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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, 2007
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 1/30/08

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, 2007
With Supplemental Information Schedules

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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, 2007, 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, 2007, 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, 2007

In accordance with *Government Auditing Standards*, I have also issued a report dated November 29, 2007, 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
November 29, 2007

**REQUIRED SUPPLEMENTARY INFORMATION
PART I**

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

Management's Discussion and Analysis
June 30, 2007

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, 2007. 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 \$1,164,608. 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>2007</u>	<u>2006</u>
ASSETS		
Cash and cash equivalents	\$885,871	\$729,286
Investments	507,775	378,552
Receivables	1,075,488	1,282,378
Prepaid expenses	47,627	45,602
Due from other funds	567	80
Due from others		8,888
Inventory	19,587	42,592
Capital assets (net of accumulated depreciation)	<u>132,753</u>	<u>116,380</u>
TOTAL ASSETS	<u>\$2,669,668</u>	<u>\$2,603,758</u>
LIABILITIES		
Cash overdraft		
Accounts payable	\$256,050	240,996
Salaries payable	80,717	128,512
Withholdings payable	78,923	
Bank loan payable	325,000	350,000
Due to Marketing Group	652,579	696,158
Due to Sheriff	13,858	10,560
Due to other funds	35,600	29,318
Long-term liabilities:		
Due within one year	41,978	41,978
Due in more than one year	<u>20,355</u>	<u>57,827</u>
TOTAL LIABILITIES	<u>1,505,060</u>	<u>1,555,349</u>
NET ASSETS		
Invested in capital assets, net of related debt	70,419	16,575
Unrestricted	<u>1,094,189</u>	<u>1,031,834</u>
TOTAL NET ASSETS	<u>\$1,164,608</u>	<u>\$1,048,409</u>

STATEMENT OF ACTIVITIES

	<u>2007</u>	<u>2006</u>
Public safety:		
Personal services	\$4,492,814	\$3,908,750
Operating services	8,103,482	6,430,110
Materials and supplies	1,026,909	1,097,567
Travel	17,739	13,867
Debt service - interest	1,062,810	1,063,313
Depreciation expense	<u>8,084</u>	<u>83,372</u>

Total Program Expenses	<u>\$14,711,838</u>	<u>\$12,596,979</u>
Program revenues:		
Commissions on license and taxes	14,264	27,599
Civil and criminal fees	45,330	38,393
Court attendance	2,577	2,516
Radio dispatch	10,245	10,998
Feeding prisoners	7,576,092	7,499,723
Other revenues	286,488	510,338
Total program revenues	<u>7,934,996</u>	<u>8,089,567</u>
Net Program Expenses	<u>(6,776,842)</u>	<u>(4,507,412)</u>
General revenues:		
Taxes		
Ad valorem	799,480	787,633
Sales tax	109,328	118,614
Grants and contributions not restricted to specific programs:		
Federal sources	26,699	30,200
State sources:		
State revenue sharing (net)	32,779	32,751
State supplemental pay	44,363	38,577
Other state grants	1,007,381	523,892
Local sources	4,816,944	3,196,175
Interest earned	51,457	34,547
Special items:		
Gain on sale/disposition of assets	(315)	3,525
Sale of assets	4,925	805
Proceeds from insurance		4,383
Change in Net Assets	116,199	263,690
Net Assets - Beginning of year	<u>1,048,409</u>	<u>784,719</u>
Net Assets - End of year	<u>\$1,164,608</u>	<u>\$1,048,409</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, 2007, combined governmental fund balances of \$1,094,188 showed an increase of \$62,354 over June 30, 2006. The General Fund's portion of the unreserved, undesignated fund balance of \$405,647 shows a decrease (of approximately \$1,538) from the prior year amount. The Detention Center portion of the unreserved, undesignated fund balance of \$640,579 shows an increase (of approximately \$31,977) 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. 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, 2007, amounts to \$132,753 (net of accumulated depreciation). This investment includes furniture, equipment, and weapons. The increase in capital assets for the year was \$24,772, the majority of which was attributable to the purchase law enforcement vehicles through leases. There were \$1,050 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 \$62,334, which will be paid in full within four years. During the year ended June 30, 2007, \$37,471 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.

November 29, 2007

BASIC FINANCIAL STATEMENTS

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

STATEMENT OF NET ASSETS
June 30, 2007

ASSETS

Cash and cash equivalents	\$885,871
Investments	507,775
Receivables	1,075,488
Prepaid expenses	47,627
Due from other funds	567
Inventory	19,587
Capital assets (net of accumulated depreciation)	<u>132,753</u>
TOTAL ASSETS	<u>\$2,669,668</u>

LIABILITIES

Accounts payable	\$256,050
Salaries payable	80,717
Withholdings payable	78,923
Bank loan payable	325,000
Due to Marketing Group	652,579
Due to Sheriff	13,858
Due to other funds	35,600
Long-term liabilities:	
Due within one year	41,978
Due in more than one year	<u>20,355</u>
TOTAL LIABILITIES	<u>1,505,060</u>

NET ASSETS

Invested in capital assets, net of related debt	70,419
Unrestricted	<u>1,094,189</u>
TOTAL NET ASSETS	<u>\$1,164,608</u>

The accompanying notes are an integral part of this statement.

Statement B

TENSAS PARISH SHERIFF
St. Joseph, Louisiana
STATEMENT OF ACTIVITIES
June 30, 2007

Public safety:	
Personal services	\$4,492,814
Operating services	8,103,482
Materials and supplies	1,026,909
Travel and other	17,739
Interest expense	1,062,810
Depreciation expense	<u>8,084</u>
Total Program Expenses	<u>14,711,838</u>
Program revenues:	
Commissions on licenses and taxes	14,264
Civil and criminal fees	45,330
Court attendance	2,577
Radio dispatch	10,245
Feeding and keeping prisoners	7,576,092
Other revenues	<u>286,488</u>
Total program revenues	<u>7,934,996</u>
Net Program Expenses	<u>(6,776,842)</u>
General revenues:	
Taxes:	
Ad valorem	799,480
Sales tax	109,328
Grants and contributions not restricted to specific programs:	
Federal sources	26,699
State sources:	
State revenue sharing (net)	32,779
State supplemental pay	44,363
Other	1,007,381
Local sources	4,816,944
Interest earned	51,457
Special items:	
Gain on sale/disposition of assets	(315)
Sale of assets	<u>4,925</u>
Change in Net Assets	<u>116,199</u>
NET ASSETS	
Beginning of year	<u>1,048,409</u>
End of year	<u><u>\$1,164,608</u></u>

The accompanying notes are an integral part of this statement.

TENSAS PARISH SHERIFF
St. Joseph, Louisiana
GOVERNMENTAL FUNDS

Balance Sheet, June 30, 2007

MAJOR FUNDS.....		OTHER	TOTAL
	GENERAL FUND	DETENTION CENTER	GOVERNMENTAL FUND - COMMISSARY	
ASSETS				
Cash and cash equivalents	\$767,808	\$31,423	\$86,640	\$885,871
Investments		507,775		507,775
Receivables	53,798	1,021,690		1,075,488
Prepaid expenses	47,627			47,627
Due from other funds	38,750			38,750
Inventory			\$19,587	19,587
TOTAL ASSETS	\$907,983	\$1,560,888	\$106,227	\$2,575,098
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$50,146	\$182,992	\$22,912	\$256,050
Salaries payable	34,162	46,555		80,717
Withholdings payable	78,923			78,923
Bank Loan payable	325,000			325,000
Due to Sheriff	13,858			13,858
Due to Marketing Group		652,579		652,579
Due to other funds	247	38,183	35,353	73,783
Total Liabilities	<u>502,336</u>	<u>920,309</u>	<u>58,265</u>	<u>1,480,910</u>
Fund balance - unreserved undesignated	<u>405,647</u>	<u>640,579</u>	<u>47,962</u>	<u>1,094,188</u>
TOTAL LIABILITIES AND FUND EQUITY	\$907,983	\$1,560,888	\$106,227	\$2,575,098

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, 2007

Total Fund Balances at June 30, 2007 - Governmental Funds (Statement C)		\$1,094,188
Cost of capital assets at June 30, 2007	\$485,656	
Less: Accumulated depreciation as of June 30, 2007	<u>(352,903)</u>	132,753
Long-term liabilities - Lease payable		(62,333)
Elimination of interfund assets and liabilities:		
Due from other funds	38,183	
Due to other funds	<u>(38,183)</u>	
Net Assets at June 30, 2007 (Statement A)		<u><u>\$1,164,608</u></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, 2007

MAJOR FUNDS.....		OTHER GOVERNMENTAL FUND - COMMISSARY	TOTAL
	GENERAL FUND	DETENTION CENTER		
REVENUES				
Taxes				
Ad valorem	\$799,480			\$799,480
Sales tax	109,328			109,328
Intergovernmental revenues:				
Federal grants	26,699			26,699
State grants:				
State revenue sharing (net)	32,779			32,779
State supplemental pay	44,363			44,363
Other	122,379	\$885,002		1,007,381
Local grants	47,490	4,769,454		4,816,944
Fees, charges, and commissions for services:				
Commissions on licenses and taxes	14,264			14,264
Civil and criminal fees	45,330			45,330
Court attendance	2,577			2,577
Radio dispatch	10,245			10,245
Feeding and keeping of prisoners	20,690	7,555,402		7,576,092
Use of money and property	27,019	24,438		51,457
Other	10,806		\$275,682	286,488
Total revenues	<u>1,313,449</u>	<u>13,234,296</u>	<u>275,682</u>	<u>14,823,427</u>
EXPENDITURES				
Public safety:				
Current:				
Personal services and related benefits	1,178,935	3,313,879		4,492,814
Operating services	301,273	7,800,240	1,969	8,103,482
Materials and supplies	141,297	643,814	241,798	1,026,909
Travel and other charges	16,718	1,021		17,739
Capital outlay	24,772			24,772
Debt service	62,857	1,037,425		1,100,282
Total expenditures	<u>1,725,852</u>	<u>12,796,379</u>	<u>243,767</u>	<u>14,765,998</u>

(Continued)

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	(\$412,403)	\$437,917	\$31,915	\$57,429
OTHER FINANCING SOURCES (Use):				
Proceeds from sale of assets	4,925			4,925
Transfers in	405,940			405,940
Transfers out		(405,940)		(405,940)
Total Other Financing Sources (Use)	410,865	(405,940)	NONE	4,925
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USE	(1,538)	31,977	31,915	62,354
FUND BALANCE AT BEGINNING OF YEAR	407,185	608,602	16,047	1,031,834
FUND BALANCE AT END OF YEAR	<u>\$405,647</u>	<u>\$640,579</u>	<u>\$47,962</u>	<u>\$1,094,188</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, 2007

Total net change in fund balances - governmental funds (Statement D)	\$62,354
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.	37,472
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.	(315)
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>16,688</u>
Change in net assets of governmental activities (Statement B)	<u>\$116,199</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, 2007

	TAX COLLECTOR FUND	CIVIL FUND	CRIMINAL FUND	INMATE FUNDS	WORK RELEASE FUND	TOTAL
ASSETS						
Cash and cash equivalents	\$9,304		\$16,793	\$7,862	\$760	\$34,719
Due to other funds		\$247		35,353		35,600
	<u>\$9,304</u>	<u>\$247</u>	<u>\$16,793</u>	<u>\$43,215</u>	<u>\$760</u>	<u>\$70,319</u>
LIABILITIES						
Cash overdrafts		\$247				\$247
Unsettled deposits due to:						
Other funds			\$567			567
Others	\$9,304		16,226	\$43,215	\$760	69,505
Total Liabilities	<u>\$9,304</u>	<u>\$247</u>	<u>\$16,793</u>	<u>\$43,215</u>	<u>\$760</u>	<u>\$70,319</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, 2007

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, 2007, the sheriff has cash and equivalents, net of cash overdrafts (book balances) totaling \$920,343 as follows:

Demand deposits	\$353,309
Time deposits	566,734

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

Petty cash	<u>\$300</u>
Total	<u><u>\$920,343</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, 2007, are secured as follows:

Bank balances	<u>\$1,071,114</u>
Federal deposit insurance	\$300,000
Pledged securities (uncollateralized)	<u>1,964,259</u>
Total	<u><u>\$2,264,259</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	\$507,775
Fair market value	<u>507,775</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, 2007.

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 \$1,075,488 at June 30, 2007, are as follows:

<u>Class of receivables:</u>	<u>General Fund</u>	<u>Detention Center</u>	<u>Total</u>
Sales tax	\$8,939		\$8,939
Intergovernmental revenues -			
State grants	32,263		32,263
Fees, charges, and commissions for services:			
Feeding and keeping prisoners	5,558	\$1,021,690	1,027,248
Court attendance	136		136
Miscellaneous	6,902		6,902
Total	<u>\$53,798</u>	<u>\$1,021,690</u>	<u>\$1,075,488</u>

3. CHANGES IN CAPITAL ASSETS

A summary of changes in office furnishings and equipment for the year ended June 30, 2007, follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
General Fund				
Vehicles	\$358,670	\$19,197		\$377,867
Weapons	9,694	5,575	(\$1,050)	14,219
Equipment	29,002			29,002
Sub-total General Fund	<u>397,366</u>	<u>24,772</u>	<u>(1,050)</u>	<u>421,088</u>

TENSAS PARISH SHERIFF

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

Detention Center Furniture and equipment	\$64,568			\$64,568
Total assets	461,934	\$24,772	(\$1,050)	485,656
Less accumulated depreciation	345,554	8,084	(735)	352,903
Net capital assets	<u>\$116,380</u>	<u>\$16,688</u>	<u>(\$315)</u>	<u>\$132,753</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 11 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 to the System for the years ended June 30, 2007, 2006, and 2005 were \$365,009, \$316,855, and \$270,466, respectively, equal to the required contributions for each year.

TENSAS PARISH SHERIFF

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

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 \$644,188 for the year ended June 30, 2007. Of that amount, \$13,316 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, 2007:

Balance at June 30, 2006	\$99,805
Additions	NONE
Reductions	<u>(37,471)</u>
Balance at June 30, 2007	<u>\$62,334</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, 2007:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$39,528	\$2,450	\$41,978
2009	19,730	604	20,334
2010	3,076	47	3,123
Total	<u>\$62,334</u>	<u>\$3,101</u>	<u>\$65,435</u>

7. DUE FROM/TO OTHER FUNDS

Individual balances due from/to other funds at June 30, 2007, are as follows:

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

	<u>Due To</u>	<u>Due From</u>
General Fund:		
Detention Center		\$4,095
Civil Fund	\$247	
Criminal Fund		567
Payroll		34,088
Detention Center Fund:		
General Fund	34,088	
Payroll	4,095	
Commissary Funds -		
Detention Center Fund	35,353	
Civil Fund -		
General Fund		247
Criminal Fund -		
General Fund	567	
Inmate Fund -		
Commissary		<u>35,353</u>
Total	<u>\$74,350</u>	<u>\$74,350</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, 2006	\$71,257	\$25	\$19,039	\$98,479	\$6,599	\$195,399
Additions	3,853,026	157,656	195,362	1,398,575	161	5,604,780
Reductions	<u>(3,914,979)</u>	<u>(157,681)</u>	<u>(198,175)</u>	<u>(1,453,839)</u>	<u>(6,000)</u>	<u>(5,730,674)</u>
Balance at June 30, 2007	<u>\$9,304</u>	<u>NONE</u>	<u>\$16,226</u>	<u>\$43,215</u>	<u>\$760</u>	<u>\$69,505</u>

9. LITIGATION AND CLAIMS

At June 30, 2007, 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, 2007.

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	\$21,589
United States Department of Justice			
Passed through Louisiana Commission on Law Enforcement and administration of Criminal Justice			
Criminal Patrols	16.738	B05-2-008	<u>5,110</u>
Total Federal Financial Assistance			<u><u>\$26,699</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, 2007

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
Taxes				
Ad valorem	\$752,000	\$775,000	\$799,480	\$24,480
Sales tax	110,000	110,000	109,328	(672)
Intergovernmental revenues:				
Federal grants	500	22,207	26,699	4,492
State grants:				
State revenue sharing (net)	32,500	32,500	32,779	279
State supplemental pay	46,000	38,000	44,363	6,363
Other	55,000	50,000	122,379	72,379
Local grants	30,000	50,000	47,490	(2,510)
Fees, charges, and commissions for services:				
Commissions on licenses and taxes	17,000	12,000	14,264	2,264
Civil and criminal fees	47,000	33,000	45,330	12,330
Court attendance	1,200	2,500	2,577	77
Radio dispatch	10,250	10,250	10,245	(5)
Feeding and keeping of prisoners	18,000	11,000	20,690	9,690
Use of money and property	2,500	8,100	27,019	18,919
Other		9,000	10,806	1,806
Total revenues	<u>1,121,950</u>	<u>1,163,557</u>	<u>1,313,449</u>	<u>149,892</u>
EXPENDITURES				
Public safety:				
Current:				
Personal services and benefits	1,053,400	1,120,000	1,178,935	(58,935)
Operating services	257,500	300,000	301,273	(1,273)
Materials and supplies	115,500	160,000	141,297	18,703
Travel and other charges	14,000	20,000	16,718	3,282
Capital outlay			24,772	(24,772)
Debt service	54,133	54,133	62,857	(8,724)
Total expenditures	<u>1,494,533</u>	<u>1,654,133</u>	<u>1,725,852</u>	<u>(71,719)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES				
	<u>(372,583)</u>	<u>(490,576)</u>	<u>(412,403)</u>	<u>78,173</u>
OTHER FINANCING SOURCES				
Proceeds from sale of assets	2,000	4,300	4,925	625
Proceeds from insurance	1,500	4,381		(4,381)
Transfers in	370,000	393,000	405,940	12,940
Total Other Financing Sources	<u>373,500</u>	<u>401,681</u>	<u>410,865</u>	<u>9,184</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES				
	917	(88,895)	(1,538)	87,357
FUND BALANCES AT BEGINNING OF YEAR				
	<u>190,000</u>	<u>344,062</u>	<u>407,185</u>	<u>63,123</u>
FUND BALANCES AT END OF YEAR				
	<u>\$190,917</u>	<u>\$255,167</u>	<u>\$405,647</u>	<u>\$150,480</u>

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

BUDGETARY COMPARISON SCHEDULE
DETENTION CENTER
For the Year Ended June 30, 2007

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
State grant - other	\$328,500	\$845,550	\$885,002	\$39,452
Local grant	3,050,000	5,340,700	4,769,454	(571,246)
Fees, charges, and commissions for services - Feeding and keeping of prisoners	6,015,000	6,900,000	7,555,402	655,402
Use of money and property	11,000	23,000	24,438	1,438
Total revenues	<u>9,404,500</u>	<u>13,109,250</u>	<u>13,234,296</u>	<u>125,046</u>
EXPENDITURES				
Personal services and benefits	2,777,000	3,277,000	3,313,879	(36,879)
Operating services	4,619,250	7,620,000	7,800,240	(180,240)
Materials and supplies	558,000	708,000	643,814	64,186
Travel and other charges	2,000	2,000	1,021	979
Debt service	1,062,425	1,062,425	1,037,425	25,000
Total expenditures	<u>9,018,675</u>	<u>12,669,425</u>	<u>12,796,379</u>	<u>(126,954)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	385,825	439,825	437,917	(1,908)
OTHER FINANCING SOURCE (Use)				
Transfers out	(384,000)	(438,000)	(405,940)	32,060
Total Other Financing Source (Use)	<u>(384,000)</u>	<u>(438,000)</u>	<u>(405,940)</u>	<u>32,060</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCE OVER EXPENDITURES AND OTHER USE	1,825	1,825	31,977	30,152
FUND BALANCES AT BEGINNING OF YEAR	<u>425,000</u>	<u>608,602</u>	<u>608,602</u>	
FUND BALANCES AT END OF YEAR	<u>\$426,825</u>	<u>\$610,427</u>	<u>\$640,579</u>	<u>\$30,152</u>

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

NOTE TO BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2007

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, 2007

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, 2007

	TAX COLLECTOR FUND	CIVIL FUND	CRIMINAL FUND	INMATE FUNDS	WORK RELEASE FUND	TOTAL
	\$71,257	\$25	\$19,039	\$98,479	\$6,599	\$195,399
		117,132	195,362			195,362
		30,555				117,132
	3,853,026				161	3,853,026
	3,853,026	9,969	1,398,575	1,398,575	1,408,544	1,408,544
	3,924,283	157,681	195,362	1,398,575	161	5,604,780
	3,924,283	157,681	214,401	1,497,054	6,760	5,800,179

**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

880,551	28,683	29,776	939,010
560	12,730	13,995	27,285
1,012,110	59,822		1,071,932
1,348,083			1,348,083
232,812			232,812
7,252			7,252
1,626			1,626
139,319	39,057		139,319
			39,057

Indigent defender board				27,322	27,322
Judicial Expense fund				3,661	3,661
Fire district no. 1	172,033				172,033
Attorneys, appraisers, etc.		1,900			1,900
Litigants		105,658			105,658
Northwest Louisiana Crime Lab			8,159		8,159
Commission on Law Enforcement			3,024		3,024
LTHSP			2,540		2,540
CMIS			1,466		1,466
Pension funds	105,520				105,520
Other reductions	15,113	8,710	9,353	1,453,839	6,000
Total reductions	<u>3,914,979</u>	<u>157,681</u>	<u>198,175</u>	<u>1,453,839</u>	<u>6,000</u>
					<u>5,730,674</u>
UNSETTLED BALANCES					
DUE TO TAXING BODIES					
AND OTHERS AT END OF YEAR					
	<u>\$9,304</u>	<u>NONE</u>	<u>\$16,226</u>	<u>\$43,215</u>	<u>\$760</u>
					<u>\$69,505</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

**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***

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, 2007 and have issued my report thereon dated November 29, 2007. 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.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Tensas Parish Sheriff's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Tensas Parish Sheriff's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Tensas Parish Sheriff's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Tensas Parish Sheriff's financial statements that is more than inconsequential will not be prevented or detected by the Tensas Parish Sheriff's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Tensas Parish Sheriff's internal control.

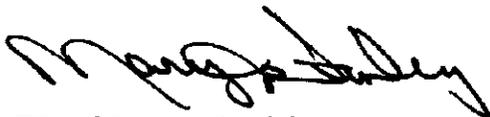
TENSAS PARISH SHERIFF
St. Joseph, Louisiana
Independent Auditor's Report on Compliance
And Internal Control Over Financial Reporting, etc.
June 30, 2007

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Tensas Parish Sheriff's basic 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 or other matters that is required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Tensas Parish Sheriff, management, and the 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
November 29, 2007

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

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2007**

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, 2007**

There were no audit findings reported in the audit for the year ended June 30, 2006.