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TENSAS PARISH SHERIFF
St. Joseph, Louisiana

Annual Financial Statements
With Independent Auditor's Report
As of and for the Year Ended
June 30, 2006

With Supplemental Information Schedules

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1/24/07

MARY JO FINLEY, CPA, INC.
A PROFESSIONAL CORPORATION

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

Annual Financial Statements
As of and for the Year Ended June 30, 2006
With Supplemental Information Schedules

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MARY JO FINLEY, CPA, INC.

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Independent Auditor's Report

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

I have audited the basic financial statements of the Tensas Parish Sheriff, a component unit of the Tensas Parish Police Jury, as of June 30, 2006, and for the year then ended, as listed in the table of contents. These financial statements are the responsibility of the Tensas Parish Sheriff's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with U.S. generally accepted auditing standards and *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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

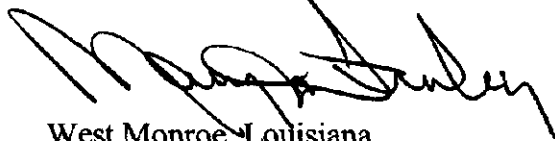
In my opinion, the basic financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Tensas Parish Sheriff as of June 30, 2006, and the changes in its financial position for the year then ended, in conformity with U.S. generally accepted accounting principles.

Management's discussion and analysis, and supplementary information on pages 6 through 10 and 33 through 35, respectively are not a required part of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information and reviewing the source of selected information. However, I did not audit the information and express no opinion on it.

My audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the basic financial statements of the Tensas Parish Sheriff. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

TENSAS PARISH SHERIFF
St. Joseph, Louisiana
Independent Auditor's Report,
June 30, 2006

In accordance with *Government Auditing Standards*, I have also issued a report dated December 20, 2006, on my consideration of the Tensas Parish Sheriff's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.



West Monroe, Louisiana
December 20, 2006

**REQUIRED SUPPLEMENTARY INFORMATION
PART I**

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

Management's Discussion and Analysis
June 30, 2006

As management of the Tensas Parish Sheriff, I offer readers of the Tensas Parish Sheriff's financial statements this narrative overview and analysis of the financial activities of the Tensas Parish Sheriff for the fiscal year ended June 30, 2006. 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 Assets 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 Tensas Parish Sheriff's finances, in a manner similar to a private-sector business.

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

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets 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 Tensas 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 Tensas 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 Tensas Parish Sheriff maintains 3 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, and the Detention Center special revenue fund, which are considered to be a major funds. The Commissary Fund data for the non-major governmental fund is provided in a separate column for non-major governmental fund.

The Tensas 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 this budget.

Fiduciary funds. Fiduciary (agency) funds are used to account for resources held for the benefit of parties outside the government. Since these resources are not available to support the Tensas 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 Tensas Parish Sheriff's performance.

Government-wide Financial Analysis

As noted earlier, net assets 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 Tensas Parish Sheriff exceeded liabilities by \$1,048,409. The largest portion of the Tensas Parish Sheriff's net assets reflects its investment in capital

assets (furniture and equipment), less any related debt used to acquire those assets that is still outstanding. 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 assets is affected by two factors: 1) resources expended, over time, by the Tensas 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 assets.

STATEMENT OF NET ASSETS

	<u>2006</u>	<u>2005</u>
ASSETS		
Cash and cash equivalents	\$729,286	\$664,756
Investments	378,552	397,656
Receivables	1,282,378	1,246,375
Prepaid expenses	45,602	32,465
Due from other funds	80	1,788
Due from others	8,888	
Inventory	42,592	17,846
Capital assets (net of accumulated depreciation)	<u>116,380</u>	<u>143,158</u>
TOTAL ASSETS	<u>\$2,603,758</u>	<u>\$2,504,044</u>
LIABILITIES		
Cash overdraft		\$8,976
Accounts payable	\$240,996	261,727
Salaries payable	128,512	150,559
Bank loan payable	350,000	400,000
Due to Marketing Group	696,158	779,519
Due to Sheriff	10,560	
Due to other funds	29,318	7,716
Long-term liabilities:		
Due within one year	41,978	34,091
Due in more than one year	<u>57,827</u>	<u>76,737</u>
TOTAL LIABILITIES	<u>1,555,349</u>	<u>1,719,325</u>
NET ASSETS		
Invested in capital assets, net of related debt	16,575	32,330
Unrestricted	<u>1,031,834</u>	<u>752,389</u>
TOTAL NET ASSETS	<u>\$1,048,409</u>	<u>\$784,719</u>

STATEMENT OF ACTIVITIES

	<u>2006</u>	<u>2005</u>
Public safety:		
Personal services	\$3,908,750	\$3,766,932
Operating services	6,430,110	5,984,879
Materials and supplies	1,097,567	955,806
Travel	13,867	15,997
Debt service - interest	1,063,313	1,062,909
Depreciation expense	<u>83,372</u>	<u>78,301</u>
Total Program Expenses	<u>12,596,979</u>	<u>11,864,824</u>

Program revenues:		
Commissions on license and taxes	\$27,599	\$15,286
Civil and criminal fees	38,393	47,982
Court attendance	2,516	1,870
Radio dispatch	10,998	8,637
Feeding prisoners	7,499,723	7,026,951
Courthouse maintenance		
Other revenues	510,338	457,738
Total program revenues	<u>8,089,567</u>	<u>7,558,464</u>
Net Program Expenses	<u>(4,507,412)</u>	<u>(4,306,360)</u>
General revenues:		
Taxes		
Ad valorem	787,633	771,440
Sales tax	118,614	112,101
Grants and contributions not restricted to specific programs:		
Federal sources	30,200	33,513
State sources:		
State revenue sharing (net)	32,751	32,668
State supplemental pay	38,577	40,717
Other state grants	523,892	471,365
Local sources	3,196,175	3,000,191
Interest earned	34,547	15,001
Special items:		
Gain on sale/disposition of assets	3,525	2,188
Sale of assets	805	
Proceeds from insurance	4,383	7,398
Change in Net Assets	263,690	180,222
Net Assets - Beginning of year	784,719	604,497
Net Assets - End of year	<u>\$1,048,409</u>	<u>\$784,719</u>

Financial Analysis of the Government's Funds

As noted earlier, the Tensas 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, 2006, combined governmental fund balances of \$1,031,834 showed an increase of \$279,445 over June 30, 2005. The General Fund's portion of the unreserved, undesignated fund balance of \$407,185 shows an increase (of approximately \$63,123) from the prior year amount. The Detention Center portion of the unreserved, undesignated fund balance of \$608,602 shows an increase (of approximately \$119,863) from the prior year amount.

General Fund and Major Fund Budgetary Highlights

Differences between expenditures of the original budget and the final budget for the General Fund were due primarily to an increase in personal services and materials and supplies. The difference in original and final budgeted revenues in the general fund were due to an increase in other financing sources.

In the Detention Center, the original budget differed greatly from the final budget due to an increase in revenues for feeding and keeping of prisoners, state and local grants, and other revenue. The Detention center is running at full or near full capacity, allowing for greater revenues and, in turn, increases in expenditures. Differences in expenditures were due to an increase in anticipated personal services and benefits, operating services and transfers.

Capital Asset and Debt Administration

Capital assets. The Tensas Parish Sheriff's investment in capital assets for its governmental activities as of June 30, 2006, amounts to \$116,380 (net of accumulated depreciation). This investment includes furniture, equipment, and weapons. The increase in capital assets for the year was \$56,594, the majority of which was attributable to the purchase law enforcement vehicles through leases. There were \$29,050 in deletions for the year.

Long-term debt. At the end of the fiscal year, Tensas Parish Sheriff had total debt outstanding, in the form of leases, of \$99,805, which will be paid in full within four years. During the year ended June 30, 2006, \$37,578 of debt was paid in accordance with the debt agreement.

Requests for Information

This financial report is designed to provide a general overview of the Tensas 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 Tensas Parish Sheriff, Courthouse Building, St. Joseph LA 71282.

December 20, 2006

BASIC FINANCIAL STATEMENTS

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

STATEMENT OF NET ASSETS
June 30, 2006

ASSETS

Cash and cash equivalents	\$729,286
Investments	378,552
Receivables	1,282,378
Prepaid expenses	45,602
Due from other funds	80
Due from others	8,888
Inventory	42,592
Capital assets (net of accumulated depreciation)	116,380
TOTAL ASSETS	<u>\$2,603,758</u>

LIABILITIES

Accounts payable	\$240,996
Salaries payable	128,512
Bank loan payable	350,000
Due to Marketing Group	696,158
Due to Sheriff	10,560
Due to other funds	29,318
Long-term liabilities:	
Due within one year	41,978
Due in more than one year	57,827
TOTAL LIABILITIES	<u>1,555,349</u>

NET ASSETS

Invested in capital assets, net of related debt	16,575
Unrestricted	1,031,834
TOTAL NET ASSETS	<u>\$1,048,409</u>

The accompanying notes are an integral part of this statement.

Statement B

TENSAS PARISH SHERIFF
St. Joseph, Louisiana
STATEMENT OF ACTIVITIES
June 30, 2006

Public safety:	
Personal services	\$3,908,750
Operating services	6,430,110
Materials and supplies	1,097,567
Travel and other	13,867
Interest expense	1,063,313
Depreciation expense	83,372
Total Program Expenses	<u>12,596,979</u>
Program revenues:	
Commissions on licenses and taxes	27,599
Civil and criminal fees	38,393
Court attendance	2,516
Radio dispatch	10,998
Feeding and keeping prisoners	7,499,723
Other revenues	510,338
Total program revenues	<u>8,089,567</u>
Net Program Expenses	<u>(4,507,412)</u>
General revenues:	
Taxes:	
Ad valorem	787,633
Sales tax	118,614
Grants and contributions not restricted to specific programs:	
Federal sources	30,200
State sources:	
State revenue sharing (net)	32,751
State supplemental pay	38,577
Other	523,892
Local sources	3,196,175
Interest earned	34,547
Special items:	
Gain on sale/disposition of assets	3,525
Sale of assets	805
Insurance	4,383
Change in Net Assets	<u>263,690</u>
NET ASSETS	
Beginning of year	<u>784,719</u>
End of year	<u><u>\$1,048,409</u></u>

The accompanying notes are an integral part of this statement.

Statement C

TENSAS PARISH SHERIFF
St. Joseph, Louisiana
GOVERNMENTAL FUNDS

Balance Sheet, June 30, 2006

MAJOR FUNDS.....		OTHER	TOTAL
	GENERAL FUND	DETENTION CENTER	GOVERNMENTAL FUND - COMMISSARY	
ASSETS				
Cash and cash equivalents	\$657,792	\$12,342	\$59,152	\$729,286
Investments		378,552		378,552
Receivables	47,242	1,235,136		1,282,378
Prepaid expenses	45,602			45,602
Due from other funds	144,580			144,580
Due from others	8,888			8,888
Inventory			\$42,592	42,592
TOTAL ASSETS	\$904,104	\$1,626,030	\$101,744	\$2,631,878
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$39,175	\$145,442	\$56,379	\$240,996
Salaries payable	97,184	31,328		128,512
Bank Loan payable	350,000			350,000
Due to Sheriff	10,560			10,560
Due to Marketing Group		696,158		696,158
Due to other funds		144,500	29,318	173,818
Total Liabilities	496,919	1,017,428	85,697	1,600,044
Fund balance - unreserved undesignated	407,185	608,602	16,047	1,031,834
TOTAL LIABILITIES AND FUND EQUITY	\$904,104	\$1,626,030	\$101,744	\$2,631,878

The accompanying notes are an integral part of this statement.

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

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

For the Year Ended June 30, 2006

Total Fund Balances at June 30, 2006 - Governmental Funds (Statement C)		\$1,031,834
Cost of capital assets at June 30, 2006	\$461,934	
Less: Accumulated depreciation as of June 30, 2006	<u>(345,554)</u>	116,380
Long-term liabilities - Lease payable		(99,805)
Elimination of interfund assets and liabilities:		
Due from other funds	(144,500)	
Due to other funds	<u>144,500</u>	
Net Assets at June 30, 2006 (Statement A)		<u>\$1,048,409</u>

The accompanying notes are an integral part of this statement.

TENSAS PARISH SHERIFF
St. Joseph, Louisiana
GOVERNMENTAL FUND TYPE - GENERAL FUND

Statement of Revenues, Expenditures, and
Changes in Fund Balance

For the Year Ended June 30, 2006

MAJOR FUNDS.....		OTHER GOVERNMENTAL FUND - COMMISSARY	TOTAL
	GENERAL FUND	DETENTION CENTER		
REVENUES				
Taxes				
Ad valorem	\$787,633			\$787,633
Sales tax	118,614			118,614
Intergovernmental revenues:				
Federal grants	30,200			30,200
State grants:				
State revenue sharing (net)	32,751			32,751
State supplemental pay	38,577			38,577
Other	44,625	\$479,067		523,692
Local grants	51,062	3,145,113		3,196,175
Fees, charges, and commissions for services:				
Commissions on licenses and taxes	27,599			27,599
Civil and criminal fees	38,393			38,393
Court attendance	2,516			2,516
Radio dispatch	10,998			10,998
Feeding and keeping of prisoners	17,275	7,482,448		7,499,723
Use of money and property	21,268	13,279		34,547
Other	10,885	9,304	\$490,349	510,538
Total revenues	<u>1,232,396</u>	<u>11,129,211</u>	<u>490,349</u>	<u>12,851,956</u>
EXPENDITURES				
Public safety:				
Current:				
Personal services and related benefits	1,071,674	2,837,076		3,908,750
Operating services	261,669	6,168,441		6,430,110
Materials and supplies	139,189	564,488	393,890	1,097,567
Travel and other charges	13,414	453		13,867
Capital outlay	56,594			56,594
Debt service	61,066	1,039,825		1,100,891
Total expenditures	<u>1,603,606</u>	<u>10,610,283</u>	<u>393,890</u>	<u>12,607,779</u>

(Continued)

Statement D

TENSAS PARISH SHERIFF
 St. Joseph, Louisiana
 GOVERNMENTAL FUND TYPE - GENERAL FUND
 Statement of Revenues, Expenditures, and
 Changes in Fund Balance

MAJOR FUNDS.....		OTHER GOVERNMENTAL FUNDS	TOTAL
	GENERAL FUND	DETENTION CENTER		
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(\$371,210)	\$518,928	\$96,459	\$244,177
OTHER FINANCING SOURCES (Use):				
Proceeds from sale of assets	4,330			4,330
Proceeds from lease	26,555			26,555
Proceeds from insurance	4,383			4,383
Transfers in	399,065			399,065
Transfers out		(399,065)		(399,065)
Total Other Financing Sources (Use)	434,333	(399,065)	NONE	35,268
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USE	63,123	119,863	96,459	279,445
FUND BALANCE AT BEGINNING OF YEAR	<u>344,062</u>	<u>488,739</u>	<u>(80,412)</u>	<u>752,389</u>
FUND BALANCE AT END OF YEAR	<u>\$407,185</u>	<u>\$608,602</u>	<u>\$16,047</u>	<u>\$1,031,834</u>

(Concluded)

The accompanying notes are an integral part of this statement.

TENSAS PARISH SHERIFF
St. Joseph, 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, 2006

Total net change in fund balances - governmental funds (Statement D)	\$279,445
Amounts reported for governmental activities in the Statement of Activities are different because:	
Repayment of lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.	37,578
Governmental funds report increase in capital lease as an increase in financial resources and an increase in capital outlay for the asset obtained through the lease. In the Statement of Activities, long term debt is increased when the lease is entered into and decreased as lease payments are made.	(26,555)
Capital outlays are reported in governmental funds as expenditures. However, in the statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeds depreciation in the period.	<u>(26,778)</u>
Change in net assets of governmental activities (Statement B)	<u>\$263,690</u>

The accompanying notes are an integral part of this statement.

TENSAS PARISH SHERIFF
St. Joseph, Louisiana
Statement of Fiduciary Net Assets - Agency Funds

June 30, 2006

	TAX COLLECTOR FUND	CIVIL FUND	CRIMINAL FUND	INMATE FUNDS	WORK RELEASE FUND	TOTAL
ASSETS						
Cash and cash equivalents	\$71,257	\$25	\$19,119	\$69,161	\$6,599	\$166,161
Due to other funds				29,318		29,318
	<u>\$71,257</u>	<u>\$25</u>	<u>\$19,119</u>	<u>\$98,479</u>	<u>\$6,599</u>	<u>\$195,479</u>
LIABILITIES						
Unsettled deposits due to:						
Other funds			\$80			\$80
Others	\$71,257	\$25	19,039	\$98,479	\$6,599	195,399
Total Liabilities	<u>\$71,257</u>	<u>\$25</u>	<u>\$19,119</u>	<u>\$98,479</u>	<u>\$6,599</u>	<u>\$195,479</u>

The accompanying notes are an integral part of this statement.

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

Notes to the Financial Statements
As of and For the Year Ended June 30, 2006

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, 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 Tensas 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 Tensas Parish Police Jury is the financial reporting entity for Tensas 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 Tensas 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:

TENSAS PARISH SHERIFF

St. Joseph, 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 building 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 Tensas 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 Tensas Parish financial reporting entity.

B. BASIC FINANCIAL STATEMENTS - GOVERNMENT-WIDE STATEMENTS

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

The Statement of Net Assets (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 Assets, 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 assets are reported in three parts; invested in capital assets, net of any related debt; restricted net assets; and unrestricted net assets.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues,

TENSAS PARISH SHERIFF

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

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.

TENSAS PARISH SHERIFF

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

Special Revenue Funds - The 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.

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.

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

TENSAS PARISH SHERIFF

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

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. 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, 2006, the sheriff has cash and equivalents, net of cash overdrafts (book balances) totaling \$895,447 as follows:

Demand deposits	\$387,285
Time deposits	507,862

TENSAS PARISH SHERIFF
 St. Joseph, Louisiana
 Notes to the Financial Statements (Continued)

Petty cash	<u>\$300</u>
Total	<u><u>\$895,447</u></u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash and cash equivalents (bank balances) at June 30, 2006, are secured as follows:

Bank balances	<u>\$1,056,016</u>
Federal deposit insurance	\$422,551
Pledged securities (uncollateralized)	<u>1,377,867</u>
Total	<u><u>\$1,800,418</u></u>

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

F. INVESTMENTS

Under state law, the sheriff may invest funds in obligations of the United States, in federally insured investments, investment grade (A-1/P-1) commercial paper of domestic corporations or in time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. Investments are grouped into three categories of credit risk:

1. Insured or registered, or for which the securities held by the sheriff or its agent in the sheriff's name.
2. Uninsured and unregistered, with securities held by the bank's trust department or agent in the sheriff's name.
3. Uninsured and unregistered, with securities held by the bank, or by its trust department or agent but not in the sheriff's name.

TENSAS PARISH SHERIFF
 St. Joseph, Louisiana
 Notes to the Financial Statements (Continued)

Investments in marketable securities (United States Treasury Notes) are reported at their cost on Statement A, which is not materially different from their market value, as follows:

Cost	\$378,552
Fair market value	<u>378,552</u>
Unrealized gain (loss)	<u>NONE</u>

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 \$500 for capitalizing capital assets.

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

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

H. 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, 2006.

I. VACATION AND SICK LEAVE

All employees are granted from 10 days of vacation leave each year, depending on length of service. Vacation leave must be taken in the year granted and may not be accumulated and

TENSAS PARISH SHERIFF
 St. Joseph, Louisiana
 Notes to the Financial Statements (Continued)

carried forward to succeeding years. Sick leave is granted on a case-by-case basis, at the discretion of the sheriff.

J. SALES AND USE TAXES

On October 18, 1997, voters of the parish approved a one-half of one percent (1/2%) sales and use tax to be collected indefinitely. The proceeds of the tax, after paying reasonable and necessary costs of collection, is dedicated to operation of the law enforcement district. The Tensas Parish School Board acts as the collecting agent for the purpose of administration and collection of the tax. For its services, the school board receives reasonable and necessary costs of collection. Every agency that the school board collects a tax for pays a pro-rata share of the collection agency's expenses based on the amount of tax actually collected for them.

2. RECEIVABLES

The receivables of \$1,282,378 at June 30, 2006, are as follows:

<u>Class of receivables:</u>	<u>General Fund</u>	<u>Detention Center</u>	<u>Total</u>
Sales tax	\$10,417		\$10,417
Intergovernmental revenues -			
Federal grants	13,797		13,797
State grants	7,100	\$52,706	59,806
Fees, charges, and commissions for services:			
Feeding and keeping prisoners	4,432	1,182,430	1,186,862
Court attendance	170		170
Miscellaneous	11,326		11,326
Total	<u>\$47,242</u>	<u>\$1,235,136</u>	<u>\$1,282,378</u>

3. CHANGES IN CAPITAL ASSETS

A summary of changes in office furnishings and equipment for the year ended June 30, 2006, follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
General Fund				
Vehicles	\$321,786	\$56,594	(\$19,710)	\$358,670
Weapons	9,694			9,694
Equipment	29,002			29,002
Sub-total General Fund	<u>360,482</u>	<u>56,594</u>	<u>(19,710)</u>	<u>397,366</u>

TENSAS PARISH SHERIFF

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

Detention Center Furniture and equipment	<u>\$73,908</u>		<u>(\$9,340)</u>	<u>\$64,568</u>
Total assets	<u>434,390</u>	<u>\$56,594</u>	<u>(29,050)</u>	<u>461,934</u>
Less accumulated depreciation	<u>291,232</u>	<u>83,372</u>	<u>(29,050)</u>	<u>345,554</u>
Net capital assets	<u>\$143,158</u>	<u>(\$26,778)</u>	<u>NONE</u>	<u>\$116,380</u>

4. PENSION PLAN

Substantially all employees of the Tensas 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.

All sheriffs and all deputies who are 18 years or older at the time of original employment, who earn not less than \$400 per month if employed after September 4, 1979 and before January 1, 1991; \$550 if employed between January 1, 1991 and December 31, 1999; and \$800 if employed after January 1, 2000 are required to participate in the System. Employees are eligible to retire at or after age 55 with at least 12 years of credited service and receive a benefit, payable monthly for life, equal to 3.33 percent of their final-average salary for each year of credited service. The retirement benefit cannot exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination as indicated previously. Employees who terminate with at least 20 years of credited service are also eligible to elect early benefits between ages 50 and 55 with reduced benefits equal to the actuarial equivalent of the benefit to which they would otherwise be entitled at age 55. The System also provides death and disability benefits. Benefits are established or amended by state statute.

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

Plan members are required by state statute to contribute 10 percent of their annual covered salary and the Tensas Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 9.75 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 Tensas 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 Tensas Parish Sheriff's contributions

TENSAS PARISH SHERIFF

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

to the System for the years ended June 30, 2006, 2005, and 2004 were \$316,855, \$270,466, and \$213,611, respectively, equal to the required contributions for each year.

5. POST RETIREMENT BENEFITS

The Tensas Parish Sheriff provides certain health care and life insurance benefits for retired employees. Substantially all of the sheriff's employees become eligible for these benefits if they reach normal retirement age while working for the sheriff's office. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee and the sheriff. Three retirees are eligible for the post-retirement benefits and all participate. The sheriff recognizes the cost of providing these benefits (the sheriff's cost of premiums) as an expenditure when the monthly premiums are due, which was \$538,380 for the year ended June 30, 2006. Of that amount, \$11,236 was for retiree benefits.

6. LEASE PURCHASE PAYABLE

In September, 2004, the sheriff entered into a lease purchase agreement for four 2005 Crown Victorias. The lease agreement requires 48 payments of \$1,819, including interest. In January, 2005, the sheriff entered into a lease purchase agreement for two 2005 Crown Victorias. The lease agreement requires 48 payments of \$1,055. In November, 2005, the sheriff entered into a lease purchase agreement for a 2005 Chevrolet Tahoe. The lease agreement requires 48 payments of \$625. The following is a summary of changes in lease transactions for the year ended June 30, 2006:

Balance at June 30, 2005	\$110,828
Additions	26,555
Reductions	<u>(37,578)</u>
Balance at June 30, 2006	<u>\$99,805</u>

The following is a summary of future minimum lease payments, together with the present value of the net minimum lease payments, as of June 30, 2006:

2007	\$41,978
2008	41,978
2009	20,334
2010	<u>3,123</u>
Total minimum lease payments	107,413
Less amount representing interest	<u>(7,608)</u>
Present value of net minimum lease payments	<u>\$99,805</u>

TENSAS PARISH SHERIFF
 St. Joseph, Louisiana
 Notes to the Financial Statements (Continued)

7. DUE FROM/TO OTHER FUNDS

Individual balances due from/to other funds at June 30, 2006, are as follows:

	<u>Due To</u>	<u>Due From</u>
General Fund:		
Detention Center		\$144,500
Criminal Fund		80
Detention Center Fund:		
General Fund	\$144,500	
Commissary Funds:		
Detention Center Fund	29,318	
Criminal Fund:		
General Fund	80	
Inmate Fund:		
Commissary		29,318
Total	<u>\$173,898</u>	<u>\$173,898</u>

8. CHANGES IN AGENCY FUND BALANCES

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

	<u>Tax Collector Fund</u>	<u>Civil Fund</u>	<u>Criminal Fund</u>	<u>Inmate Funds</u>	<u>Work Release Fund</u>	<u>Total</u>
Balance at June 30, 2005	\$8,789	\$368	\$16,213	\$57,924	\$6,422	\$89,716
Additions	3,792,765	143,106	255,563	1,185,989	179	5,377,602
Reductions	<u>(3,730,297)</u>	<u>(143,449)</u>	<u>(252,737)</u>	<u>(1,145,434)</u>	<u>(2)</u>	<u>(5,271,919)</u>
Balance at June 30, 2006	<u>\$71,257</u>	<u>\$25</u>	<u>\$19,039</u>	<u>\$98,479</u>	<u>\$6,599</u>	<u>\$195,399</u>

9. LITIGATION AND CLAIMS

At June 30, 2006, the Tensas 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.

TENSAS PARISH SHERIFF
 St. Joseph, Louisiana
 Notes to the Financial Statements (Continued)

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

The Tensas 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 Tensas Parish Police Jury.

11. GRANT PROGRAMS

The Tensas Parish Sheriff participates in various grant programs funded by the state and federal governments. The following schedule provides selected information on various grants for the year ended June 30, 2006.

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM NAME	CFDA NUMBER	PASS THROUGH GRANT NUMBER	EXPENDITURES
FEDERAL PROGRAMS			
United States Department of the Interior Direct program - Payment in Lieu of Taxes	15.000	N/A	\$10,496
United States Department of Agriculture Passed through Rural Development Office Community Facilities Grant	10.766	N/A	<u>19,704</u>
Total Federal Financial Assistance			<u><u>\$30,200</u></u>

12. LOUISIANA STATE POLICE INVESTIGATION

The Louisiana State Police has an on going investigation of the Tensas Parish Sheriff involving possible theft by an employee and the outcome has not been determined.

REQUIRED SUPPLEMENTARY INFORMATION

PART II

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended June 30, 2006

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
Taxes				
Ad valorem	\$752,000	\$775,000	\$787,633	\$12,633
Sales tax	110,000	110,000	118,614	8,614
Intergovernmental revenues:				
Federal grants	500	22,207	30,200	7,993
State grants:				
State revenue sharing (net)	32,500	32,500	32,751	251
State supplemental pay	46,000	38,000	38,577	577
Other	45,000	50,000	44,625	(5,375)
Local grants			51,062	51,062
Fees, charges, and commissions for services:				
Commissions on licenses and taxes	17,000	12,000	27,599	15,599
Civil and criminal fees	57,250	43,250	38,393	(4,857)
Court attendance	1,200	2,500	2,516	16
Radio dispatch			10,998	10,998
Feeding and keeping of prisoners	18,000	11,000	17,275	6,275
Use of money and property	2,500	8,100	21,268	13,168
Other	10,000	9,000	10,885	1,885
Total revenues	<u>1,091,950</u>	<u>1,113,557</u>	<u>1,232,396</u>	<u>118,839</u>
EXPENDITURES				
Public safety:				
Current:				
Personal services and benefits	1,053,400	1,120,000	1,071,674	48,326
Operating services	257,500	300,000	261,669	38,331
Materials and supplies	115,500	160,000	139,189	20,811
Travel and other charges	14,000	20,000	13,414	6,586
Capital outlay			56,594	(56,594)
Debt service	54,133	54,133	61,066	(6,933)
Total expenditures	<u>1,494,533</u>	<u>1,654,133</u>	<u>1,603,606</u>	<u>50,527</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES				
	<u>(402,583)</u>	<u>(540,576)</u>	<u>(371,210)</u>	<u>169,366</u>
OTHER FINANCING SOURCES				
Proceeds from sale of assets	2,000	4,300	4,330	30
Proceeds from lease			26,555	26,555
Proceeds from insurance	1,500	4,381	4,383	2
Transfers in	400,000	443,000	399,065	(43,935)
Total Other Financing Sources	<u>403,500</u>	<u>451,681</u>	<u>434,333</u>	<u>(17,348)</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES				
	917	(88,895)	63,123	152,018
FUND BALANCES AT BEGINNING OF YEAR				
	<u>190,000</u>	<u>344,062</u>	<u>344,062</u>	<u>NONE</u>
FUND BALANCES AT END OF YEAR				
	<u>\$190,917</u>	<u>\$255,167</u>	<u>\$407,185</u>	<u>\$152,018</u>

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

BUDGETARY COMPARISON SCHEDULE
DETENTION CENTER
For the Year Ended June 30, 2006

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
State grant - other	\$300,000	\$456,300	\$479,067	\$22,767
Local grant	2,400,000	3,500,000	3,145,113	(354,887)
Fees, charges, and commissions for services -				
Feeding and keeping of prisoners	4,400,000	6,600,000	7,482,448	882,448
Use of money and property	5,000	12,000	13,279	1,279
Other revenue	30,000	60,800	9,304	(51,496)
Total revenues	<u>7,135,000</u>	<u>10,629,100</u>	<u>11,129,211</u>	<u>500,111</u>
EXPENDITURES				
Personal services and benefits	2,615,000	2,900,000	2,837,076	62,924
Operating services	2,544,000	6,000,000	6,168,441	(168,441)
Materials and supplies	543,000	670,000	564,488	105,512
Travel and other charges	5,000	1,000	453	547
Debt service	1,058,000	1,068,000	1,039,825	28,175
Total expenditures	<u>6,765,000</u>	<u>10,639,000</u>	<u>10,610,283</u>	<u>28,717</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	370,000	(9,900)	518,928	528,828
OTHER FINANCING SOURCE (Use)				
Transfers in				
Transfers out	(370,000)	(393,000)	(399,065)	(6,065)
Total Other Financing Source (Use)	<u>(370,000)</u>	<u>(393,000)</u>	<u>(399,065)</u>	<u>(6,065)</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCE OVER EXPENDITURES AND OTHER USE	NONE	(402,900)	119,863	522,763
FUND BALANCES AT BEGINNING OF YEAR	<u>250,000</u>	<u>488,739</u>	<u>488,739</u>	
FUND BALANCES AT END OF YEAR	<u>\$250,000</u>	<u>\$85,839</u>	<u>\$608,602</u>	<u>\$522,763</u>

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

NOTE TO BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2006

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 Tensas 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.

OTHER SUPPLEMENTARY INFORMATION

PART III

TENSAS PARISH SHERIFF
St. Joseph, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
As of and For the Year Ended June 30, 2006

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, licenses, and fees. The Tax Collector Fund is used to collect and distribute these taxes, licenses, and fees to the appropriate taxing bodies.

CIVIL FUND

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

CRIMINAL FUND

The Criminal Fund is a depository for fines, forfeitures, and costs in criminal cases. Payments are made from the fund to the Sheriff's General Fund, police jury, district attorney, clerk of court, and other recipients in accordance with applicable laws.

INMATE FUND

The 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.

WORK RELEASE FUND

The Work Release Fund accounts for inmate funds earned working outside of the detention center.

TENSAS PARISH SHERIFF
 St. Joseph, Louisiana
 FIDUCIARY FUND TYPE - AGENCY FUNDS

Combining Schedule of Changes in Balances
 Due to Taxing Bodies and Others
 For the Year Ended June 30, 2006

	TAX COLLECTOR FUND	CIVIL FUND	CRIMINAL FUND	INMATE FUNDS	WORK RELEASE FUND	TOTAL
	\$8,789	\$368	\$16,213	\$57,924	\$6,422	\$89,716
			241,729			241,729
		95,277				95,277
		40,464				40,464
	3,792,765				179	3,792,765
		7,365	13,834	1,185,989		1,207,188
	3,792,765	143,106	255,563	1,185,989	179	5,377,602
	3,801,554	143,474	271,776	1,243,913	6,601	5,467,318

UNSETTLED BALANCES DUE TO
 TAXING BODIES AND OTHERS
 AT BEGINNING OF YEAR

ADDITIONS

Deposits :

Fines, bond forfeitures and costs
 Suits and seizures
 Garnishments
 Taxes, fees, etc. paid to tax collector
 Interest earnings
 Other additions
 Total additions
 Total

REDUCTIONS

Deposits, taxes, fees, etc. settled to:

Tensas Parish:
 Sheriff's General Fund
 Clerk of Court
 Police jury
 School board
 Assessor
 Louisiana Department of Agriculture
 Louisiana Tax Commission
 Levee district
 District Attorney

834,960	27,049	37,355			899,364
385	10,912	21,111			32,408
962,220		79,004			1,041,224
1,294,095					1,294,095
223,527					223,527
7,084					7,084
1,671					1,671
129,722					129,722
		46,662			46,662

Indigent defender board				38,708	38,708
Judicial Expense fund				5,680	5,680
Fire district no. 1	169,105				169,105
Attorneys, appraisers, etc.		2,200			2,200
Litigants		68,770			68,770
Northwest Louisiana Crime Lab			12,096		12,096
Commission on Law Enforcement			4,170		4,170
LTHSP			4,330		4,330
CMIS			2,268		2,268
Pension funds	103,425				103,425
Other reductions	4,103	34,518	1,353		2 1,185,410
Total reductions	<u>3,730,297</u>	<u>143,449</u>	<u>252,737</u>		<u>2 5,271,919</u>
UNSETTLED BALANCES					
DUE TO TAXING BODIES					
AND OTHERS AT END OF YEAR		<u>\$25</u>	<u>\$19,039</u>	<u>\$98,479</u>	<u>\$6,599</u>
	<u>\$71,257</u>				<u>\$195,399</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.

MARY JO FINLEY, CPA, INC.

A PROFESSIONAL CORPORATION

116 Professional Drive - West Monroe, LA 71291

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

Independent Auditor's Report on Compliance and Internal Control Over Financial Reporting

TENSAS PARISH SHERIFF

St. Joseph, Louisiana

I have audited the basic financial statements of the Tensas Parish Sheriff, a component unit of the Tensas Parish Police Jury, as of and for the year ended June 30, 2006 and have issued my report thereon dated December 20, 2006. I conducted my audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Tensas Parish Sheriff's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

TENSAS PARISH SHERIFF

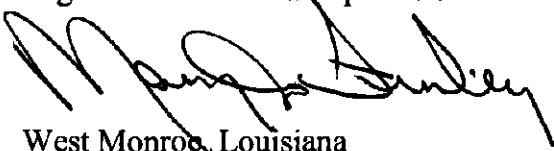
St. Joseph, Louisiana

Independent Auditor's Report on Compliance

And Internal Control Over Financial Reporting, etc.

June 30, 2006

This report is intended solely for the information and use of the Tensas Parish Sheriff, management of the sheriff's office, interested state agencies, and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



West Monroe, Louisiana

December 20, 2006

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2006

A. SUMMARY OF AUDIT RESULTS

1. The Auditor's report expresses an unqualified opinion on the basic financial statements of the Tensas Parish Sheriff.
2. No instances of noncompliance material to the financial statements of the Tensas Parish Sheriff were disclosed during the audit.
3. No reportable conditions relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

**TENSAS PARISH SHERIFF
St. Joseph, Louisiana**

**Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2006**

There were no audit findings reported in the audit for the year ended June 30, 2005.