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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, 2005

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 12-7-05

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

Annual Financial Statements
As of and for the Year Ended June 30, 2005
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, 2005, 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, 2005, and the changes in its financial position for the year then ended, in conformity with U.S. generally accepted accounting principles.

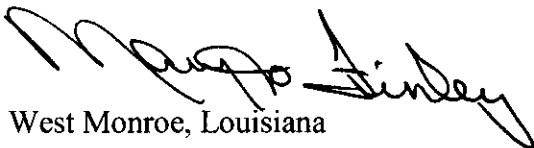
As described in Note 1 to the financial statements, the sheriff has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis--for State and Local Governments*, as of June 30, 2005.

Management's discussion and analysis, and supplementary information on pages 6 through 10 and 34 through 36, 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.

TENSAS PARISH SHERIFF
St. Joseph, Louisiana
Independent Auditor's Report,
June 30, 2005

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.

In accordance with *Government Auditing Standards*, I have also issued a report dated November 15, 2005, 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 15, 2005

**REQUIRED SUPPLEMENTARY INFORMATION
PART I**

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

Management's Discussion and Analysis
June 30, 2005

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, 2005. 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 \$784,719. The largest portion of the East Carroll 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>2004</u>	<u>2005</u>
ASSETS		
Cash and cash equivalents	\$240,423	\$664,756
Investments	327,345	397,656
Receivables	1,369,921	1,246,375
Prepaid expenses		32,465
Due from other funds	18,875	1,788
Inventory	22,287	17,846
Capital assets (net of accumulated depreciation)	<u>132,394</u>	<u>143,158</u>
TOTAL ASSETS	<u>\$2,111,245</u>	<u>\$2,504,044</u>
LIABILITIES		
Cash overdraft		\$8,976
Accounts payable	\$264,044	261,727
Salaries payable	47,043	150,559
Bank loan payable		400,000
Due to Marketing Group	1,148,700	779,519
Due to other funds		7,716
Long-term liabilities:		
Due within one year	6,272	34,091
Due in more than one year	<u>4,464</u>	<u>76,737</u>
TOTAL LIABILITIES	<u>1,470,523</u>	<u>1,719,325</u>
NET ASSETS		
Invested in capital assets, net of related debt	121,658	32,330
Unrestricted	<u>519,064</u>	<u>752,389</u>
TOTAL NET ASSETS	<u>\$640,722</u>	<u>\$784,719</u>

STATEMENT OF ACTIVITIES

	<u>2004</u>	<u>2005</u>
Public safety:		
Personal services	\$3,180,788	\$3,766,932
Operating services	5,473,699	5,984,879
Materials and supplies	855,765	955,806
Travel	13,839	15,997
Debt service - interest	1,062,070	1,062,909
Depreciation expense	83,423	78,301
Total Program Expenses	<u>10,669,584</u>	<u>11,864,824</u>
Program revenues:		
Commissions on license and taxes	68,152	15,286
Civil and criminal fees	46,062	47,982
Court attendance	1,994	1,870
Radio dispatch	10,345	8,637
Feeding prisoners	5,898,347	7,026,951
Courthouse maintenance	3,000	
Other revenues		457,738
Total program revenues	<u>6,027,900</u>	<u>7,558,464</u>
Net Program Expenses	<u>(4,641,684)</u>	<u>(4,306,360)</u>
General revenues:		
Taxes		
Ad valorem	751,172	771,440
Sales tax	104,646	112,101
Grants and contributions not restricted to specific programs:		
Federal sources	61,107	33,513
State sources:		
State revenue sharing (net)	32,649	32,668
State supplemental pay	43,654	40,717
Other state grants	706,541	471,365
Local sources	3,091,019	3,000,191
Interest earned	13,111	15,001
Special items:		
Gain on sale/disposition of assets		2,188
Proceeds from insurance		7,398
Change in Net Assets	<u>162,215</u>	<u>180,222</u>
Net Assets - Beginning of year	<u>478,507</u>	<u>604,497</u>
Net Assets - End of year	<u><u>\$640,722</u></u>	<u><u>\$784,719</u></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, 2005, combined governmental fund balances of \$752,389 showed an increase of \$233,326 over June 30, 2004. The General Fund's portion of the unreserved, undesignated fund balance of \$344,062 shows an increase (of approximately \$145,458) from the prior year amount. The Detention Center portion of the unreserved, undesignated fund balance of \$488,739 shows an increase (of approximately \$217,966) 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, operating services, and materials and supplies and a decrease in debt service and transfers. The difference in original and final budgeted revenues in the general fund were due to increases in ad valorem taxes, local feeding and keeping prisoners, and other financing sources, and a decrease in other revenue.

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 transfers. 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 and operating services and a decrease in 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, 2005, amounts to \$143,158 (net of accumulated depreciation). This investment includes furniture, equipment, and weapons. The increase in capital assets for the year was \$130,622, the majority of which was attributable to the purchase law enforcement vehicles through leases.

Long-term debt. At the end of the fiscal year, Tensas Parish Sheriff had total debt outstanding, in the form of leases, of \$110,828, which will be paid in full within four years. During the year ended June 30, 2005, \$24,182 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 15, 2005

BASIC FINANCIAL STATEMENTS

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

STATEMENT OF NET ASSETS
June 30, 2005

ASSETS

Cash and cash equivalents	\$664,756
Investments	397,656
Receivables	1,246,375
Prepaid expenses	32,465
Due from other funds	1,788
Inventory	17,846
Capital assets (net of accumulated depreciation)	<u>143,158</u>
TOTAL ASSETS	<u>2,504,044</u>

LIABILITIES

Cash overdraft	8,976
Accounts payable	261,727
Salaries payable	150,559
Bank loan payable	400,000
Due to Marketing Group	779,519
Due to other funds	7,716
Long-term liabilities:	
Due within one year	34,091
Due in more than one year	<u>76,737</u>
TOTAL LIABILITIES	<u>1,719,325</u>

NET ASSETS

Invested in capital assets, net of related debt	32,330
Unrestricted	<u>752,389</u>
TOTAL NET ASSETS	<u><u>784,719</u></u>

The accompanying notes are an integral part of this statement.

Statement B

TENSAS PARISH SHERIFF
St. Joseph, Louisiana
STATEMENT OF ACTIVITIES
June 30, 2005

Public safety:	
Personal services	\$3,766,932
Operating services	5,984,879
Materials and supplies	955,806
Travel and other	15,997
Interest expense	1,062,909
Depreciation expense	78,301
Total Program Expenses	<u>11,864,824</u>
Program revenues:	
Commissions on licenses and taxes	15,286
Civil and criminal fees	47,982
Court attendance	1,870
Radio dispatch	8,637
Feeding and keeping prisoners	7,026,951
Other revenues	457,738
Total program revenues	<u>7,558,464</u>
Net Program Expenses	<u>(4,306,360)</u>
General revenues:	
Taxes	
Ad valorem	771,440
Sales tax	112,101
Grants and contributions not restricted to specific programs:	
Federal sources	33,513
State sources:	
State revenue sharing (net)	32,668
State supplemental pay	40,717
Other	471,365
Local sources	3,000,191
Interest earned	15,001
Special items:	
Gain on sale/disposition of assets	2,188
Insurance	7,398
Change in Net Assets	<u>180,222</u>
NET ASSETS	
Beginning of year	<u>604,497</u>
End of year	<u><u>\$784,719</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, 2005

MAJOR FUNDS.....		OTHER GOVERNMENTAL FUND - COMMISSARY	TOTAL
	GENERAL FUND	DETENTION CENTER		
ASSETS				
Cash and cash equivalents	\$664,440	\$316		\$664,756
Investments		397,656		397,656
Receivables	74,759	1,171,616		1,246,375
Prepaid expenses	32,465			32,465
Due from other funds	79,607			79,607
Inventory			\$17,846	17,846
TOTAL ASSETS	\$851,271	\$1,569,588	\$17,846	\$2,438,705
LIABILITIES AND FUND EQUITY				
Liabilities:				
Cash overdraft			\$8,976	\$8,976
Accounts payable	\$41,867	\$138,294	81,566	261,727
Bank loan payable	400,000			400,000
Salaries payable	65,342	85,217		150,559
Due to Marketing Group		779,519		779,519
Due to other funds		77,819	7,716	85,535
Total Liabilities	507,209	1,080,849	98,258	1,686,316
Fund balance - unreserved undesignated	344,062	488,739	(80,412)	752,389
TOTAL LIABILITIES AND FUND EQUITY	\$851,271	\$1,569,588	\$17,846	\$2,438,705

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, 2005

Total Fund Balances at June 30, 2005 - Governmental Funds (Statement C)		\$752,389
Cost of capital assets at June 30, 2005	\$434,390	
Less: Accumulated depreciation as of June 30, 2005	<u>(291,232)</u>	143,158
Long-term liabilities - Lease payable		(110,828)
Elimination of interfund assets and liabilities:		
Due from other funds	77,819	
Due to other funds	<u>(77,819)</u>	
Net Assets at June 30, 2005 (Statement A)		<u><u>\$784,719</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, 2005

MAJOR FUNDS.....		OTHER GOVERNMENTAL FUND - COMMISSARY	TOTAL
	GENERAL FUND	DETENTION CENTER		
REVENUES				
Taxes				
Ad valorem	\$771,440			\$771,440
Sales tax	112,101			112,101
Intergovernmental revenues:				
Federal grants	33,513			33,513
State grants:				
State revenue sharing (net)	32,668			32,668
State supplemental pay	40,717			40,717
Other	70,154	\$401,211		471,365
Local grants	2,300	2,997,891		3,000,191
Fees, charges, and commissions for services:				
Commissions on licenses and taxes	15,286			15,286
Civil and criminal fees	47,982			47,982
Court attendance	1,870			1,870
Radio dispatch	8,637			8,637
Feeding and keeping of prisoners	48,599	6,978,352		7,026,951
Use of money and property	8,736	6,265		15,001
Other	32,684	6,591	\$418,463	457,738
Total revenues	<u>1,226,687</u>	<u>10,390,310</u>	<u>418,463</u>	<u>12,035,460</u>
EXPENDITURES				
Public safety:				
Current:				
Personal services and related benefits	1,010,852	2,756,080		3,766,932
Operating services	251,272	5,733,607		5,984,879
Materials and supplies	126,857	466,585	362,364	955,806
Travel and other charges	14,353	1,644		15,997
Capital outlay	130,622			130,622
Debt service	46,466	1,040,625		1,087,091
Total expenditures	<u>1,580,422</u>	<u>9,998,541</u>	<u>362,364</u>	<u>11,941,327</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	(\$353,735)	\$391,769	\$56,099	\$94,133
OTHER FINANCING SOURCES (Use):				
Proceeds from sale of assets	7,521			7,521
Proceeds from insurance	7,398			7,398
Proceeds from lease	124,274			124,274
Transfers in	360,000	186,197		546,197
Transfers out		(360,000)	(186,197)	(546,197)
Total Other Financing Sources (Use)	499,193	(173,803)	(186,197)	139,193
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USE	145,458	217,966	(130,098)	233,326
FUND BALANCE AT BEGINNING OF YEAR	<u>198,604</u>	<u>270,773</u>	<u>49,686</u>	<u>519,063</u>
FUND BALANCE AT END OF YEAR	<u><u>\$344,062</u></u>	<u><u>\$488,739</u></u>	<u><u>(\$80,412)</u></u>	<u><u>\$752,389</u></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, 2005

Total net change in fund balances - governmental funds (Statement D)	\$233,326
<i>Amounts reported for governmental activities in the Statement of Activities are different because:</i>	
Repayment of lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.	24,182
Governmental funds do not report gain or loss on disposition of assets. In the Statement of Activities, the difference in gain on disposition of assets and sale of assets is reported.	(5,333)
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.	(124,274)
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>52,321</u>
Change in net assets of governmental activities (Statement B)	<u><u>\$180,222</u></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, 2005

	TAX COLLECTOR FUND	CIVIL FUND	CRIMINAL FUND	INMATE FUNDS	WORK RELEASE FUND	TOTAL
ASSETS						
Cash and cash equivalents	\$8,789	\$368	\$18,001	\$50,208	\$6,422	\$83,788
Due to other funds				7,716		7,716
	<u>\$8,789</u>	<u>\$368</u>	<u>\$18,001</u>	<u>\$57,924</u>	<u>\$6,422</u>	<u>\$91,504</u>
LIABILITIES						
Unsettled deposits due to:						
Other funds			\$1,788			\$1,788
Others	\$8,789	\$368	16,213	\$57,924	\$6,422	89,716
Total Liabilities	<u>\$8,789</u>	<u>\$368</u>	<u>\$18,001</u>	<u>\$57,924</u>	<u>\$6,422</u>	<u>\$91,504</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, 2005

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.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, Basic Financial Statements – and Management’s Discussion and Analysis for State and Local Governments. Certain of the significant changes in the Statement include the following:

For the first time the financial statements include:

A Management Discussion and Analysis (MD&A) section providing an analysis of the Sheriff’s overall financial position and results of operations.

Financial statements prepared using full accrual accounting for all of the Sheriff’s activities.

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

These and other changes are reflected in the accompanying financial statements (including notes to financial statements).

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:

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.

TENSAS PARISH SHERIFF

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

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, 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

TENSAS PARISH SHERIFF

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

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

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

Governmental Fund Types

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

Special Revenue Funds - The 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.

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

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 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.

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

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, 2005, the sheriff has cash and equivalents, net of cash overdrafts (book balances) totaling \$739,568 as follows:

Demand deposits	\$439,268
Time deposits	300,000
Petty cash	<u>300</u>
Total	<u><u>\$739,568</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, 2005, are secured as follows:

Bank balances	<u>\$903,568</u>
Federal deposit insurance	\$417,420
Pledged securities (uncollateralized)	<u>1,421,915</u>
Total	<u><u>\$1,839,335</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

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

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.

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	\$397,656
Fair market value	<u>397,656</u>
Unrealized gain (loss)	<u><u>NONE</u></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:

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

<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, 2005.

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 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 \$1,246,375 at June 30, 2005, are as follows:

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

<u>Class of receivables:</u>	<u>General Fund</u>	<u>Detention Center</u>	<u>Total</u>
Sales tax	\$8,778		\$8,778
Intergovernmental revenues -			
Federal grants	21,441		21,441
State grants	40,266	\$78,925	119,191
Fees, charges, and commissions for services:			
Feeding and keeping prisoners	2,513	1,092,489	1,095,002
Court attendance	68		68
Radio dispatch	754		754
Miscellaneous	939	202	1,141
Total	<u>\$74,759</u>	<u>\$1,171,616</u>	<u>\$1,246,375</u>

3. CHANGES IN CAPITAL ASSETS

A summary of changes in office furnishings and equipment for the year ended June 30, 2005, follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
General Fund				
Vehicles	\$364,225	\$124,274	(\$166,713)	\$321,786
Weapons	9,694			9,694
Equipment	34,711	6,348	(12,057)	29,002
Sub-total General Fund	<u>408,630</u>	<u>130,622</u>	<u>(178,770)</u>	<u>360,482</u>
Detention Center Furniture and equipment	<u>73,908</u>			<u>73,908</u>
Total assets	<u>\$482,538</u>	<u>\$130,622</u>	<u>NONE</u>	<u>\$434,390</u>

A summary of assets net of accumulated depreciation follows:

Total assets	<u>\$434,390</u>
Prior year accumulated depreciation	(386,566)
Current year depreciation	(78,301)
Current year depreciation - deletions	<u>173,635</u>
Net capital assets	<u>\$143,158</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.

TENSAS PARISH SHERIFF

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

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 to the System for the years ended June 30, 2005, 2004, and 2003 were \$270,466, \$213,611, and \$157,389, 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 \$521,301 for the year ended June 30, 2005. Of that amount, \$5,611 was for retiree benefits.

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

6. LEASE PURCHASE PAYABLE

In February, 2001, the sheriff entered into a lease purchase agreement for a 1999 Chevrolet Tahoe. The agreement requires 60 monthly payments of \$547, including interest. This lease paid out in the current year. 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. The following is a summary of changes in lease transactions for the year ended June 30, 2005:

Balance at June 30, 2004	\$10,736
Additions	124,274
Reductions	<u>(24,182)</u>
Balance at June 30, 2005	<u>\$110,828</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, 2005:

Year ended June 30, 2005	
2006	\$39,080
2007	34,483
2008	34,483
2009	<u>12,838</u>
Total minimum lease payments	\$120,884
Less amount representing interest	<u>(10,056)</u>
Present value of net minimum lease payments	<u>\$110,828</u>

7. DUE FROM/TO OTHER FUNDS

Individual balances due from/to other funds at June 30, 2005, are as follows:

	<u>Due To</u>	<u>Due From</u>
General Fund:		
Detention Center		\$77,819
Criminal Fund		1,788
Special Revenue Funds:		
Detention Center	\$77,819	
Commissary Fund	7,716	
Agency Funds:		
Inmate Fund		7,716

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

	<u>Due To</u>	<u>Due From</u>
Criminal Fund	\$1,788	
Total	<u>\$87,323</u>	<u>\$87,323</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, 2004	\$8,734	\$600	\$15,244	\$58,343	\$10,463	\$93,384
Additions	3,681,265	172,176	224,644	803,722	47,696	4,929,503
Reductions	<u>(3,681,210)</u>	<u>(172,408)</u>	<u>(223,675)</u>	<u>(804,141)</u>	<u>(51,737)</u>	<u>(4,933,171)</u>
Balance at June 30, 2005	<u>\$8,789</u>	<u>\$368</u>	<u>\$16,213</u>	<u>\$57,924</u>	<u>\$6,422</u>	<u>\$89,716</u>

9. FUND DEFICIT

At June 30, 2005, the Commissary Special Revenue Fund had a deficit fund balance of \$80,412. The deficit will be eliminated by reducing expenditures and making transfers from the General Fund.

10. LITIGATION AND CLAIMS

At June 30, 2005, 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.

**11. 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.

12. 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, 2005.

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

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	\$12,694
United States Department of Homeland Security			
Direct program - Law Enforcement Terrorism Prevention	97.074	N/A	9,559
United States Department of Justice			
Passed through Louisiana Commission on Law Enforcement and Administration of Criminal Justice:			
Law Enforcement Equipment	16.592	A-02-8-045	3,514
Street Sales Disruption	16.579	B01-2-006	7,746
Total United States Department of Justice			<u>11,260</u>
Total Federal Financial Assistance			<u><u>\$33,513</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

PART II

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended June 30, 2005

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
Taxes				
Ad valorem	\$742,000	\$759,600	\$771,440	\$11,840
Sales tax	100,000	110,000	112,101	2,101
Intergovernmental revenues:				
Federal grants	6,000	17,758	33,513	15,755
State grants:				
State revenue sharing (net)	32,500	32,100	32,668	568
State supplemental pay	46,000	40,000	40,717	717
Other	45,000	51,400	70,154	18,754
Local grants	5,000	2,100	2,300	200
Fees, charges, and commissions for services:				
Commissions on licenses and taxes	17,000	15,000	15,286	286
Civil and criminal fees	46,000	47,000	47,982	982
Court attendance	1,800	1,800	1,870	70
Radio dispatch	10,000	10,000	8,637	(1,363)
Feeding and keeping of prisoners	20,000	53,000	48,599	(4,401)
Use of money and property	1,000	6,000	8,736	2,736
Other	46,000	28,850	32,684	3,834
Total revenues	<u>1,118,300</u>	<u>1,174,608</u>	<u>1,226,687</u>	<u>52,079</u>
EXPENDITURES				
Public safety:				
Current:				
Personal services and benefits	1,014,000	1,060,000	1,010,852	49,148
Operating services	191,100	250,100	251,272	(1,172)
Materials and supplies	103,500	135,000	126,857	8,143
Travel and other charges	14,200	14,200	14,353	(153)
Capital outlay	120,000	140,000	130,622	9,378
Debt service	127,000	60,500	46,466	14,034
Total expenditures	<u>1,569,800</u>	<u>1,659,800</u>	<u>1,580,422</u>	<u>79,378</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(451,500)</u>	<u>(485,192)</u>	<u>(353,735)</u>	<u>131,457</u>
OTHER FINANCING SOURCES				
Proceeds from sale of assets		7,521	7,521	
Proceeds from insurance		7,021	7,398	377
Proceeds from lease	120,000	124,273	124,274	1
Transfers in	372,000	360,000	360,000	
Total Other Financing Sources	<u>492,000</u>	<u>498,815</u>	<u>499,193</u>	<u>378</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	40,500	13,623	145,458	131,835
FUND BALANCES AT BEGINNING OF YEAR	<u>30,000</u>	<u>198,604</u>	<u>198,604</u>	NONE
FUND BALANCES AT END OF YEAR	<u>\$70,500</u>	<u>\$212,227</u>	<u>\$344,062</u>	<u>\$131,835</u>

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

BUDGETARY COMPARISON SCHEDULE
DETENTION CENTER
For the Year Ended June 30, 2005

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL (BUDGETARY BASIS)</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES				
State grant - other	\$370,000	\$300,000	\$401,211	\$101,211
Local grant	2,100,000	3,983,094	2,997,891	(985,203)
Fees, charges, and commissions for services -				
Feeding and keeping of prisoners	5,000,000	5,700,000	6,978,352	1,278,352
Use of money and property	2,000	6,000	6,265	265
Other revenue		24,477	6,591	(17,886)
Total revenues	<u>7,472,000</u>	<u>10,013,571</u>	<u>10,390,310</u>	<u>376,739</u>
EXPENDITURES				
Personal services and benefits	2,378,500	2,700,000	2,756,080	(56,080)
Operating services	3,030,500	5,400,000	5,733,607	(333,607)
Materials and supplies	576,000	550,000	466,585	83,415
Travel and other charges	3,000	3,000	1,644	1,356
Debt service	1,100,000	1,100,000	1,040,625	59,375
Total expenditures	<u>7,088,000</u>	<u>9,753,000</u>	<u>9,998,541</u>	<u>(245,541)</u>
EXCESS OF REVENUES OVER EXPENDITURES	384,000	260,571	391,769	131,198
OTHER FINANCING SOURCE (Use)				
Transfers in		99,429	186,197	86,768
Transfers out	<u>(384,000)</u>	<u>(360,000)</u>	<u>(360,000)</u>	
Total Other Financing Source (Use)	<u>(384,000)</u>	<u>(260,571)</u>	<u>(173,803)</u>	<u>86,768</u>
EXCESS OF REVENUES AND OTHER SOURCE OVER EXPENDITURES AND OTHER USE	NONE	NONE	217,966	217,966
FUND BALANCES AT BEGINNING OF YEAR	<u>250,000</u>	<u>270,773</u>	<u>270,773</u>	
FUND BALANCES AT END OF YEAR	<u>\$250,000</u>	<u>\$270,773</u>	<u>\$488,739</u>	<u>\$217,966</u>

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

NOTE TO BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2005

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, 2005

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.

Indigent defender board				33,372	33,372
Judicial Expense fund				4,895	4,895
Fire district no. 1	167,030				167,030
Attorneys, appraisers, etc.		2,200			2,200
Litigants		117,234		5,568	122,802
Northwest Louisiana Crime Lab				10,543	10,543
Commission on Law Enforcement				3,880	3,880
LTHSP				3,540	3,540
CMIS				1,958	1,958
Pension funds	101,780				101,780
Lake Bruin Recreation and Water	7,746				7,746
Other reductions	3,443	3,240		711	804,141
Total reductions	<u>3,681,210</u>	<u>172,408</u>		<u>223,675</u>	<u>804,141</u>
				<u>51,737</u>	<u>863,272</u>
					<u>4,933,171</u>
UNSETTLED BALANCES					
DUE TO TAXING BODIES					
	<u>\$8,789</u>	<u>\$368</u>		<u>\$16,213</u>	<u>\$89,716</u>
AND OTHERS AT END OF YEAR					
				<u>\$6,422</u>	<u>\$89,716</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, 2005 and have issued my report thereon dated November 15, 2005. 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

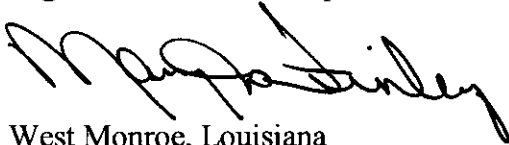
St. Joseph, Louisiana

Independent Auditor's Report on Compliance

And Internal Control Over Financial Reporting, etc.

June 30, 2005

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.

A handwritten signature in black ink, appearing to read "M. J. [unclear]".

West Monroe, Louisiana

November 15, 2005

TENSAS PARISH SHERIFF
St. Joseph, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2005

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, 2005

There were no audit findings reported in the audit for the year ended June 30, 2004.