

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

**Annual Financial Statements**  
**With Independent Auditor's Report**  
**As of and for the Year Ended**  
**June 30, 2018**  
**With Supplemental Information Schedules**

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

Annual Financial Statements  
As of and for the Year Ended June 30, 2018  
With Supplemental Information Schedules

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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, each major fund, and the fiduciary funds of the East Carroll Parish Sheriff, a component unit of the East Carroll Parish Police Jury, as of June 30, 2018, 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.

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana  
Independent Auditor's Report  
June 30, 2018

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

*Opinions*

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the fiduciary fund types of the East Carroll Parish Sheriff as of June 30, 2018, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

*Other Matters*

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 7 through 11, the budgetary comparison information on pages 43 through 46 and the schedule of the Sheriff's proportionate share of the net pension liability on pages 47 through 48, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the East Carroll Parish Sheriff's office basic financial statements. The combining fiduciary funds statement of fiduciary net positions is presented for the purpose of additional analysis and is not a required part of the basic financial statements.

The combining fiduciary funds statement of fiduciary net positions is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The schedule of compensation, benefits, and other payments to agency head, presented in accordance with Louisiana Revised Statutes (LRS) 24:513(A)(3), is on page 51 and the Sheriff's sworn statement presented on page 50 are 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,

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana  
Independent Auditor's Report  
June 30, 2018

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.

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

In accordance with *Government Auditing Standards*, I have also issued a report dated March 31, 2019, 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.

**Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of the Louisiana Legislative Auditor, I have issued a report, dated March 31, 2019, on the results of my statewide agreed-upon procedures performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards*. The purpose of that report is solely to describe the scope of testing performed on those control and compliance areas identified in the Louisiana Legislative Auditor's statewide agreed-upon procedures, and the results of that testing, and not to provide an opinion on control or compliance.



West Monroe, Louisiana  
March 31, 2019

**REQUIRED SUPPLEMENTARY INFORMATION  
PART I**

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

**Management's Discussion and Analysis**  
June 30, 2018

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, 2018. 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 \$8,908,508. 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>2018</u>	<u>2017</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$9,210,587	\$6,662,679
Receivables	1,389,352	1,270,360
Inventory	62,003	43,496
Due from other funds	2,099	58,333
Utility deposit	310	310
Capital assets (net of accumulated depreciation)	14,818,089	14,892,890
<b>TOTAL ASSETS</b>	<u>25,482,440</u>	<u>22,928,068</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension related	429,926	447,931
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u>\$25,912,366</u>	<u>\$23,375,999</u>
<b>LIABILITIES</b>		
Accounts payable	\$432,847	\$225,556
Salaries payable	51,545	44,010
Due to other funds	220	585
Interest payable	65,677	69,685
Deferred revenue - phone commission	2,000,000	
Long term liabilities:		
Due within one year	790,000	740,000
Due in more than one year	11,335,000	12,125,000
Deferred issuance costs	(477,274)	(520,663)
Net pension liability	1,099,573	1,589,364
<b>TOTAL LIABILITIES</b>	<u>15,297,588</u>	<u>14,273,537</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension related	1,706,270	1,172,400
<b>NET POSITION</b>		
Invested in capital assets, net of related debt	2,693,089	2,027,890
Reserved for debt service	12,125,000	1,607,238
Reserved for Inventory	62,003	43,496
Unrestricted	(5,971,584)	4,251,438
<b>TOTAL NET POSITION</b>	<u>8,908,508</u>	<u>7,930,062</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<u>\$25,912,366</u>	<u>\$23,375,999</u>

STATEMENT OF ACTIVITIES

	<u>2018</u>	<u>2017</u>
Public safety:		
Personal services	\$1,962,983	\$2,038,437
Operating services	7,568,258	6,562,501
Materials and supplies	1,342,132	1,416,337
Travel	40,571	40,941
Debt service interest and other	877,700	924,868
Depreciation expense	560,619	526,851
<b>Total Program Expenses</b>	<u>12,352,263</u>	<u>11,509,935</u>
Program revenues:		
Commissions on license and taxes	39,012	45,997
Civil and criminal fees	111,767	149,752

Feeding prisoners	\$10,283,496	\$11,425,898
Vending machines, phones, work release	815,245	543,571
Tax notices	15,255	11,152
Bond fees	11,578	16,437
Total program revenues	<u>11,276,353</u>	<u>12,192,807</u>
Net Program Expenses	<u>(1,075,910)</u>	<u>682,872</u>
General revenues:		
Taxes		
Ad valorem	555,024	553,875
Sales tax	941,026	626,273
Grants and contributions not restricted to specific programs:		
Federal sources	5,141	54,794
State sources:		
State revenue sharing (net)	43,065	43,055
State supplemental pay	108,500	115,042
Other state grants	216,475	219,006
Local sources		399
Interest earned	18,010	5,859
Miscellaneous	726,606	727,346
Special item - gain on disposal of assets	5,909	
Change in Net Position	1,543,846	3,028,521
Net Position - Beginning of year as restated	<u>7,364,662</u>	<u>4,901,541</u>
Net Position - End of year	<u>\$8,908,508</u>	<u>\$7,930,062</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, 2018, combined governmental fund balances of \$8,179,739 shows an increase of \$408,801 over June 30, 2017. The General Fund's portion of the unreserved, unassigned fund balance of \$1,515,667 shows an increase (of approximately \$481,036) from the prior year amount. The Riverbend Detention Center's portion of the restricted fund balance of \$5,874,145 shows a decrease (of approximately \$204,192) 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 was due to an increase in capital outlay. Differences between General Fund's original budget and the final budget for revenues was due to an increase in sales tax.

Differences between Riverbend Detention Center's original budget and the final budget for expenditures were an increase in operating services, materials and supplies, capital outlay and operating transfers out. Differences between Riverbend Detention Center's original budget and the final budget for revenues was due to an increase in feeding and keeping prisoners.

## **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, 2018, amounts to \$14,818,089 (net of accumulated depreciation). This investment includes buildings, furniture and equipment. The increase in capital assets for the year was \$485,820 and deletions of \$112,938 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, 2018 is \$1,099,573. The liability for the revenue bonds at June 30, 2018 is \$12,125,000.

## **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.

March 31, 2019

## **BASIC FINANCIAL STATEMENTS**

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

STATEMENT OF NET POSITION  
June 30, 2018

**ASSETS**

Cash and cash equivalents	\$9,210,587
Receivables	1,389,352
Due from other funds	2,099
Inventory	62,003
Utility deposit	310
Capital assets (net of accumulated depreciation)	<u>14,818,089</u>
<b>TOTAL ASSETS</b>	<b><u>25,482,440</u></b>

**DEFERRED OUTFLOW OF RESOURCES**

Pension related	<u>429,926</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b><u>\$25,912,366</u></b>

**LIABILITIES**

Accounts payable	\$432,847
Salaries payable	51,545
Interest payable	65,677
Due to other funds	220
Deferred revenue - phone commission	2,000,000
Long term liabilities:	
Due within one year	790,000
Due in more than one year	11,335,000
Deferred issuance costs	(477,274)
Net pension liability	<u>1,099,573</u>
<b>TOTAL LIABILITIES</b>	<b><u>15,297,588</u></b>

**DEFERRED INFLOWS OF RESOURCES**

Pension related	1,706,270
-----------------	-----------

**NET POSITION**

Invested in capital assets, net of related debt	2,693,089
Reserved for debt service	12,125,000
Reserved for inventory	62,003
Unrestricted	<u>(5,971,584)</u>
<b>TOTAL NET POSITION</b>	<b><u>8,908,508</u></b>

TOTAL LIABILITIES, DEFERRED INFLOWS OF  
RESOURCES AND NET POSITION

**\$25,912,366**

The accompanying notes are an integral part of this statement.

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana  
STATEMENT OF ACTIVITIES  
June 30, 2018

Public safety:	
Personal services	\$1,962,983
Operating services	7,568,258
Materials and supplies	1,342,132
Travel	40,571
Debt service interest and other	877,700
Depreciation expense	560,619
Total Program Expenses	<u>12,352,263</u>
Program revenues:	
Commissions on licenses and taxes	39,012
Civil and criminal fees	111,767
Feeding prisoners	10,283,496
Vending machines, phones, work release	815,245
Tax notices, etc.	15,255
Bond fees	11,578
Total program revenues	<u>11,276,353</u>
Net Program Expenses	(1,075,910)
General revenues:	
Taxes:	
Ad Valorem	555,024
Sales	941,026
Grants and contributions not restricted to specific programs:	
Federal sources	5,141
State sources:	
State revenue sharing (net)	43,065
State supplemental pay	108,500
Other state grants	216,475
Interest earned	18,010
Miscellaneous	726,606
Special item - gain on disposal of assets	5,909
Change in Net Position	1,543,846
<b>NET POSITION</b>	
Beginning of year as restated	<u>7,364,662</u>
End of year	<u>\$8,908,508</u>

The accompanying notes are an integral part of this statement.

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana  
GOVERNMENTAL FUNDS

Balance Sheet, June 30, 2018

	-----Major Funds-----			TOTAL
	GENERAL FUND	RIVERBEND DETENTION CENTER	OTHER GOVERN- MENTAL FUNDS	
<b>ASSETS</b>				
Cash and cash equivalents	\$1,977,133	\$6,548,661	\$684,793	\$9,210,587
Receivables	90,721	1,192,884	105,747	1,389,352
Due from other funds	103,604	611,812	158	715,574
Inventory		62,003		62,003
Utility deposit		310		310
<b>TOTAL ASSETS</b>	<b><u>\$2,171,458</u></b>	<b><u>\$8,415,670</u></b>	<b><u>\$790,698</u></b>	<b><u>\$11,377,826</u></b>
<b>LIABILITIES AND FUND EQUITY</b>				
Liabilities:				
Accounts payable	\$14,506	\$417,686	\$655	\$432,847
Salaries payable	31,310	20,235		51,545
Due to other funds	609,975	103,604	116	713,695
Prepaid revenues		2,000,000		2,000,000
<b>Total Liabilities</b>	<b><u>655,791</u></b>	<b><u>2,541,525</u></b>	<b><u>771</u></b>	<b><u>3,198,087</u></b>
Fund Equity:				
Restricted - public safety		5,874,145		5,874,145
Fund balance - unassigned	1,515,667		789,927	2,305,594
<b>Total Fund Equity</b>	<b><u>1,515,667</u></b>	<b><u>5,874,145</u></b>	<b><u>789,927</u></b>	<b><u>8,179,739</u></b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b><u>\$2,171,458</u></b>	<b><u>\$8,415,670</u></b>	<b><u>\$790,698</u></b>	<b><u>\$11,377,826</u></b>

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, 2018

Total Fund Balances at June 30- Governmental Funds (Statement C)		\$8,179,739
Deferred outflow of resources		429,926
Cost of capital assets at June 30	\$17,818,750	
Less: Accumulated depreciation as of June 30	<u>(3,000,661)</u>	14,818,089
Long term liabilities at June 30, 2018:		
Bonds payable		(12,125,000)
Deferred issuance costs		477,274
Accrued interest payable		(65,677)
Net pension liability		(1,099,573)
Deferred inflows of resources		<u>(1,706,270)</u>
Net Position at June 30 (Statement A)		<u>\$8,908,508</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, 2018

	-----Major Funds-----			TOTAL
	GENERAL FUND	RIVERBEND DETENTION CENTER	OTHER GOVERN- MENTAL FUNDS	
Taxes :				
Ad valorem	\$555,024			\$555,024
Sales tax	941,026			941,026
Intergovernmental revenues:				
Federal grants	5,141			5,141
State grants:				
Feeding prisoners		\$10,283,496		10,283,496
State revenue sharing (net)	43,065			43,065
State supplemental pay	108,500			108,500
Other state grants	79,401		\$137,074	216,475
Fees, charges, and commissions for services:				
Commissions on licenses and taxes	39,012			39,012
Civil and criminal fees	111,767			111,767
Tax notices, etc.	15,255			15,255
Bond fees	11,578			11,578
Vending machine, phones, work release		815,245		815,245
Use of money and property	1,209	15,925	876	18,010
Other revenues	127,149	45,600	453,060	625,809
Total revenues	<u>2,038,127</u>	<u>11,160,266</u>	<u>591,010</u>	<u>13,789,403</u>
<b>EXPENDITURES</b>				
Public safety:				
Current:				
Personal services and related benefits	1,453,004	912,498		2,365,502
Operating services	237,683	7,304,496	26,079	7,568,258
Materials and supplies	66,606	1,243,463	32,063	1,342,132
Travel and other charges	35,353	5,218		40,571
Debt service		1,578,319		1,578,319
Capital outlay	140,356	345,464		485,820
Total expenditures	<u>1,933,002</u>	<u>11,389,458</u>	<u>58,142</u>	<u>13,380,602</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<u>105,125</u>	<u>(229,192)</u>	<u>532,868</u>	<u>408,801</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>				
Proceeds from disposal of assets	\$5,911			\$5,911
Transfers in	370,000	\$275,000		645,000
Transfers out		(250,000)	(\$395,000)	(645,000)
Total Other Financing Source (Use)	375,911	25,000	(395,000)	5,911
<b>EXCESS (Deficiency) OF REVENUES AND OTHER SOURCE OVER EXPENDITURES AND OTHER USE</b>	481,036	(204,192)	137,868	414,712
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	1,034,631	6,078,337	652,059	7,765,027
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$1,515,667</u>	<u>\$5,874,145</u>	<u>\$789,927</u>	<u>\$8,179,739</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, 2018

Total net change in fund balances - governmental funds (Statement D)	\$408,801
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.	(74,799)
Governmental funds do not report gain or loss on disposition of assets. In the Statement of Activities, gain on disposition of assets increased when the asset is disposed.	5,909
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.	4,008
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	740,000
Non-employer contributions to pension plan	100,797
Pension expense	402,519
Change in Net Position of governmental activities (Statement B)	<u>\$1,543,846</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, 2018

	TAX COLLECTOR FUND	CONFIS CATED FUNDS	CRIMINAL FUND	CIVIL FUND	ECDC INMATE	RBDC INMATE	TOTAL
<b>ASSETS</b>							
Cash and cash equivalents	\$9,031	\$16,980	\$20,123	\$9,000	\$5,201	\$81,812	\$142,147
Due from other funds			104			116	220
<b>TOTAL ASSETS</b>	<u>\$9,031</u>	<u>\$16,980</u>	<u>\$20,227</u>	<u>\$9,000</u>	<u>\$5,201</u>	<u>\$81,928</u>	<u>\$142,367</u>
<b>LIABILITIES</b>							
Due to other funds					\$24	\$2,075	\$2,099
Due to taxing bodies and others	\$9,031	\$16,980	\$20,227	\$9,000	5,177	79,853	140,268
<b>TOTAL LIABILITIES</b>	<u>\$9,031</u>	<u>\$16,980</u>	<u>\$20,227</u>	<u>\$9,000</u>	<u>\$5,201</u>	<u>\$81,928</u>	<u>\$142,367</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, 2018

**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, 2018, the sheriff has cash and equivalents (book balances) totaling \$9,352,734 as follows:

Demand deposits	\$9,352,634
Petty cash	<u>100</u>
Total	<u>\$9,352,734</u>

*Custodial Credit Risk:* Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. Under state law, the 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 or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. 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 bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Sheriff's name.

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, 2018, are secured as follows:

Bank balances	<u>\$9,790,293</u>
Federal deposit insurance	\$2,276,039
Pledged securities (uncollateralized)	<u>8,700,526</u>
Total	<u>\$10,976,565</u>

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

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 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, 2018.

**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 (½) 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 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.

**K. EQUITY CLASSIFICATIONS**

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

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

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

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

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

In the fund financial statements, governmental fund equity is classified as fund balance. The Sheriff adopted GASB Statement 54 for the year ended June 30, 2018. As such, fund balances of the governmental funds are classified as follows:

*Nonspendable* - represents amounts that are not expected to be converted to cash because they are either not in spendable form or legally or contractually required to be maintained intact.

*Restricted* - represents balances where constraints have been established by parties outside the Sheriff's office or imposed by law through constitutional provisions or enabling legislation.

*Committed* - represents balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the Sheriff's highest level of decision-making authority.

*Assigned* - represents balances that are constrained by the government's intent to be used for specific purposes, but are not restricted nor committed.

*Unassigned* - represents balances that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund.

The General Fund has an unassigned fund balance of \$1,515,667. If applicable, the Sheriff would typically use restricted fund balances first, followed by committed resources and assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

#### **L. INTERFUND TRANSACTIONS**

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as transfers.

**M. INTERFUND TRANSACTIONS**

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as transfers.

**N. ESTIMATES**

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

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

As of July 1, 2014, the Sheriff implemented Governmental Accounting Standards Board (GASB) Statement 68 *Accounting and Financial Reporting for Pensions - Amendment of GASB Statement 27*, which resulted in a cumulative change in accounting principle and also a restatement of net position.

Errors were made during the GASB 68 calculation in the prior year. The net effect of the restatement to correct this error will be to decrease net position of the Sheriff by \$565,400.

The net effect to the Government-Wide Statement of Net Position is as follows:

Total Net Position, June 30, 2017, as previously stated	\$7,930,062
Net Change at June 30, 2018	<u>(565,400)</u>
Total Net Position, June 30, 2018, Restated	<u><u>\$7,364,662</u></u>

**2. RECEIVABLES**

The receivables of \$1,389,352 at June 30, 2018, are as follows:

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

Class of receivables:	RB			Total
	General Fund	Detention Center	Non Major and Agency	
Taxes - Sales	\$60,453			\$60,453
Intergovernmental revenues:				
Federal grants	5,141			5,141
State grants	21,626			21,626
Fees, charges, and commissions for services	1,292	\$1,192,884		1,194,176
Other	2,209		\$105,747	107,956
Total	<u>\$90,721</u>	<u>\$1,192,884</u>	<u>\$105,747</u>	<u>\$1,389,352</u>

**3. ON-BEHALF PAYMENTS**

Certain employees of the East Carroll Parish Sheriff receive supplemental pay from the State. In accordance with GASB Statement No. 24, the Sheriff has recorded revenues and expenditures for these payments in the General Fund. Revenues and expenditures under this arrangement totaled \$108,500.

**4. CHANGES IN CAPITAL ASSETS**

A summary of changes in buildings and office furnishings and equipment for the year ended June 30, 2018, follows:

	Beginning Balance	Additions	Deletions	Ending Balance
General Fund:				
Weapons	\$26,817			\$26,817
Furniture and equipment	188,352	\$12,404		200,756
Vehicles	788,338	127,952	(\$78,753)	837,537
Sub-total General Fund	1,003,507	140,356	(78,753)	1,065,110
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		(31,630)	71,684
Sub-total ECDC	1,924,502	NONE	(31,630)	1,892,872
Riverbend Detention Center:				
Buildings	14,267,090	212,283		14,479,373
Furniture and equipment	123,958	20,276		144,234
Vehicle	126,811	112,905	(2,555)	237,161
Sub-total RBDC	14,517,859	345,464	(2,555)	14,860,768
Total assets	17,445,868	485,820	(112,938)	17,818,750
Less accumulated depreciation	2,552,978	560,619	(112,936)	3,000,661
Net capital assets	<u>\$14,892,890</u>	<u>(\$74,799)</u>	<u>(\$2)</u>	<u>\$14,818,089</u>

**5. 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. Employer contributions, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed.

*Plan Description.*

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

Substantially all employees of the 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.

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

The Sheriffs' Pension and Relief fund has issued a stand-alone audit report on their financial statements for the year ended June 30, 2017. Access to the report can be found on the Louisiana Legislative Auditor's website, [www.lla.la.gov](http://www.lla.la.gov).

*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 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.

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

Disability Benefits

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

Survivor Benefits

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

Deferred Benefits:

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

Back Deferred Retirement Option Plan (Back-DROP)

In lieu of receiving a service retirement allowance, any member of the Fund who has more than sufficient service for a regular service retirement may elect to receive a "Back-DROP" benefit. The Back-DROP benefit is based upon the Back-DROP period selected and the final average compensation prior to the period selected. The Back-DROP period is the lesser of three years or the service accrued between the time a member first becomes eligible for retirement and his actual date of retirement. For those individuals with thirty or more years, the Back-DROP period is the lesser of four years or service accrued between the time 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

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

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 12.75 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, 2018, 2017, and 2016 were \$221,620, \$233,081, and \$235,155, 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, 2018, the Sheriff reported a liability of \$1,099,573 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, 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, 2017, the Sheriffs' proportion was .2539 percent, which was an increase of .004 from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the Sheriff recognized pension expense of \$201,698. At June 30, 2017, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experiences		\$191,410
Changes in assumptions	193,476	
Net difference between projected and actual earnings on pension plan		15,782
Changes in employer's proportion of beginning NPL	14,760	1,488,893
Differences between employer and proportionate share of contributions	70	10,183

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

Sheriff contributions subsequent to the measurement date	\$221,620	
Total	\$429,926	\$1,706,268

\$221,620 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:	
2018	(\$425,498)
2019	(307,927)
2020	(329,780)
2021	(266,298)
2022	(175,428)
2023	6,970
Total	(1,497,961)

**Actuarial assumptions.** The total pension liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date	June 30, 2017
Actuarial cost Method	Entry Age Normal Method
Actuarial Assumptions:	
Investment Rate of Return	7.5%, net of investment expense
Discount Rate	7.4%
Projected salary increases	5.5% (2.775% inflation, 2.725% 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.

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

The morality 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 7.4%. 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 7.4%, 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 (6.4%)	Current Discount Rate (7.4%)	1% Increase (8.4%)
Sheriffs' proportionate share of the net pension liability	\$2,265,411	\$1,099,573	\$118,680

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

Individual balances due from/to other funds at June 30, 2018, are as follows:

	<u>Due To</u>	<u>Due From</u>
Sheriff's Office General Fund	\$609,975	\$103,604
Riverbend Detention Center Operating	103,604	611,812
East Carroll Commissary	24	
Riverbend Commissary	116	134
Agency Funds:		
Criminal		104
Riverbend Inmate	2,075	116
East Carroll Inmate		24
Total	<u>\$715,794</u>	<u>\$715,794</u>

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

**7. 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, 2018:

	<u>Revenue Bonds</u>
Long-term obligations, June 30, 2017	\$12,865,000
Additions	NONE
Deletions	<u>(740,000)</u>
Long-term obligations, June 30, 2018	<u>\$12,125,000</u>

Revenue bonds payable at June 30, 2018, 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. \$12,125,000

\$1,507,348 is available in the Detention Center Fund to service the revenue bonds. The annual requirements to amortize outstanding bonds at June 30, 2018, are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$790,000	\$788,125	\$1,578,125
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	1,015,000	561,925	1,576,925
2024-2028	6,150,000	1,730,625	7,880,625
2029	1,480,000	96,200	1,576,200
Total	<u>\$12,125,000</u>	<u>\$5,219,825</u>	<u>\$17,344,825</u>

**8. CHANGES IN AGENCY FUND BALANCES**

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

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

	Tax Collector Fund	Con- fiscated Fund	Criminal Fund	Civil Fund	ECDC Inmate Fund	RBDC Inmate Fund	Total
Balance at June 30, 2017	\$5,094	\$16,582	\$20,326	\$9,000	\$5,177	\$18,108	\$74,287
Additions	5,723,352	1,298	965,953	261,787	NONE	1,942,940	8,895,330
Reductions	<u>(5,719,415)</u>	<u>(900)</u>	<u>(966,052)</u>	<u>(261,787)</u>	<u>NONE</u>	<u>(1,881,195)</u>	<u>(8,829,349)</u>
Balance at June 30, 2018	<u>\$9,031</u>	<u>\$16,980</u>	<u>\$20,227</u>	<u>\$9,000</u>	<u>\$5,177</u>	<u>\$79,853</u>	<u>\$140,268</u>

**9. TAX COLLECTOR ENDING CASH BALANCE**

At June 30, 2018, the tax collector has cash and equivalents (book balances) totaling \$9,031 as follows:

Redemptions and refunds	<u>\$9,031</u>
-------------------------	----------------

**10. AD VALOREM TAXES COLLECTED**

The tax collector has collected and disbursed the following taxes for the year ended June 30, 2018, by taxing body as follows:

Louisiana Forestry Service	\$3,124
Fifth District Levee Board	173,340
Louisiana Tax Commission	6,458
East Carroll Parish Assessor	371,537
East Carroll Parish Police Jury	2,536,397
East Carroll Parish School Board	685,492
East Carroll Parish Sheriff	555,053
East Carroll Parish Hospital	440,733
Lake Providence Port Commission	148,857
Bunches Bend Protection District	<u>487,246</u>
Total	<u>\$5,408,237</u>

**11. TAX UNCOLLECTED AND UNSETTLED**

At June 30, 2018, the tax collector has collected all assessed taxes for the year ended June 30, 2018.

**12. LITIGATION AND CLAIMS**

At June 30, 2018, 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.

**13. 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, 2018

	<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	\$555,024	\$79,024
Sales	650,000	800,000	941,026	141,026
Intergovernmental revenues:				
Federal grants - federal revenue			5,141	5,141
State funds:				
State revenue sharing (net)	42,000	42,000	43,065	1,065
State supplemental pay	115,000	115,000	108,500	(6,500)
Other state grants	92,000	92,000	79,401	(12,599)
Fees, charges, and commissions for services:				
Commissions on licenses and taxes	30,000	30,000	39,012	9,012
Civil and criminal fees	94,500	94,500	111,767	17,267
Tax notices, etc	12,000	12,000	15,255	3,255
Bond fees	17,000	17,000	11,578	(5,422)
Use of money and property	500	500	1,209	709
Other revenue	<u>112,595</u>	<u>112,595</u>	<u>127,149</u>	<u>14,554</u>
Total revenues	<u>1,641,595</u>	<u>1,791,595</u>	<u>2,038,127</u>	<u>246,532</u>
<b>EXPENDITURES</b>				
Public safety:				
Current:				
Personal services and benefits	1,696,774	1,696,774	1,453,004	243,770
Operating services	203,950	203,950	237,683	(33,733)
Materials and supplies	47,000	47,000	66,606	(19,606)
Travel and other charges	40,740	40,740	35,353	5,387
Capital outlay		100,000	140,356	(40,356)
Total expenditures	<u>1,988,464</u>	<u>2,088,464</u>	<u>1,933,002</u>	<u>155,462</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>				
	<u>(346,869)</u>	<u>(296,869)</u>	<u>105,125</u>	<u>401,994</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>				
Proceeds from disposal of assets			\$5,911	\$5,911
Transfers in	<u>\$350,000</u>	<u>\$350,000</u>	<u>370,000</u>	<u>20,000</u>
Total financing sources	<u>350,000</u>	<u>350,000</u>	<u>375,911</u>	<u>25,911</u>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES</b>	3,131	53,131	481,036	\$427,905
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>176,924</u>	<u>918,813</u>	<u>1,034,631</u>	<u>115,818</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u><u>\$180,055</u></u>	<u><u>\$971,944</u></u>	<u><u>\$1,515,667</u></u>	<u><u>\$543,723</u></u>

(Concluded)

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

BUDGETARY COMPARISON SCHEDULE  
RIVERBEND DETENTION CENTER FUND  
For the Year Ended June 30, 2018

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>				
State funds - Feeding and keeping prisoners	\$7,286,760	\$9,986,760	\$10,283,496	\$296,736
Fees, charges, and commissions for services-				
Vending machine, phones, work release	450,000	450,000	815,245	365,245
Use of money and property	500	500	15,925	15,425
Other revenue	18,500	18,500	45,600	27,100
Total revenues	<u>7,755,760</u>	<u>10,455,760</u>	<u>11,160,266</u>	<u>704,506</u>
<b>EXPENDITURES</b>				
Public safety:				
Current:				
Personal services and benefits	820,471	820,471	912,498	(92,027)
Operating services	4,794,506	7,272,006	7,304,496	(32,490)
Materials and supplies	835,884	1,173,036	1,243,463	(70,427)
Travel and other charges	3,000	3,000	5,218	(2,218)
Debt service	1,597,350	1,597,350	1,578,319	19,031
Capital outlay		285,354	345,464	(60,110)
Total expenditures	<u>8,051,211</u>	<u>11,151,217</u>	<u>11,389,458</u>	<u>(238,241)</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<u>(295,451)</u>	<u>(695,457)</u>	<u>(229,192)</u>	<u>466,265</u>
<b>OTHER FINANCING SOURCE (USE)</b>				
Transfers in	400,000	400,000	275,000	(125,000)
Transfers out	<u>(100,000)</u>	<u>(250,000)</u>	<u>(250,000)</u>	
Total financing source (use)	<u>300,000</u>	<u>150,000</u>	<u>25,000</u>	<u>(125,000)</u>
<b>EXCESS (Deficiency) OF REVENUES AND OTHER SOURCE OVER EXPENDITURES AND OTHER USE</b>	4,549	(545,457)	(204,192)	341,265
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>1,156,418</u>	<u>5,449,809</u>	<u>6,078,337</u>	<u>216,265</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$1,160,967</u>	<u>\$4,904,352</u>	<u>\$5,874,145</u>	<u>\$557,530</u>

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

NOTE TO BUDGETARY COMPARISON SCHEDULE  
For the Year Ended June 30, 2018

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, 2018**

Actuarial Valuation Date	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2015	0.671241%	\$2,658,118	\$3,297,443	80.61%	87.34%
June 30, 2016	0.497340%	\$2,216,902	\$1,710,220	129.63%	99.23%
June 30, 2017	0.250416%	\$1,589,364	\$1,759,101	90.35%	82.10%
June 30, 2018	0.253297%	\$1,099,573	\$1,738,193	63.26%	88.49%

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, 2018**

Actuarial Valuation Date	Contractually Required Contribution	Contributions in Relations to Contractual Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a Percentage of Covered Payroll
June 30, 2015	\$469,886	\$469,886	\$0	\$3,297,443	14.25%
June 30, 2016	\$235,155	\$235,155	\$0	\$1,710,220	13.75%
June 30, 2017	\$233,081	\$233,081	\$0	\$1,759,101	13.25%
June 30, 2018	\$221,620	\$221,620	\$0	\$1,738,193	12.75%

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:

\$9,031 is the amount of cash on hand in the tax collector account on June, 30, 2018.

He further deposed and said:

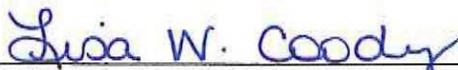
All itemized statements of the amount of taxes collected for the tax year, 2017, by taxing authority, are true and correct.

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 31<sup>st</sup> day of March, 2019, in my office in Lake Providence, Louisiana.



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

Lisa W. Coody, #51645  
Ex-Officio Notary  
East Carroll Sheriff

EAST CARROLL PARISH SHERIFF  
Lake Providence, LouisianaSchedule of Compensation, Benefits and Other Payments to Agency Head  
For the Year Ended June 30, 2018

WYDETTE WILLIAMS, SHERIFF

<b>PURPOSE</b>	<b>AMOUNT</b>
Salary	\$145,762
Expense allowance	14,576
Benefits-insurance	10,431
Benefits-retirement	20,443
Benefits-medicare	2,325
Meals	496
Registration fees	445
Housing and lodging	2,595
Cellphone	1,082
Membership dues-Sheriffs Association	13,361

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana  
SUPPLEMENTAL INFORMATION SCHEDULES  
For the Year Ended June 30, 2018

**NON MAJOR FUNDS**

**EAST CARROLL DETENTION CENTER OPERATING FUND**

The ECDC Operating Fund accounts for the state mowing contract and associated expenses.

**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, 2018

	ECDC <u>OPERATING</u>	NARCOTICS	ECDC <u>COMMISSARY</u>	RBDC <u>COMMISSARY</u>	<u>TOTAL</u>
<b>ASSETS</b>					
Cash	\$352,848	\$5,900	\$22,755	\$303,290	\$684,793
Accounts receivables	68,537			37,210	105,747
Due from other funds			24	134	158
Total Assets	<u>\$421,385</u>	<u>\$5,900</u>	<u>\$22,779</u>	<u>\$340,634</u>	<u>\$790,698</u>
<b>LIABILITIES AND FUND EQUITY</b>					
Liabilities:					
Accounts payable				\$655	\$655
Due to other funds				116	116
Fund Equity -					
Reserved - public safety	<u>\$421,385</u>	<u>\$5,900</u>	<u>\$22,779</u>	<u>339,863</u>	<u>789,927</u>
<b>LIABILITIES AND FUND EQUITY</b>	<u>\$421,385</u>	<u>\$5,900</u>	<u>\$22,779</u>	<u>\$340,634</u>	<u>\$790,698</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, 2018

	<u>ECDC OPERATING</u>	<u>NARCOTICS</u>	<u>ECDC COMMISSARY</u>	<u>RBDC COMMISSARY</u>	<u>TOTAL</u>
<b>REVENUES</b>					
State revenue	\$137,074				\$137,074
Use of money and property	341	\$4	\$29	\$502	876
Other revenues		3,938		449,122	453,060
Total revenues	<u>137,415</u>	<u>3,942</u>	<u>29</u>	<u>449,624</u>	<u>591,010</u>
<b>EXPENDITURES</b>					
Public safety:					
Current:					
Operating services	15,012	1,100		9,967	26,079
Materials and supplies	31,947			116	32,063
Total expenditures	<u>46,959</u>	<u>1,100</u>	<u>NONE</u>	<u>10,083</u>	<u>58,142</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>90,456</u>	<u>2,842</u>	<u>29</u>	<u>439,541</u>	<u>532,868</u>
<b>OTHER FINANCING USE</b>					
Transfer out				(395,000)	(395,000)
<b>EXCESS OF REVENUES OVER EXPENDITURES AND OTHER USE</b>	<u>90,456</u>	<u>2,842</u>	<u>29</u>	<u>44,541</u>	<u>137,868</u>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>330,929</u>	<u>3,058</u>	<u>22,750</u>	<u>295,322</u>	<u>652,059</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$421,385</u>	<u>\$5,900</u>	<u>\$22,779</u>	<u>\$339,863</u>	<u>\$789,927</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>	<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>
<b>ADDITIONS</b>							
Deposits :							
Ad valorem taxes	5,557,318						5,557,318
State Revenue Sharing	133,599						133,599
Beer and Liquor licenses	3,640						3,640
Interest on:							
NOW accounts	728						728
Delinquent taxes	4,816						4,816
Tax notices, etc.	14,745						14,745
Appearance bonds, fines, etc.			965,953				965,953
Inmate deposits		1,298				1,942,940	1,944,238
Sheriff's sales, etc.				261,787			261,787
Other	8,506						8,506
Total additions	<u>5,723,352</u>	<u>1,298</u>	<u>965,953</u>	<u>261,787</u>	<u>NONE</u>	<u>1,942,940</u>	<u>8,895,330</u>
Total	<u>5,728,446</u>	<u>17,880</u>	<u>986,279</u>	<u>270,787</u>	<u>5,177</u>	<u>1,961,048</u>	<u>8,969,617</u>
<b>REDUCTIONS</b>							
Deposits settled to:							
Clerk of Court	795		89,350	8,687			98,832
Louisiana Dept. Of Forestry	3,131						3,131
Louisiana Tax Commission	6,458						6,458
Fifth District Levee Board	177,323						177,323
Crime Lab			118,500				118,500
Judicial Expense			19,002				19,002
Louisiana Comm. on Law Enf.			9,172				9,172
East Carroll Parish:							
Criminal Court Fund			270,168				270,168
District attorney			121,485				121,485
Police Jury	2,584,382						2,584,382
School Board	701,328						701,328
Sheriff	614,556		117,343	15,386			747,285
Assessor	380,377						380,377
Hospital	451,587						451,587
Indigent Defender Board			177,975				177,975
Litigants			10,213	235,954			246,167
Lake Providence Port Comm.	152,523						152,523
Pension Funds	155,679						155,679

(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, 2018

	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		\$900				\$1,881,195	\$1,882,095
Bunches Bend Protection District	\$487,685						487,685
Refunds	3,591						3,591
Other settlements			\$32,844	\$1,760			34,604
Total reductions	<u>5,719,415</u>	<u>900</u>	<u>966,052</u>	<u>261,787</u>	<u>NONE</u>	<u>1,881,195</u>	<u>8,829,349</u>
<b>UNSETTLED BALANCES DUE TO TAXING BODIES AND OTHERS AT END OF YEAR</b>							
	<u>\$9,031</u>	<u>\$16,980</u>	<u>\$20,227</u>	<u>\$9,000</u>	<u>\$5,177</u>	<u>\$79,853</u>	<u>\$140,268</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.

**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 and the major funds of the East Carroll Parish Sheriff as of and for the year ended June 30, 2018 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 March 31, 2019.

**Internal Control Over Financial Reporting**

In planning and performing my audit of the financial statements, I considered the East Carroll Parish Sheriff's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing 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.

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.

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana  
Independent Auditor's Report on Compliance  
And Internal Control Over Financial Reporting, etc.  
June 30, 2018

**Compliance and Other Matters**

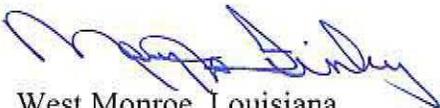
As part of obtaining reasonable assurance about whether East Carroll Parish Sheriff's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct 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 three instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as Finding 2018-001, 2018-002 and 2018-003.

**East Carroll Parish Sheriff's Response to Findings**

East Carroll Parish Sheriff's response to the findings identified in my audit is described in the accompanying schedule of findings and questioned costs. East Carroll Parish Sheriff's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on it.

**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  
March 31, 2019

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2018

**A. SUMMARY OF AUDIT RESULTS**

1. The Auditor's report expresses an unmodified opinion on the general purpose financial statements of the East Carroll Parish Sheriff.
2. Three instances of noncompliance material to the financial statements of the East Carroll Parish Sheriff were disclosed during the audit.
3. No significant deficiencies relating to the audit of the financial statements is reported in the Independent Auditor's Report on Internal Control.

**B. FINDINGS - FINANCIAL STATEMENTS AUDIT**

**2018-001 Failing to file Financial Statements Pursuant to R.S. 24:513 B.(3)**

**Condition:** The East Carroll Parish Sheriff's audited financial statements were not completed and submitted to the Louisiana Legislative Auditor's office by the statutory date of December 31, 2018.

**Criteria:** State law requires audited financial statements of governments to be submitted within six months of year end.

**Cause of Condition:** Management was unable to provide a complete set of books in time for the external auditor to complete the audit by its due date.

**Effect of Condition:** Material noncompliance relating to the financial statements.

**Recommendation:** Management should have financial records completed in a timely manner.

**Response:** Management concurred with the finding and provided a corrective action plan (See page 65).

**2018-002 Failing to Distribute Ad Valorem Taxes in a Timely Manner Pursuant to R.S. 47:2060**

**Condition:** The East Carroll Parish Sheriff's office did not distribute ad valorem taxes collected during the first 10 business days of the following month, as required by law.

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2018

**Criteria:** State law requires ad valorem tax settlements to be made within the first 10 business days of each month.

**Cause of Condition:** Ad valorem tax settlements were not distributed during the first 10 business days of the month. Ad Valorem taxes were collected in the months of October, 2017, November, 2017 and December, 2017. Checks were written and dated for the months of October, November, and December, 2017, but all were listed as outstanding on the December, 2017 bank reconciliation. It appears that those checks were not mailed until January, 2018.

**Effect of Condition:** Material noncompliance relating to the Louisiana Revised Statutes.

**Recommendation:** Management must distribute ad valorem tax collections within the first 10 business days of the month following collection.

**Response:** Management concurred with the finding and provided a corrective action plan (See page 65).

**2018-003 Failing to Distribute Criminal Fines in a Timely Manner Pursuant to R.S. 13:848.1**

**Condition:** The East Carroll Parish Sheriff's office did not distribute criminal fines and costs on a monthly basis.

**Criteria:** State law requires criminal fines and cost settlements to be made monthly.

**Cause of Condition:** Criminal fines and cost settlements were not distributed monthly. Disbursement checks for November, 2017, December, 2017, and January, 2018 were dated for those months, but upon examination of the January, 2018 bank reconciliation, all checks for those monthly settlements were still outstanding.

**Effect of Condition:** Material noncompliance relating to the Louisiana Revised Statutes.

**Recommendation:** Management must distribute criminal fines and costs on a monthly basis.

**Response:** Management concurred with the finding and provided a corrective action plan (See page 65).

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

**Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2018**

There were no audit findings reported in the audit for the year ended June 30, 2017.

Wydette L. Williams  
Sheriff and Tax Collector



Telephone 318-559-2800  
Fax 318-559-2567  
e-mail [wwilliams@ecsheriff.com](mailto:wwilliams@ecsheriff.com)

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

March 31, 2018

Louisiana Legislative Auditor  
Daryl G. Purpera  
1600 North Third Street  
Baton Rouge, Louisiana 70802

RE: Audit Findings

Dear Mr. Purpera:

In response to finding 2018-001; our audit is late due to the fact that we were hit with ransomware and lost all of our files. We had to re-enter a year's worth of data beginning August 2017. We have re-enforced our back up system installing a new fire wall and incorporating cloud backup.

In response to finding 2018-002; taxes personnel had several illnesses throughout the year. We have since hired additional personnel and have cross training in place to ensure that things are done in a timely manner.

In response to finding 2018-003; fines personnel had several illnesses throughout the year. We have since hired additional personnel and have cross training in place to ensure that things are done in a timely manner.

Sincerely,

A handwritten signature in black ink, appearing to read 'Wydette L. Williams', written over a horizontal line.

Wydette L. Williams  
Sheriff East Carroll Parish

/sc



We are an equal opportunity provider.

Independent Accountant's Report  
on Applying Agreed-Upon Procedures

East Carroll Parish Sheriff  
PO Box 246  
Lake Providence, LA 71254

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, 2017 through June 30, 2018. 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. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
  - A. Budgeting, including preparing, adopting, monitoring, and amending the budget.
  - B. Purchasing, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
  - C. Disbursements, including processing, reviewing, and approving

- D. Receipts, including receiving, recording, and preparing deposits
- E. Payroll/Personnel, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- F. Contracting, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process
- G. Credit Cards (and debit cards, fuel cards, P-Cards, if applicable), including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage.
- H. Travel and expense reimbursement, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- I. Ethics, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.
- J. Debt Service, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Written policies and procedures were obtained and address the function noted above.

#### **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 for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:
  - A) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

- B) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation(e.g., initialed and dated, electronically logged);
- C) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more that 12 months from the statement closing date, if applicable.

The agency provided me with a certified list of all bank accounts. September, 2017 was randomly selected to be tested. For the 5 bank accounts selected for testing it was determined that the all 5 bank reconciliations were performed by the chief civil deputy and that the reconciliations were not reviewed by the anyone else. There was evidence that the reconciliation are not performed within 60 days of the bank statement date. None of the 5 accounts selected to test had outstanding reconciling items over 12 months.

## COLLECTIONS

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

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

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

- A) Employees that are responsible for cash collections do not share cash drawers/registers.
- B) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
- C) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
- D) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

The agency has 3 collection locations with two cash drawers at the Sheriff's annex office, one for taxes and one for fines, and one at the courthouse. Multiple deputies work out of the cash drawers. Inmate funds are collected at the detention center. The money is deposited

daily and deposit slips are sent to the sheriff's office to be posted. Bank reconciliations are prepared by the chief civil deputy. The deposit is made by an office deputy and the chief civil deputy post the deposits to the accounting system and also reconciles the bank statements. Tax payments are posted to the tax software when collected. The cash drawer is reconciled by a designated deputy and another deputy makes the deposit. The chief civil deputy posts the deposits to the accounting software.

6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

The sheriff's office had surety bond coverage on the employees at the sheriff's office that collect money. The employees at the detention center do not have theft insurance coverage.

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

- A) Observe that receipts are sequentially pre-numbered.
- B) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip,
- C) Trace the deposit slip total to the actual deposit per the bank statement.
- D) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
- E) Trace the actual deposit per the bank statement to the general ledger.

The Sheriff does not use pre-numbered receipts, the system generates receipts when money is collected. Deposit documentation was traced to the cash register information for the daily receipts. The deposit slips selected were traced to the bank statement. The Sheriff's office location makes daily deposits. Detention Center deposits are brought daily to the Sheriff's office and deposited daily. The deposits were traced to the posting in the Software and Services (GFA) accounting software.

#### **NON-PAYROLL DISBURSEMENTS (EXCLUDING CARD PURCHASES/PAYMENTS, TRAVEL REIMBURSEMENTS, AND PETTY CASH PURCHASES)**

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

Agency provided a complete list of locations that process payments and represented that the list was complete.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
  - A) At least two employees are involved in initialing a purchase request, approving a purchase, and placing an order/making the purchase.
  - B) At least two employees are involved in processing and approving payments to vendors.
  - C) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
  - D) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

The Sheriff does not use a purchase order system or purchase requisitions. The accounts payable deputy initiates purchases and the administrator approves all purchases. The Sheriff has ultimate approval on all major purchases. The chief civil deputy adds all new vendors at the direction of the administrator. The accounts payable deputy initiates all checks and the sheriff, administrator or the chief civil deputy signs all the checks, which all require 2 signatures. The accounts payable deputy mails all check payments.

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
  - A) Observe that the disbursement matched the related original invoice/billing statement.
  - B) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

All disbursements selected to be tested had the proper support documentation. The accounts payable deputy initiates the disbursements and the sheriff, administrator, or the chief civil deputy sign all checks, which requires 2 signatures on all checks.. The chief civil deputy reconciles all bank statements and there is no evidence that anyone else reviews the reconciliations.

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

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

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

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

A) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) 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.]]

B) Observe that finance charges and late fees were not assessed on the selected statements.

The account payable deputy reviews all credit card statements and prepares the checks. If any unusual purchases are noted, they are investigated by the chief civil deputy. For the cards tested, there were interest charges on the credit card statement. There is no written evidence that the fuel card statements are reviewed by anyone.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

All transactions tested had the proper documentation. The chief civil deputy or authorized card holder initiates all purchases and the accounts payable deputy approves all purchases. No meal charges were noted during test period.

## **TRAVEL AND EXPENSE REIMBURSEMENT**

14. The East Carroll Parish Sheriff had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

## **CONTRACTS**

15. The East Carroll Parish Sheriff had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

## **PAYROLL AND PERSONNEL**

16. The East Carroll Parish Sheriff had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

17. The East Carroll Parish Sheriff had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

18. The East Carroll Parish Sheriff had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

19. The East Carroll Parish Sheriff had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

## **ETHICS (EXCLUDING NONPROFITS)**

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics compliance documentation from management and:

A) Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

B) Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

Agency provided support for ethics training for the five randomly selected employees above. Agency had no documentation to show that the employees have read the agency policy concerning the ethics policy.

## **DEBT SERVICE**

21. The East Carroll Parish Sheriff had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

22. The East Carroll Parish Sheriff had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

## OTHER

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

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

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

I observed the fraud hotline notice posted on the premises and on the website.

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  
March 31, 2019

Wydette L. Williams  
Sheriff and Tax Collector



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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, 2018

**WRITTEN POLICIES AND PROCERDURES**

1. No response is required.

**BOARD**

2. No response is required.

**BANK RECONCILIATIONS**

3. Hired additional personnel to assure timely reconciliation and review of bank statements.

**COLLECTIONS**

4. No response is required.
5. We have two collection locations and more than one employee work out of cash drawers. It is not cost effective to change at this time and we have had no issues to occur.
6. We are researching policies to cover all employees.
7. There are no pre-numbered deposit slips, but our software issued receipts are in sequential order.

**NON-PAYROLL DISBURSEMENTS EXCLUDING CARD PURCHASES/PAYMENTS, TRAVEL REIMBURSEMENTS, AND PETTY CASH PURCHASES**

8. No response is required.
9. No response is required.
10. No response is required.

**CREDIT CARDS/DEBITS CARDS/ FUEL CARDS/P-CARDS**

11. No response is required.
12. All fuel cards statements will be reviewed.
13. No response is required.

**TRAVEL AND EXPENSE REIMBURSEMENTS**

14. No response is required.



We are an equal opportunity provider.

**CONTRACTS**

15. No response is required.

**PAYROLL AND PERSONNEL**

16. No response is required.

17. No response is required.

18. No response is required.

19. No response is required.

**ETHICS**

20. All employees will be required to sign to verify that they have read the policy.

**DEBT SERVICES**

21. No response is required.

22. No response is required.

**OTHER**

23. No response is required.

24. No response is required

  
\_\_\_\_\_  
Wyanette L. Williams, Sheriff  
East Carroll Parish  
March 31, 2019

\*\*\*This office was attacked by ransomware, causing us to lose a year's worth of work. Everything from August 24, 2017 through September 25, 2018 had to be rekeyed. Deposits, checks, bank recons, all payroll reports, accounts payables, fines and cost all lost. We also were two employees short for a period of time, thereby having to train new personnel in between our task of rekeying. We had setbacks as well, trying to install and program new equipment. We have taken the necessary steps to secure our system , and would not wish this on anyone.