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RICHLAND PARISH SHERIFF
Rayville, Louisiana

Annual Financial Statements
With Independent Auditor's Report
As of and for the Year Ended
June 30, 2004
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 9-15-04

RICHLAND PARISH SHERIFF
Rayville, Louisiana

Annual Financial Statements
As of and for the Year Ended June 30, 2004
With Supplemental Information Schedules

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A PROFESSIONAL CORPORATION

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Independent Auditor's Report

RICHLAND PARISH SHERIFF
Rayville, Louisiana

I have audited the basic financial statements of the Richland Parish Sheriff, a component unit of the Richland Parish Police Jury, as of June 30, 2004, and for the year then ended, as listed in the table of contents. These financial statements are the responsibility of the Richland Parish Sheriff's management. My responsibility is to express an opinion on these general purpose 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 Richland Parish Sheriff as of June 30, 2004, and the changes in its financial position for the year then ended, in conformity with U.S. generally accepted accounting principles.

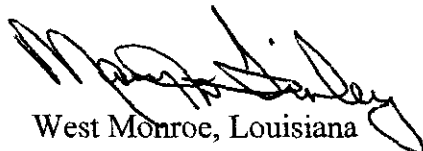
As described in Note 1 to the financial statements, the sheriff has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, *Basic Financial Statements--and Management's Discussion and Analysis--for State and Local Governments*, as of June 30, 2004.

Management's discussion and analysis, and supplementary information on pages 6 through 9 and 32 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.

RICHLAND PARISH SHERIFF
Rayville, Louisiana
Independent Auditor's Report,
June 30, 2004

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 Richland 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 July 30, 2004, on my consideration of the Richland 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
July 30, 2004

**REQUIRED SUPPLEMENTARY INFORMATION
PART I**

RICHLAND PARISH SHERIFF
Rayville, Louisiana

Management's Discussion and Analysis
June 30, 2004

As management of the Richland Parish Sheriff, I offer readers of the Richland Parish Sheriff's financial statements this narrative overview and analysis of the financial activities of the Richland Parish Sheriff for the fiscal year ended June 30, 2004. 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. Comparative data for the prior year is only available on a limited basis. However, all applicable tables will present comparative data in fiscal year 2005.

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 Richland Parish Sheriff's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the Richland 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 Richland 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 Richland 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 Richland 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 Richland Parish Sheriff adopts an annual appropriated budget for the general fund and the special revenue fund. A budgetary comparison statement is provided for the major fund 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 Richland 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 Richland 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 Richland Parish Sheriff exceeded liabilities by

\$555,172. The largest portion of the Richland Parish Sheriff's net assets reflects its investment in capital assets (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.

An additional portion of the Richland Parish Sheriff's net assets represents resources that are subject to external restrictions (e.g., debt service). The balance in unrestricted net assets is affected by two factors: 1) resources expended, over time, by the Richland 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 for the first time.

Since this is the first year of implementing the new reporting model, comparative information is not available for further government-wide financial analysis. In future years, when prior year information is available, a comparative analysis of government-wide data will be presented.

Financial Analysis of the Government's Funds

As noted earlier, the Richland 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, 2004, combined governmental fund balances of \$556,373 showed an increase of \$105,621 over June 30, 2003. The General Fund's portion of the unreserved, undesignated fund balance of \$232,938 shows an increase (of approximately \$34,888) from the prior year amount.

General Fund Budgetary Highlights

Differences between Other Financing Sources of the original budget and the final budget were due primarily to the decrease in transfers from the Detention Center. These transfers are based on the amount of funds needed in the General Fund.

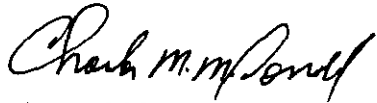
Capital Asset and Debt Administration

Capital assets. The Richland Parish Sheriff's investment in capital assets for its governmental activities as of June 30, 2004, amounts to \$552,879 (net of accumulated depreciation). This investment includes furniture and equipment. The increase in capital assets for the year was \$355,512, the majority of which was attributable to the purchase law enforcement vehicles.

Long-term debt. At the end of the fiscal year, Richland Parish Sheriff had total leases outstanding of \$153,751. During the year, \$72,339 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 Richland 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 Richland Parish Sheriff, 708 Julia Street, Suite 113, Rayville LA 71269.



July 30, 2004

BASIC FINANCIAL STATEMENTS

RICHLAND PARISH SHERIFF
Rayville, Louisiana

STATEMENT OF NET ASSETS
June 30, 2004

ASSETS	
Cash and cash equivalents	\$336,451
Receivables	620,771
Due from others	9,601
Inventory	13,925
Capital assets (net of accumulated depreciation)	<u>552,879</u>
TOTAL ASSETS	<u><u>1,533,627</u></u>
 LIABILITIES	
Accounts payable	218,081
Salaries payable	143,330
Payroll deductions payable	48,740
Deferred revenue	14,224
Interest payable	4,547
Long-term liabilities:	
Due within one year	91,220
Due in more than one year	<u>458,313</u>
TOTAL LIABILITIES	<u><u>978,455</u></u>
 NET ASSETS	
Invested in capital assets, net of related debt	399,128
Unrestricted	<u>156,044</u>
TOTAL NET ASSETS	<u><u>\$555,172</u></u>

The accompanying notes are an integral part of this statement.

Statement B

RICHLAND PARISH SHERIFF
Rayville, Louisiana
STATEMENT OF ACTIVITIES
June 30, 2004

Judicial:		
Personal services		\$4,161,989
Operating services		2,206,029
Materials and supplies		982,006
Travel		64,797
Debt service - interest		2,527
Depreciation expense		<u>191,077</u>
Total Program Expenses		<u>7,608,425</u>
Program revenues:		
Commissions on state revenue sharing		65,460
Commissions on fines and bonds		25,279
Commissions on judicial sales and seizures		7,539
Civil and criminal fees		190,477
Commissions on licenses and taxes		46,049
Court attendance		2,732
Transportation of prisoners		8,400
Feeding and keeping prisoners		5,528,380
Tax notices, etc.		<u>6,233</u>
Total program revenues		<u>5,880,549</u>
Net Program Expenses		(1,727,876)
General revenues:		
Taxes:		
Ad valorem		478,507
Sales tax		779,169
Grants and contributions not restricted to specific programs:		
Federal sources		7,627
State sources		346,794
Local sources		53,004
Interest earned		109,467
Miscellaneous		51,503
Special items:		
Sale of assets		28,505
Other		<u>2,116</u>
Change in Net Assets		128,816
NET ASSETS		
Beginning of year		<u>426,356</u>
End of year		<u>\$555,172</u>

The accompanying notes are an integral part of this statement.

RICHLAND PARISH SHERIFF
Rayville, Louisiana
GOVERNMENTAL FUNDS

Balance Sheet, June 30, 2004

	GENERAL FUND	OTHER GOVERNMENTAL FUND DETENTION CENTER	TOTAL
ASSETS			
Cash and cash equivalents	\$131,184	\$205,267	\$336,451
Receivables	142,435	478,336	620,771
Due from other funds	87,376	3,708	91,084
Inventory		13,925	13,925
Due from others	4,953		4,953
TOTAL ASSETS	\$365,948	\$701,236	\$1,067,184
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts payable	\$13,656	\$204,425	\$218,081
Salaries payable	56,390	86,940	143,330
Due to other funds		86,436	86,436
Payroll deductions payable	48,740		48,740
Deferred revenues	14,224		14,224
Total Liabilities	133,010	377,801	510,811
Fund Equity:			
Fund balance - unreserved - undesignated	232,938	323,435	556,373
Total Fund Equity	232,938	323,435	556,373
TOTAL LIABILITIES AND FUND EQUITY	\$365,948	\$701,236	\$1,067,184

The accompanying notes are an integral part of this statement.

Statement D

RICHLAND PARISH SHERIFF
Rayville, Louisiana

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

For the Year Ended June 30, 2004

Total Fund Balances at June 30, 2004- Governmental Funds (Statement C)		<u>\$556,373</u>
Cost of capital assets at June 30, 2004	\$1,171,549	
Less: Accumulated depreciation as of June 30, 2004	<u>(618,670)</u>	552,879
Elimination of interfund assets and liabilities:		
Due from other funds	86,436	
Due to other funds	<u>(86,436)</u>	
Long-term liabilities at June 30, 2004:		
Compensated absences	395,782	
Lease payable	153,751	
Accrued interest payable	<u>4,547</u>	<u>(554,080)</u>
Net Assets at June 30, 2004		<u><u>\$555,172</u></u>

The accompanying notes are an integral part of this statement.

RICHLAND PARISH SHERIFF
Rayville, Louisiana
GOVERNMENTAL FUND TYPE

Statement of Revenues, Expenditures, and
Changes in Fund Balance

For the Year Ended June 30, 2004

	GENERAL FUND	OTHER GOVERNMENTAL FUND DETENTION	TOTAL
REVENUES			
Taxes:			
Ad valorem	\$478,507		\$478,507
Sales	779,169		779,169
Intergovernmental revenues:			
Federal grants	7,627		7,627
State grants:			
State supplemental pay	217,283		217,283
Other	129,511		129,511
Local grants	53,004		53,004
Fees, charges, and commissions for services:			
Commissions on state revenue sharing	65,460		65,460
Commissions on fines and bonds	25,279		25,279
Commissions on judicial sales and seizures	7,539		7,539
Civil and criminal fees	190,477		190,477
Commissions on licenses and taxes	46,049		46,049
Court attendance	2,732		2,732
Transportation of prisoners		\$8,400	8,400
Feeding and keeping of prisoners		5,528,380	5,528,380
Tax notices, etc.	6,233		6,233
Use of money and property	1,724	107,743	109,467
Other	31,331	20,172	51,503
Total revenues	<u>2,041,925</u>	<u>5,664,695</u>	<u>7,706,620</u>
EXPENDITURES			
Public safety:			
Current:			
Personal services and related benefits	1,613,985	2,568,363	4,182,348
Operating services	244,297	1,961,732	2,206,029
Materials and supplies	211,500	770,506	982,006
Travel and other charges	47,623	17,174	64,797
Debt Service	71,675	3,191	74,866
Capital outlay	230,715	74,857	305,572
Total expenditures	<u>2,419,795</u>	<u>5,395,823</u>	<u>7,815,618</u>

(Continued)

RICHLAND PARISH SHERIFF
 Rayville, Louisiana
 GOVERNMENTAL FUND TYPE - GENERAL FUND
 Statement of Revenues, Expenditures, and
 Changes in Fund Balance

	GENERAL FUND	OTHER GOVERNMENTAL FUND DETENTION CENTER	TOTAL
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(\$377,870)	\$268,872	(\$108,998)
OTHER FINANCING SOURCES (Use):			
Proceeds from Sale of Assets	21,644	6,861	28,505
Proceeds from Insurance	2,116		2,116
Proceeds from lease purchase	183,998		183,998
Transfers in	205,000		205,000
Transfers out		(205,000)	(205,000)
Total Other Financing Sources (Use)	412,758	(198,139)	214,619
EXCESS OF REVENUES AND OTHER SOURCE OVER EXPENDITURES AND OTHER USE	34,888	70,733	105,621
FUND BALANCE AT BEGINNING OF YEAR	198,050	252,702	450,752
FUND BALANCE AT END OF YEAR	<u>\$232,938</u>	<u>\$323,435</u>	<u>\$556,373</u>

(Concluded)

The accompanying notes are an integral part of this statement.

RICHLAND PARISH SHERIFF
Rayville, 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, 2004

Total net change in fund balances - governmental funds (Statement E)	\$105,621
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeds depreciation in the period:	114,495
In the Statement of Activities, certain operating expenses - compensated absences - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).	20,359
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.	(183,998)
Repayment of lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets	<u>72,339</u>
Change in net assets of governmental activities (Statement B)	<u><u>\$128,816</u></u>

The accompanying notes are an integral part of this statement.

RICHLAND PARISH SHERIFF
Rayville, Louisiana
Statement of Fiduciary Net Assets - Agency Funds

June 30, 2004

	<u>TAX</u> <u>COLLECTOR</u>	<u>CRIMINAL</u>	<u>SHERIFF'S</u> <u>CIVIL</u>	<u>INMATE</u>	<u>TOTAL</u>
ASSETS					
Cash	<u>\$684,040</u>	<u>\$57,310</u>	<u>\$7,697</u>	<u>\$53,397</u>	<u>\$802,444</u>
LIABILITIES					
Due to General Fund		\$940		\$3,708	\$4,648
Due to others		666	\$7,697	49,689	58,052
Due to taxing bodies	<u>\$684,040</u>	<u>55,704</u>			<u>739,744</u>
TOTAL LIABILITIES	<u>\$684,040</u>	<u>\$57,310</u>	<u>\$7,697</u>	<u>\$53,397</u>	<u>\$802,444</u>

The accompanying notes are an integral part of this statement.

RICHLAND PARISH SHERIFF
Rayville, Louisiana

Notes to the Financial Statements
As of and For the Year Ended June 30, 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

The accompanying financial statements of the Richland 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.

RICHLAND PARISH SHERIFF
Rayville, 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 Richland Parish Police Jury is the financial reporting entity for Richland 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 Richland 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 parish courthouse in which the sheriff's office is located and provides partial funding for equipment, furniture and supplies of the sheriff's office, the sheriff was determined to be a component unit of the Richland 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 Richland Parish financial reporting entity.

RICHLAND PARISH SHERIFF

Rayville, 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

RICHLAND PARISH SHERIFF

Rayville, 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 Fund - The Detention Center Special Revenue Fund, is 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.

RICHLAND PARISH SHERIFF

Rayville, 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.

RICHLAND PARISH SHERIFF
 Rayville, Louisiana
 Notes to the Financial Statements (Continued)

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, 2004, the sheriff has cash and equivalents (book balances) totaling \$1,138,895 as follows:

Demand deposits	\$985,995
Petty cash	1,150
Time deposits	<u>151,750</u>
Total	<u>\$1,138,895</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, 2004, are secured as follows:

Bank balances	<u>\$1,224,615</u>
Federal deposit insurance	\$1,074,640
Pledged securities (uncollateralized)	<u>3,405,186</u>
Total	<u>\$4,479,826</u>

RICHLAND PARISH SHERIFF

Rayville, Louisiana

Notes to the Financial Statements (Continued)

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

F. 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 \$600 or more for capitalizing capital assets.

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

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

G. 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, 2004.

H. SALES TAX

On October 7, 1989, voters of the parish approved a one-half of one per cent (1/2%) sales tax dedicated for the purpose of providing additional funding for the law enforcement district. The tax was renewed in January 2000, and remains in effect for ten years. The sheriff's office has entered into an agreement with the Richland Parish Sales Tax Commission for collection of

RICHLAND PARISH SHERIFF
 Rayville, Louisiana
 Notes to the Financial Statements (Continued)

the tax. For this service, the sheriff's office pays the cost of establishing, operating, maintaining and administering the commission on a pro-rata basis with other tax recipient bodies in the parish.

I. VACATION AND SICK LEAVE

Employees hired prior to January 1, 1997, except field deputies and radio operators, are granted two weeks of vacation leave each year. Field deputies and radio operators are granted three weeks of vacation leave each year. Accumulated leave cannot be carried forward to succeeding years. Employees hired after January 1, 1997, earn two weeks of vacation time each year, credited to their account on a monthly basis. These employees may carry forward a maximum of two weeks vacation time into the following year.

Employees earn one day of sick leave for each month of service. Employees are allowed to accumulate up to 240 hours of sick leave, which can be carried forward to succeeding years. Employees hired prior to January 1, 1997, are allowed to bring forward all leave accrued prior to that date. However, no additional sick leave will be credited to the employee until his or her balance is less than 240 hours.

2. RECEIVABLES

The receivables of \$620,771 at June 30, 2004, are as follows:

<u>Class of receivables:</u>	<u>General Fund</u>	<u>Detention Center</u>	<u>Total</u>
Taxes:			
Sales and use	\$72,000		\$72,000
Intergovernmental revenues:			
Federal grants	5,837		5,837
Other state grants	17,914		17,914
Fees, charges, and commissions for services:			
Commissions on licenses, taxes, etc.	2,149		2,149
Civil and criminal fees	10,923		10,923
Court attendance	1,540		1,540
Feeding and keeping prisoners		\$470,981	470,981
Miscellaneous	<u>32,072</u>	<u>7,355</u>	<u>39,427</u>
Total	<u>\$142,435</u>	<u>\$478,336</u>	<u>\$620,771</u>

3. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in office furnishings and equipment for the year ended June 30, 2004, follows:

RICHLAND PARISH SHERIFF
 Rayville, Louisiana
 Notes to the Financial Statements (Continued)

	Beginning Balance	Additions	Deletions	Ending Balance
General Fund:				
Furniture and equipment	\$182,301	\$42,019	(\$32,633)	\$191,687
Vehicles	515,719	234,637	(204,621)	545,735
Sub-total General Fund	698,020	276,656	(237,254)	737,422
Detention Center:				
Furniture and equipment	204,225	28,986	(16,230)	216,981
Vehicles	224,389	49,870	(57,113)	217,146
Sub-total Detention Center	428,614	78,856	(73,343)	434,127
Total assets	1,126,634	355,512	(310,597)	1,171,549
Less accumulated depreciation	686,614	191,077	(259,021)	618,670
Net capital assets	\$440,020	\$164,435	(\$51,576)	\$552,879

4. PENSION PLAN

Substantially all employees of the Richland 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 per cent 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.

RICHLAND PARISH SHERIFF

Rayville, Louisiana

Notes to the Financial Statements (Continued)

Plan members are required by state statute to contribute 9.8 percent of their annual covered salary and the Richland Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 7.75 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 Richland 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 Richland Parish Sheriff's contributions to the System for the years ended June 30, 2004, 2003, and 2002 were \$289,935, \$225,934, and \$194,821, respectively, equal to the required contributions for each year.

5. POST RETIREMENT BENEFITS

The Richland 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 \$479,758 for the year ended June 30, 2004. Of that amount, \$8,830 was for retiree benefits.

6. DUE FROM/TO OTHER FUNDS

Individual balances due from/to other funds at June 30, 2004, are as follows:

	<u>Due To</u>	<u>Due From</u>
General Fund		\$87,376
Detention Center Special Revenue Fund	\$90,144	
Agency Fund - Criminal Fund	940	3,708
Total	<u>\$91,084</u>	<u>\$91,084</u>

7. CAPITAL LEASES

The sheriff records items under capital leases as an asset and an obligation in the accompanying financial statements. At June 30, 2004, the sheriff has one capital lease in effect for office equipment. The lease had an original recorded amount of \$183,998. Lease obligations are retired from the General Fund. 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, 2004:

RICHLAND PARISH SHERIFF
Rayville, Louisiana
Notes to the Financial Statements (Continued)

<u>Year</u>	
2005	\$94,978
2006	<u>63,320</u>
Total minimum lease payments	158,298
Less amount representing interest	<u>(4,547)</u>
Present value of net minimum lease payments	<u>\$153,751</u>

8. CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The following is a summary of long-term obligation transactions for the year ended June 30, 2004:

	<u>Capital Leases</u>	<u>Compensated Absences</u>	<u>Total</u>
Long-term obligations at July 1, 2003	\$42,092	\$381,283	\$423,375
Additions	183,998	229,497	413,495
Deductions	(72,339)	(249,856)	(322,195)
Adjustments		34,858	34,858
Long-term obligations at June 30,	<u>\$153,751</u>	<u>\$395,782</u>	<u>\$549,533</u>

Adjustment to compensated absences balance at June 30, 2004, was made to reflect differences due to changes in beginning and ending pay rates.

9. 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>Criminal Fund</u>	<u>Sheriff's Civil Fund</u>	<u>Inmate Fund</u>	<u>Total</u>
Balance, July 1, 2003	\$671,423	\$45,638	\$7,497	\$30,688	\$755,246
Additions	4,972,412	634,322	500,794	615,546	6,723,074
Reductions	<u>(4,959,795)</u>	<u>(624,256)</u>	<u>(500,594)</u>	<u>(596,545)</u>	<u>(6,681,190)</u>
Balance June 30, 2004	<u>\$684,040</u>	<u>\$55,704</u>	<u>\$7,697</u>	<u>\$49,689</u>	<u>\$797,130</u>

10. LEASE COMMITMENTS

At June 30, 2004, the entity was obligated under two operating leases, as follows:

RICHLAND PARISH SHERIFF
Rayville, Louisiana
Notes to the Financial Statements (Continued)

A. The entity leases the Richland Parish Detention Center women's facility from Bayou Correctional Corporation, Inc. The lease is for a period of 20 years expiring July, 2018. Lease payments are 25% of the gross monthly payments received by the Sheriff for the care of prisoners who are incarcerated in the detention center.

B. The entity leases the Richland Parish Detention Center men's facility from R.D.C., Inc. The lease is for a period of twenty years expiring on October, 2017. Lease payments are 25% of the gross monthly payments received by the Sheriff for the care of prisoners who are incarcerated in the detention center.

11. LITIGATION AND CLAIMS

At June 30, 2004, the Richland Parish Sheriff is involved in several lawsuits. In the opinion of the sheriff's legal counsel, the outcome will not materially affect the financial statements.

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

The Richland 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 Richland Parish Police Jury.

13. FEDERAL FINANCIAL ASSISTANCE

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR NAME/ PROGRAM TITLE	CFDA NUMBER	PASS THROUGH GRANTORS NUMBER	EXPENDITUR ES FOR THE YEAR ENDED <u>June 30, 2004</u>
UNITED STATES DEPARTMENT OF JUSTICE			
Passed through Louisiana Commission on Law Enforcement and Administration of Criminal Justice -			
Law Enforcement Equipment	16.592	Z03-2-001	\$5,837
Bulletproof Vest Partnership Program	16.607	NONE	<u>1,790</u>
Total Federal Financial Assistance			<u><u>\$7,627</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

PART II

RICHLAND PARISH SHERIFF
Rayville, Louisiana

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended June 30, 2004

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL (BUDGETARY BASIS)</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES				
Taxes:				
Ad valorem	\$470,000	\$476,000	\$478,507	\$2,507
Sales Tax	816,000	770,000	779,169	9,169
Intergovernmental revenues:				
Federal grants - federal revenue		500	7,627	7,127
State grants:				
State supplemental pay	202,000	212,000	217,283	5,283
Other state grants	121,000	130,800	129,511	(1,289)
Local grant	22,000	49,510	53,004	3,494
Fees, charges, and commissions for services:				
Commissions on state revenue sharing	62,000	62,000	65,460	3,460
Commissions on fines & bonds	18,300	25,900	25,279	(621)
Commissions on judicial sales and seizures			7,539	7,539
Civil and criminal fees	142,000	178,000	190,477	12,477
Commissions on license and taxes	40,000	41,000	46,049	5,049
Court attendance	2,000	2,000	2,732	732
Tax notices, etc	3,160	2,660	6,233	3,573
Use of money and property	350	200	1,724	1,524
Other revenue	18,300	24,115	31,331	7,216
Total revenues	<u>1,917,110</u>	<u>1,974,685</u>	<u>2,041,925</u>	<u>67,240</u>
EXPENDITURES				
Public safety:				
Current:				
Personal services and benefits	1,680,700	1,665,700	1,613,985	51,715
Operating services	214,950	222,100	244,297	(22,197)
Materials and supplies	194,500	213,000	211,500	1,500
Travel and other charges	34,400	59,000	47,623	11,377
Debt service	75,000	80,000	71,675	8,325
Capital outlay	255,000	255,000	230,715	24,285
Total expenditures	<u>2,454,550</u>	<u>2,494,800</u>	<u>2,419,795</u>	<u>75,005</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(537,440)</u>	<u>(520,115)</u>	<u>(377,870)</u>	<u>142,245</u>

(Continued)

RICHLAND PARISH SHERIFF
 Rayville, Louisiana
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL (BUDGETARY BASIS)</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
OTHER FINANCING SOURCES				
Proceeds from sale of assets	\$20,000	\$21,644	\$21,644	
Proceeds from insurance	4,000	2,100	2,116	\$16
Proceeds from lease purchase	220,000	184,000	183,998	(2)
Transfers in	330,000	250,000	205,000	(45,000)
Total financing sources	<u>574,000</u>	<u>457,744</u>	<u>412,758</u>	<u>(44,986)</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	36,560	(62,371)	34,888	97,259
FUND BALANCES AT BEGINNING OF YEAR	<u>200,000</u>	<u>197,185</u>	<u>198,050</u>	<u>865</u>
FUND BALANCES AT END OF YEAR	<u>\$236,560</u>	<u>\$134,814</u>	<u>\$232,938</u>	<u>\$98,124</u>

(Concluded)

RICHLAND PARISH SHERIFF
Rayville, Louisiana

BUDGETARY COMPARISON SCHEDULE
DETENTION CENTER FUND
For the Year Ended June 30, 2004

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
Fees, charges, and commissions for services:				
Transportation of prisoners			\$8,400	\$8,400
Feeding and keeping prisoners	\$5,410,500	\$5,441,978	5,528,380	86,402
Use of money and property	19,200	36,400	107,743	71,343
Other revenue	6,300	1,700	20,172	18,472
Total revenues	<u>5,436,000</u>	<u>5,480,078</u>	<u>5,664,695</u>	<u>184,617</u>
EXPENDITURES				
Public safety:				
Current:				
Personal services and benefits	2,428,700	2,500,000	2,568,364	(68,364)
Operating services	1,847,600	1,977,600	1,961,732	15,868
Materials and supplies	760,500	740,500	770,506	(30,006)
Travel and other charges	14,500	20,000	17,174	2,826
Debt service	4,150	4,150	3,191	959
Capital outlay	39,000	49,000	74,857	(25,857)
Total expenditures	<u>5,094,450</u>	<u>5,291,250</u>	<u>5,395,824</u>	<u>(104,574)</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>341,550</u>	<u>188,828</u>	<u>268,871</u>	<u>80,043</u>
OTHER FINANCING SOURCE (Use)				
Proceeds from sale of asset	2,000	6,861	6,861	
Transfers out	(330,000)	(250,000)	(205,000)	45,000
Total financing source (Use)	<u>(328,000)</u>	<u>(243,139)</u>	<u>(198,139)</u>	<u>45,000</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCE OVER EXPENDITURES AND OTHER USE	13,550	(54,311)	70,732	125,043
FUND BALANCES AT BEGINNING OF YEAR	<u>200,000</u>	<u>225,465</u>	<u>252,702</u>	<u>27,237</u>
FUND BALANCES AT END OF YEAR	<u>\$213,550</u>	<u>\$171,154</u>	<u>\$323,434</u>	<u>\$152,280</u>

RICHLAND PARISH SHERIFF
Rayville, Louisiana

NOTE TO BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2004

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 Richland 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

RICHLAND PARISH SHERIFF
Rayville, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
As of and For the Year Ended June 30, 2004

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.

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.

SHERIFF'S CIVIL FUND

The Sheriff's 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.

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.

RICHLAND PARISH SHERIFF
Rayville, Louisiana
FIDUCIARY FUND TYPE - AGENCY FUNDS

Combining Schedule of Changes in Balances
Due to Taxing Bodies and Others
For the Year Ended June 30, 2004

	TAX COLLECTOR FUND	CRIMINAL FUND	SHERIFF'S CIVIL FUND	INMATE FUND	TOTAL
UNSETTLED BALANCES DUE TO TAXING BODIES AND OTHERS AT BEGINNING OF YEAR	<u>\$671,423</u>	<u>\$45,638</u>	<u>\$7,497</u>	<u>\$30,688</u>	<u>\$755,246</u>
ADDITIONS					
Deposits - sheriff's sales, etc.			500,794		500,794
Fines, forfeitures, bonds, etc.		634,322			634,322
Ad valorem taxes	4,386,180				4,386,180
Prior year ad valorem taxes	1,444				1,444
State Revenue Sharing	433,621				433,621
Parish licenses	71,257				71,257
Interest on:					
NOW accounts	262				262
Delinquent taxes	5,019				5,019
Protested taxes held in escrow	10,355				10,355
Redemptions	32,701				32,701
Tax notices, etc.	22,833				22,833
Inmate deposits				615,546	615,546
In lieu of taxes	8,740				8,740
Total additions	<u>4,972,412</u>	<u>634,322</u>	<u>500,794</u>	<u>615,546</u>	<u>6,723,074</u>
Total	<u>5,643,835</u>	<u>679,960</u>	<u>508,291</u>	<u>646,234</u>	<u>7,478,320</u>
REDUCTIONS					
Deposits settled to:					
Richland Parish:					
Sheriff's General Fund	574,374	77,801	145,983		798,158
Assessor	423,972				423,972
Clerk of Court	6,624	30,374	23,904		60,902
Police jury	885,830	206,833			1,092,663
School board	2,214,935				2,214,935
Hospital	369,077				369,077
District attorney		82,095			82,095
Fire Districts	129,195				129,195
Municipalities			477		477
Indigent Defender Board		70,099			70,099
District judge - Division B		48,000			48,000

(Continued)

RICHLAND PARISH SHERIFF
 Rayville, Louisiana
 FIDUCIARY FUND TYPE - AGENCY FUNDS
 Combining Schedule of Changes in Balances
 Due to Taxing Bodies and Others, 2004

	TAX COLLECTOR FUND	CRIMINAL FUND	SHERIFF'S CIVIL FUND	INMATE FUND	TOTAL
REDUCTIONS (CONTD.)					
Deposits settled to (contd.):					
North Louisiana Crime Lab		\$21,341			\$21,341
Louisiana Commission on Law Enforcement Judicial Expense Fund		9,682 21,690			9,682 21,690
Louisiana Forestry Commission	\$1,878				1,878
Tensas Basin Levee Board	189,218				189,218
Pension funds	138,968				138,968
Litigants			\$307,854		307,854
Refunds to inmates				\$596,545	596,545
Other settlements	25,724	55,864	22,853		104,441
Total reductions	<u>4,959,795</u>	<u>624,256</u>	<u>500,594</u>	<u>596,545</u>	<u>6,681,190</u>
UNSETTLED BALANCES					
DUE TO TAXING BODIES					
AND OTHERS AT END OF YEAR					
	<u>\$684,040</u>	<u>\$55,704</u>	<u>\$7,697</u>	<u>\$49,689</u>	<u>\$797,130</u>

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

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

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

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

RICHLAND PARISH SHERIFF
Rayville, Louisiana

I have audited the basic financial statements of the Richland Parish Sheriff, a component unit of the Richland Parish Police Jury, as of and for the year ended June 30, 2004 and have issued my report thereon dated July 30, 2004. 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 Richland 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 Richland 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.

RICHLAND PARISH SHERIFF

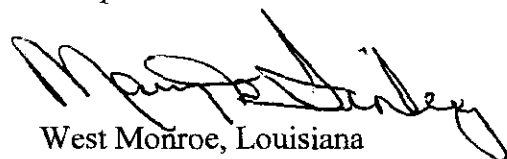
Rayville, Louisiana

Independent Auditor's Report on Compliance

And Internal Control Over Financial Reporting, etc.

June 30, 2004

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



West Monroe, Louisiana

July 30, 2004

RICHLAND PARISH SHERIFF
Rayville, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2004

A. SUMMARY OF AUDIT RESULTS

1. The Auditor's report expresses an unqualified opinion on the general purpose financial statements of the Richland Parish Sheriff.
2. No instances of noncompliance material to the financial statements of the Richland 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

RICHLAND PARISH SHERIFF
Rayville, Louisiana

Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2004

There were no audit findings reported in the audit for the year ended June 30, 2003.