20 and tested for the following:

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

Agency has a formal/written contract for all selected to be tested.

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

- ▶ If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder)
- ▶ If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.

For the 3 contracts tested (agency only had 3), none of them required compliance with the public bid law. The agency did solicit quotes to get the best deal for the sheriff's office.

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

None of the contracts selected were amended.

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

The contract payments that were tested were in compliance with the contract terms and conditions.

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

This is not applicable to the Sheriff.

## **PAYROLL AND PERSONNEL**

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

Agency provided a certified list of all employees with their authorized salaries. Five employees were selected to test the following:

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

The 5 employees chosen were paid in accordance with the terms and conditions of their employment.

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

All changes to the salaries of the 5 employees chosen were approved by the sheriff in writing.

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

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

Of the 25 employees selected, all employees that are eligible to earn leave time documented their daily attendance. The agency prepares an annual recap to track leave time earned and used, which is audited annually.

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

Of the 25 employees that were selected, supervisors approved the employees attendance and leave time.

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

The agency tracks all annual leave time earned and used through its software.

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

termination payments were made in strict accordance with policy and/or contract and approved by management.

Agency provided a list of employees terminated during the testing period. The agency certified that it was complete. The employees terminated with the largest payments were selected and tested to determine that their termination payments were in accordance with the policy - no exceptions noted.

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

During testing of the agency it was determined that the East Carroll Sheriff's office is submitting payroll tax, retirement contributions and required forms by the required deadlines.

#### **ETHICS (EXCLUDING NONPROFITS)**

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

Agency provided support for ethics training for the five randomly selected employees above.

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

There were no ethics violations reported to the sheriff's office during the test period.

#### **DEBT SERVICE (EXCLUDING NONPROFIT)**

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

The East Carroll Parish Sheriff had no debt issued during the test period that required bond commission approval.

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

The East Carroll Parish Sheriff has made debt service payments in accordance with the debt service covenants. The East Carroll Parish Sheriff also has the debt reserves required.

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

The East Carroll Parish Sheriff has no debt service associated with a tax millage, therefore this does not apply.

#### **OTHER**

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

The sheriff's office has no known misappropriation of funds during the test period.

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

I observed the fraud hotline notice posted on the premises and a link to the notice was posted on the website.

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

There were no other exceptions noted during procedures.

I was not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the

SAUPs. Accordingly, I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

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



Mary Jo Finley, CPA  
November 27, 2017

Wydette L. Williams  
Sheriff and Tax Collector



Telephone 318-559-2800  
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e-mail williams@eesheriff.com

East Carroll Parish Sheriff  
P.O. Box 246  
Lake Providence, Louisiana 71254

Responses to Independent Accountant's Report  
On applying Agreed-Upon Procedures  
FYE June 30, 2017

**WRITTEN POLICIES AND PROCERDURES**

1. The East Carroll Parish Sheriff's Office Administration has completed written policies and procedures for the next testing period.

**BOARD**

2. No response is required.

**BANK RECONCILIATIONS**

3. No response is required.
4. No response is required.
  - A) No response is required.
  - B) No response is required
  - C) Inmate checks are written and mailed to the facility the inmate is sent to. We will try and come up with a system of clearing items once they are 6 months old or older.

**COLLECTIONS**

5. No response is required.
6. No response is required.
  - A) We have two collection locations and more than one employee work out of cash drawers, all are bonded and covered by insurance.
  - B) No response is required.
  - C) Every effort is made to make daily deposits, and we will continue to try and do so.
7. The East Carroll Parish Sheriff's Office Administration has completed policies and procedures for the next testing period.

**DISBURSEMENTS**

8. No response is required.
9.
  - A) Purchase orders are a requirement and we will make every effort to issue them.
  - B) No response is required.
  - C) No response is required.
10. Software and Services GFA software does not allow restriction of adding vendors.
11. Due to the size of our office, segregation of duties is limited. Of the three signatories there is always one and mostly two that are not involved in initiating the purchase.
12. Checks are in a secure location, but the office infrastructure does not currently allow restriction from checks to employees within the same office.
13. The East Carroll Parish Sheriff's Office has no signature stamps.



We are an equal opportunity provider.

**CREDIT CARDS / FUEL CARDS**

- 14. No response is required.
- 15. A) No response is required.  
B) No response is required.
- 16. A) Have written policy and procedure.  
B) No response is required.  
C) No Response is required.

**TRAVEL AND EXPENSE REIMBURSEMENTS**

- 17. No response is required.
- 18. Have written policy and procedure.
- 19. A) Have written policy and procedure.  
B) No response is required.  
C) No response is required.  
D) No Response is required.

**CONTRACTS**

- 20. No response is required.
- 21. A) No response is required.  
B) No response is required.  
C) No response is required.  
D) No response is required.  
E) No response is required.

**PAYROLL AND PERSONNEL**

- 22. A) No response is required.  
B) No response is required.
- 23. A) No response is required.  
B) No response is required.  
C) No response is required.
- 24. No response is required.
- 25. No response is required.

**ETHICS**

- 26. No response is required.
- 27. No response is required.

**DEBT SERVICES**

- 28. No response is required.
- 29. No response is required.
- 30. No response is required.

**OTHER**

- 31. No response is required.
- 32. No response is required
- 33. No response is required.



Wydette L. Williams, Sheriff  
East Carroll Parish  
November 27, 2017

