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**CONCORDIA PARISH SHERIFF  
Vidalia, Louisiana**

**General Purpose Financial Statements and  
Independent Auditor's Reports  
As of 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 2-16-05

CONCORDIA PARISH SHERIFF  
VIDALIA, LOUISIANA

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## **FINANCIAL SECTION**

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## INDEPENDENT AUDITORS' REPORT

Honorable Randy J. Maxwell  
Concordia Parish Sheriff  
Vidalia, Louisiana

We have audited the accompanying basic financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Concordia Parish Sheriff as of and for the year ended June 30, 2004, as listed in the table of contents. These basic financial statements are the responsibility of the Sheriff. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, major fund and the fiduciary funds of the Concordia Parish Sheriff as of June 30, 2004, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 2 to the basic financial statements, the Concordia Parish 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. This results in a change in the format and content of the basic financial statements.

Our audit was made for the purpose of forming an opinion on the general-purpose 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 general-purpose financial statements of the Concordia Parish Sheriff. Such information has been subjected to the auditing procedures applied in the examination of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Honorable Randy J. Maxwell  
Concordia Parish Sheriff  
Page Two

In accordance with *Government Auditing Standards*, we have also issued a report dated December 26, 2004 on our consideration of the Concordia Parish Sheriff's internal control structure and on its compliance with laws and regulations.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of the Concordia Parish Sheriff taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

Ferriday, Louisiana  
December 26, 2004

*Switzer, Hopkins & Marge*

CONCORDIA PARISH SHERIFF  
VIDALIA, LOUISIANA  
MANAGEMENT DISCUSSION & ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2004

## INTRODUCTION

The discussion and analysis (MD&A) of the Concordia Parish Sheriff's financial performance provides an overall narrative review of the Sheriff's financial activities for the year ended June 30, 2004. The intent of this discussion and analysis is to look at the Sheriff's performance as a whole; readers should also review the notes to the basic financial statements and the financial statements to enhance their understanding of the Sheriff's financial performance.

This discussion and analysis is a new element of required supplementary information specified in the "Governmental Accounting Standards Board's (GASB) Statement No. 34 – Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments" issued June 1999. Certain comparative information between the current year and the prior year is required to be presented. However, since this is the first year of implementation of the new reporting model contained in GASB Statement No. 34, the Statement permits the omission of prior year data in the year of implementation. The District has elected not to present comparative data.

The Concordia Parish Sheriff's office is located on Carter Street in Vidalia, Louisiana.

## FINANCIAL HIGHLIGHTS

The financial statements included in this report provide insight into the financial status for the year. Based upon the operations of the year ended June 30, 2004, the Concordia Parish Sheriff's net assets increased and resulted in ending net assets of \$10,725,239.

1. The beginning cash balance for the Concordia Parish Sheriff was \$ 6,860,349. The ending cash balance was \$6,617,995.
2. The Sheriff had \$10,593,483 in revenues, which primarily consisted of property taxes, grants, prisoner upkeep and interest income. There were \$10,181,615 in expenditures including depreciation of \$275,620.

## OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Concordia Parish Sheriff's basic financial statements. The Sheriff's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the Sheriff's finances, in a manner similar to a private-sector business.

The first of these government-wide financial statements is the statement of net assets. This presents information on all of the 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 Sheriff is improving or deteriorating.

CONCORDIA PARISH SHERIFF  
VIDALIA, LOUISIANA  
MANAGEMENT DISCUSSION & ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2004

The second government-wide statement is the statement of activities which presents information showing how the Sheriff's net assets changed during the most recent fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid.

**Fund Financial statements.** A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Sheriff uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Sheriff's most significant funds rather than the Sheriff as a whole.

The Sheriff has one fund:

Governmental funds are reported in the fund financial statements and encompass the same function reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the Sheriff's governmental funds, including object classifications. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the difference between these two perspectives. The basic governmental fund financial statements are presented on pages 13-17 of this report.

Fiduciary funds are reported in the fund financial statements and report taxes collected for other taxing bodies, deposits held pending a court action and the individual prison inmate accounts. The Sheriff only reports agency funds. The basic agency fund financial statement is presented on page 18 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the fund financial statements. The notes to the financial statements can be found on pages 19-30 of this report.

#### **FUND FINANCIAL ANALYSIS**

Net assets may serve as a useful indicator of a government's financial position. In the case of the Sheriff's, assets exceeded liabilities by \$10,725,239 as of June 30, 2004.

#### **Net Assets for the period ending June 30, 2004**

The current year's financial statements are dramatically different from past years as a result of implementing GASB 34. Attempting to compare this year's data with last year would be misleading to the reader; however the Sheriff looks forward to offering comparative data in the future.

CONCORDIA PARISH SHERIFF  
 VIDALIA, LOUISIANA  
 MANAGEMENT DISCUSSION & ANALYSIS (MD&A)  
 YEAR ENDED JUNE 30, 2004

The following is a condensed statement of the Concordia Parish Sheriff's net assets as of June 30, 2004:

Current Assets	\$ 6,974,103
Restricted Assets	398,268
Noncurrent Assets - Capital Assets	<u>4,804,510</u>
<b>Total Assets</b>	<u><u>12,176,881</u></u>
Current Liabilities	866,587
Long-term Liabilities	<u>585,055</u>
<b>Total Liabilities</b>	<u><u>1,451,642</u></u>
<b>Net Assets</b>	
Investment in capital assets, net of related debt	3,866,234
Unrestricted	<u>6,859,005</u>
<b>Total Net Assets</b>	<u><u>\$ 10,725,239</u></u>

A large portion of the Sheriff's net assets (\$3,866,234 or 36%) is its investment in capital assets such as equipment less related debt expended in the acquisition of those assets.

The remaining balance of the net assets (\$6,859,005 or 64%) may be used to pay current operating expenses and utility deposits.

The Sheriff has long-term debt of \$938,276 which was used to build the corrections facility in prior years. More information concerning this debt may be found on pages 27-28 of the notes to the financial statements. Total liabilities of \$1,451,642 are equal to 12 % of the total assets of the Sheriff.

The following is a summary of the statement of activities:

<b>Revenues:</b>	
Charges for services	\$ 7,321,335
General revenues	2,265,943
Grants	<u>1,006,205</u>
<b>Total revenues and transfers</b>	<u><u>10,593,483</u></u>

CONCORDIA PARISH SHERIFF  
 VIDALIA, LOUISIANA  
 MANAGEMENT DISCUSSION & ANALYSIS (MD&A)  
 YEAR ENDED JUNE 30, 2004

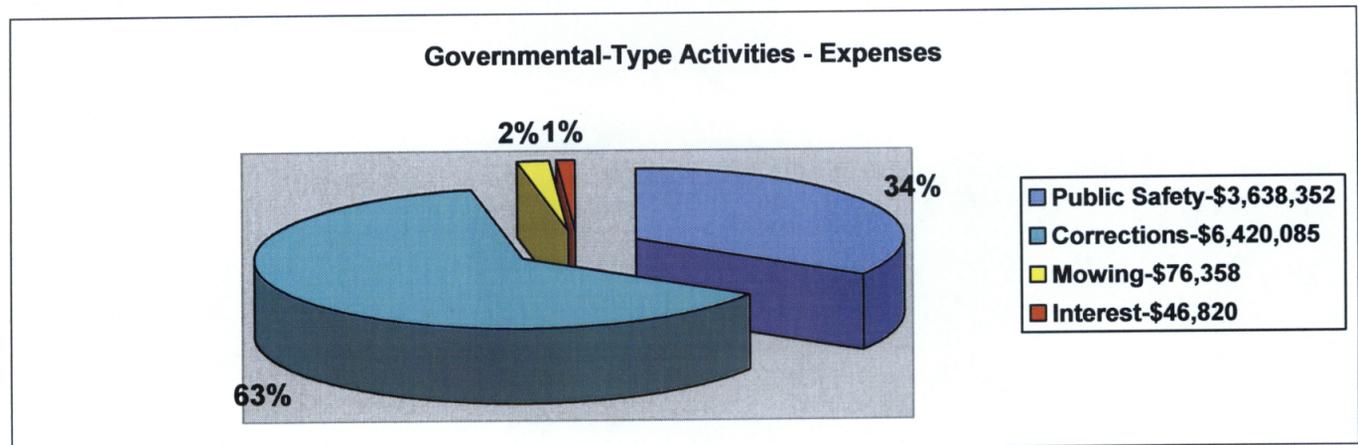
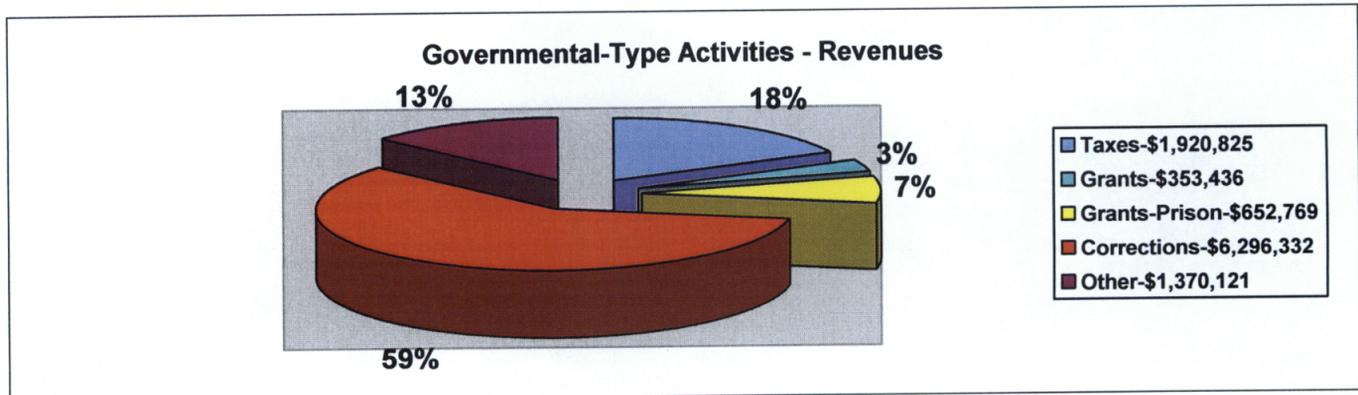
**Expenses:**

Operating expenses	10,134,795
Interest expenses	<u>46,820</u>
<b>Total expenses</b>	<u>10,181,615</u>
Increase in net assets	411,868
Net assets June 30, 2003	<u>10,313,371</u>
Net assets June 30, 2004	<u>\$ 10,725,239</u>

**Governmental Type Activities**

The Governmental-Type Activities of the Sheriff include revenues resulting from fines and fees charged, fees charged for the care of feeding of prisoners and contract fees for mowing and upkeep activities. It also includes grants for law enforcement activities and prison functions.

The following presents in graphs the information from the Statement of Activities for the Governmental-Type Activities:



CONCORDIA PARISH SHERIFF  
VIDALIA, LOUISIANA  
MANAGEMENT DISCUSSION & ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2004

The notes to the financial statements should be read to have a full understanding of the data in the government-wide financial statements.

**CAPITAL ASSETS AND DEBT**

As of June 30, 2004, the Sheriff had \$6,326,376 invested in capital assets with accumulated depreciation of \$1,521,867. The net capital assets were \$4,804,509.

As of June 30, 2004, the Sheriff had outstanding bonded indebtedness of \$938,276. Principal payments of \$353,221 are due to be paid during the next fiscal year. This debt consists of one issue which is secured by the correctional facility on Highway 15.

Issued 1997 at 4.25% interest, due monthly at  
\$33,246 including interest

\$ 938,276

**REQUEST FOR INFORMATION**

This financial report is designed to provide citizens, taxpayers, customers and creditors with a general overview of the Sheriff's finances and to show the Sheriff's accountability for the money it receives. Any questions about this report or request for additional information may be directed to Sandy Burget, Administrative Supervisor at (318) 336-5231.

**GOVERNMENT – WIDE FINANCIAL STATEMENTS (GWFS)**

CONCORDIA PARISH SHERIFF  
GOVERNMENT-WIDE FINANCIAL STATEMENTS  
STATEMENT OF NET ASSETS  
JUNE 30, 2004

ASSETS

Cash and Cash Equivalents	\$ 6,219,727
Accounts Receivable	50,862
Accrued Interest	26,271
Due from Other Governmental Units	640,564
Commodities Inventory	12,580
Prepaid Expenses	24,100
Restricted assets - cash	398,268
Capital assets - net	<u>4,804,509</u>
Total Assets	<u>\$ 12,176,881</u>

LIABILITIES

Accounts and Other Accrued Payables	335,869
Payroll and Related Liabilities	142,104
Long-term liabilities:	
Due within one year	388,614
Due after one year	<u>585,055</u>
Total Liabilities	<u>1,451,642</u>

NET ASSETS

Invested in Capital Assets, net of debt	3,866,234
Unrestricted	<u>6,859,005</u>
Total Net Assets	<u>\$ 10,725,239</u>

The accompanying notes are an integral part of the basic financial statements.

CONCORDIA PARISH SHERIFF  
GOVERNMENT-WIDE FINANCIAL STATEMENTS  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2004

	<u>Expenses</u>	<u>Program Revenues</u>	<u>Net (Expense) Revenues &amp; Changes in Net Assets Governmental Activities</u>
<u>Activities</u>	<u>Fines, Fees, &amp; Charges for Services</u>	<u>Operating Grants &amp; Contributions</u>	
Governmental Activities			
Public Safety	\$ 3,638,352	\$ 728,561	\$ (2,556,355)
Correctional	6,420,085	652,769	529,016
Grass Mowing	76,358	-	220,084
Interest on long-term debt	46,820	-	(46,820)
Total	<u>\$ 10,181,615</u>	<u>\$ 1,006,205</u>	<u>\$ (1,854,075)</u>

General Revenues:	
Taxes - Property	\$ 1,920,825
State Revenue Sharing	129,425
Interest Earnings	164,183
Miscellaneous	51,510
Total General Revenues	<u>2,265,943</u>
Change in Net Assets	411,868
Net Assets July 1, 2003 (Restated)	<u>10,313,371</u>
Net Assets June 30, 2004	<u>\$ 10,725,239</u>

The accompanying notes are an integral part of the basic financial statements.

**FUND FINANCIAL STATEMENTS (FSS)**

CONCORDIA PARISH SHERIFF  
BALANCE SHEET – GOVERNMENTAL FUND  
JUNE 30, 2004

<u>ASSETS</u>	
Cash and Cash Equivalents	\$ 6,219,727
Accounts Receivable	50,862
Accrued Interest Receivable	26,271
Due from Other Governmental Units	640,564
Commodities Inventory	12,580
Prepaid Expenses	24,099
Restricted assets - cash	<u>398,268</u>
Total Assets	<u>\$ 7,372,371</u>
 <u>LIABILITIES</u>	
Accounts and Other Accrued Payables	332,701
Payroll and Related Liabilities	<u>142,104</u>
Total Liabilities	<u>474,805</u>
 <u>FUND BALANCE</u>	
Reserved	398,268
Unrestricted	<u>6,499,298</u>
Total Fund Balance	<u>6,897,566</u>
 Total Assets and Fund Balance	 <u>\$ 7,372,371</u>

The accompanying notes are an integral part of the basic financial statements.

CONCORDIA PARISH SHERIFF  
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET  
TO THE STATEMENT OF NET ASSETS  
JUNE 30, 2004

Total Fund Balances for Governmental Funds \$ 6,897,566

Total Net Assets reported for governmental activities in  
the statement of net assets is different because:

Capital assets used in governmental activities are not  
financial resources and therefore are not reported in  
the funds. Those assets consist of:

Land	87,500
Building improvements, net of \$753,705 accumulated depreciation	3,684,010
Automobiles and equipment, net of \$768,162 accumulated depreciation	<u>1,033,000</u>
Total Capital Assets	<u>4,804,510</u>

Long-term liabilities, including compensated absences  
are not due and payable in the current period  
and therefore, are not reported in the governmental funds.

Accrued compensated absences	(35,393)
Notes payable	<u>(938,276)</u>
	<u>(973,669)</u>

Liabilities reported in statement of net assets not  
included in fund financial statements

(3,168)

Net Assets of Governmental Activities at June 30, 2004

\$ 10,725,239

The accompanying notes are an integral part of the basic financial statements.

CONCORDIA PARISH SHERIFF  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE – GOVERNMENTAL FUND  
FOR THE YEAR ENDED JUNE 30, 2004

REVENUES

Ad valorem taxes	\$	1,920,825
Intergovernmental revenues		
Federal funds:		
Grants		857,699
State funds:		
State revenue sharing		129,425
State supplemental pay		175,999
State grants		148,506
Mowing contract		356,207
Miscellaneous		260,400
Fees, charges and commissions:		
Hydro patrol		156,403
Sheriff's sales		47,033
Fines and forfeitures		19,490
Civil and criminal fees		60,981
Feeding and keeping prisoners-jail		101,005
Feeding and keeping prisoners-CPCF		5,828,631
Telephone commissions		147,869
Commissary sales		218,827
Interest income		164,183
Total revenues		10,593,483

EXPENDITURES

Public safety		
Personal services and related benefits		2,754,428
Operating services		643,344
Materials and supplies		19,497
Travel and other charges		109,463
Capital outlay		226,803
Total public safety		3,753,535

The accompanying notes are an integral part of the basic financial statements.

CONCORDIA PARISH SHERIFF  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE – GOVERNMENTAL FUND  
FOR THE YEAR ENDED JUNE 30, 2004

Correctional facility:	
Personal services and related benefits	4,821,602
Operating services	1,329,022
Materials and supplies	176,829
Capital outlay	255,088
Loan principal payments	<u>350,952</u>
Total correctional facility	<u>6,933,493</u>
Grass cutting contract:	
Operating services	43,391
Materials and supplies	12,056
Capital outlay	<u>19,258</u>
	<u>74,705</u>
(DEFICIENCY) OF REVENUES	
OVER EXPENDITURES	(168,250)
FUND BALANCE AT BEGINNING	
OF YEAR - RESTATED	<u>7,065,816</u>
FUND BALANCE AT END OF YEAR	<u>\$ 6,897,566</u>

The accompanying notes are an integral part of the basic financial statements.

CONCORDIA PARISH SHERIFF  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2004

Net change in Fund Balance at June 30, 2004 per Statement of Revenues, Expenditures and Changes in Fund Balance	\$ (168,250)
The change in Net Assets reported for Governmental Activities in the Statement of Activities is different because:	
Principal payments on loans	350,952
Governmental Funds report Capital Outlays as expenditures. However, in the Statement of Activities, the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital Outlay which is considered an expenditure in Statement of Revenues, Expenditures and Changes in Fund Balance	502,424
Depreciation Expense for the year ended June 30, 2004	(275,620)
Expenditures in Statement of Activities that do not involve current financial resources:	
Accrued interest expense	1,185
Deferred compensation	<u>1,177</u>
Changes in Net Assets at June 30, 2004 per Statement of Activities	<u>\$ 411,868</u>

The accompanying notes are an integral part of the basic financial statements.

CONCORDIA PARISH SHERIFF  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES – AGENCY FUNDS  
JUNE 30, 2004

	<u>SHERIFF'S FUNDS</u>	<u>TAX COLLECTOR FUND</u>	<u>INMATE FUND</u>	<u>TOTAL</u>
<u>ASSETS</u>				
Cash and cash equivalents	\$ 24,134	\$ 30,112	\$ 82,097	\$ 136,343
Accounts receivable	<u>82,532</u>	<u>14,833</u>	<u>-</u>	<u>97,365</u>
TOTAL ASSETS	<u>106,666</u>	<u>44,945</u>	<u>82,097</u>	<u>233,708</u>
 <u>LIABILITIES</u>				
Due to taxing bodies and others	<u>\$ 106,666</u>	<u>\$ 44,945</u>	<u>\$ 82,097</u>	<u>\$ 233,708</u>

The accompanying notes are an integral part of the basic financial statements.

CONCORDIA PARISH SHERIFF  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

INTRODUCTION

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 administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, and serving subpoenas.

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

As the ex-officio tax collector of the parish, the Sheriff is responsible for collecting and distributing ad valorem property taxes, state revenue sharing funds, fines, costs and bond forfeitures imposed by the district court.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The Sheriff is an independently elected official. The Concordia Parish Police Jury does maintain and operate the parish courthouse in which the sheriff's office is located. However, because the police jury does not provide significant assistance to the sheriff, which makes the sheriff fiscally independent of the police jury, the sheriff was determined not to be a component unit of the Concordia 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 financial reporting entity.

B. BASIS OF PRESENTATION

The accompanying basic financial statements of the Concordia Parish Sheriff have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standards setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments," issued in June 1999. As a result, an entirely new financial presentation format has been implemented.

Government-wide Financial Statements (GWFS)

The Statement of Net Assets and Statement of Activities display information about the reporting government as a whole. They include all funds of the Concordia Parish Sheriff, which are considered to be governmental activities. Fiduciary funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

CONCORDIA PARISH SHERIFF  
VIDALIA, LOUISIANA  
MANAGEMENT DISCUSSION & ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2004

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

The Statement of Activities presents a comparison between direct expenses and program revenues for each of the functions of the Sheriff's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of services offered by the Sheriff, and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements (FSS)

Fund financial statements of the Concordia Parish Sheriff are organized on the basis of funds, each of which is considered a separate accounting entity. The various funds are reported by generic *fund type in the financial statements*. Each fund operates with a group of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues and expenditures. Revenues are accounted for in the individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The following fund categories and fund types are used by the Sheriff.

Governmental Fund Type – Major

General Fund (Salary) – The General Fund is the principal fund of the Sheriff and is used to account for the operations of the Sheriff's office. This fund is used to account for the various *sources of revenue received by the Sheriff's office*. The Sheriff's primary source of revenue is an ad valorem tax levied for the law enforcement district and fees for maintenance of prisoners. Other sources of revenue include federal and state grants, mowing contracts, state revenue sharing, state supplemental pay for deputies, civil and criminal fees and fees for court attendance. General operating expenditures are paid from this fund.

Fiduciary Fund Type

Agency Funds – The Fines and Civil, Tax Collector, and Inmate Funds are used to account for assets held as an agent for others. Disbursements from these funds are made to various parish agencies, litigants in suits, etcetera, in the manner prescribed by law. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations and, accordingly, have no measurement focus.

CONCORDIA PARISH SHERIFF  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net assets and the statement of activities, governmental activities are presented using the economic resources measurement focus as defined in item b. below.

In the fund financial statements, the “current financial resources” measurement focus on the “economic resources” measurement focus is used as appropriated:

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The government-wide financial statements utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery) and financial position. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Fund equity is classified as net assets.

Basis of Accounting

In the government-wide statement of net assets and statement of activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

CONCORDIA PARISH SHERIFF  
VIDALIA, LOUISIANA  
MANAGEMENT DISCUSSION & ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2004

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

D. Assets, Liabilities and Equity

Cash and interest-bearing deposits

For purposes of the statement of net assets, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the Sheriff. Interest-bearing deposits are stated at cost, which approximates mark

Inventory

Inventory of the Sheriff's General Fund consists of food purchased by the Sheriff and commodities granted by various governmental agencies. The commodities are recorded as revenues when received; however, all inventory items are recorded as expenses when consumed. All purchased inventory items are stated at cost, which is determined by the first-in, first-out method.

Capital Assets

Capital assets, which include land, buildings, furniture, fixtures and equipment and vehicles, are reported in the governmental activities columns in the government-wide financial Statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available.

Receivables

All receivables are reported at their gross value and, where applicable, are reduced by the estimated portion that is expected to be uncollectible.

Long-Term Liabilities

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or statement of net assets.

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 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimate useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Vehicles	5 – 10 years
Buildings	20 – 40 years
Furniture, fixtures and equipment	5 – 20 years

CONCORDIA PARISH SHERIFF  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Compensated Absences

After one year of service, employees of the Sheriff's office receive five working days of noncumulative vacation leave. For each year thereafter, they receive a total of ten working days of noncumulative vacation leave. Employees receive the same number of cumulative sick leave days, which are not payable upon termination or retirement.

Equity Classifications

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

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

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved.

E. Revenues and Expenditures

Revenues

Ad valorem taxes and the related state revenue sharing are recorded in the year taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally 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.

CONCORDIA PARISH SHERIFF  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Interest on interest-bearing deposits is recorded or accrued as revenues when earned. Substantially all other revenues are recorded when received.

Expenditures

In the government-wide financial statements, expenses are classified by function. In the fund financial statements, expenditures are classified by character and function.

F. Use of Estimates

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

NOTE 2 – CHANGES IN ACCOUNTING PRINCIPLE AND RESTATEMENT OF FUND BALANCE

For the fiscal year ended June 30, 2004 the Concordia Parish Sheriff implemented Governmental Accounting Standards (GASB) Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*; GASB Statement No. 37, *Basic Financial Statements for State and Local Governments: Omnibus*; GASB Statement No. 38, *Certain Financial Statement Note Disclosures*; and GASB Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*.

At June 30, 2004, there was no effect on fund balances as a result of implementing GASB Statements 37 and 38.

GASB Statement No. 34, as amended by Statement No. 37, creates new basic financial statements for reporting on the Concordia Parish Sheriff’s financial activities. The financial statements now include government-wide financial statements prepared on the accrual basis of accounting and fund financial statements prepared on the modified accrual basis of accounting, which present information for individual major funds rather than by fund type. All funds were major funds.

The prior year net assets has been restated as follows to recognize capital assets abandoned prior to June 30, 2003 and to recognize the implementation of GASB 34 discussed in Note 1:

CONCORDIA PARISH SHERIFF  
 NOTES TO THE FINANCIAL STATEMENTS  
 JUNE 30, 2004

NOTE 2 – CHANGES IN ACCOUNTING PRINCIPLE AND RESTATEMENT OF FUND BALANCE-CONTINUED

Fund balance, beginning of year as previously reported	\$ 7,029,246
Prior period adjustments:	
Accrued compensated absences removed	36,570
Fund balance, beginning of year restated	7,065,816
Prior period adjustment - write off of abandoned assets	(412,394)
GASB 34 adjustments:	
Investment in capital assets, beginning of year	6,236,347
Accumulated depreciation, beginning of year	(1,246,247)
Accrued compensated absences, beginning of year	(36,570)
Accrued interest payable, beginning of year	(4,353)
Notes payable, beginning of year	(1,289,228)
Total GASB 34 adjustments	3,659,949
Net assets, beginning of year restated	\$ <u>10,313,371</u>

NOTE 3 – LEVIED TAXES

The Sheriff is the ex-officio tax collector of the parish and is responsible for the collection and distribution of ad valorem taxes. Ad valorem taxes attach as an enforceable lien on property as of January 1 of the following year. The taxes are based on assessed values determined by the Concordia Parish Tax Assessor and are collected by the Sheriff. The taxes are remitted to the appropriate taxing bodies net of deduction for assessor's compensation and pension fund contributions.

The following is a summary of Concordia Parish levied ad valorem taxes for 2004:

<u>DESCRIPTION</u>	<u>Levied Millage</u>	<u>Authorized Millage</u>	<u>Expiration Date</u>
Parish Tax:			
General Alimony Tax	2.78M	2.78M	N/A
Library	8.45M	8.45M	2008
Highway, Drainage and Building Upkeep	9.94M	9.94M	2007
Health Unit	.80M	.80M	2009
Assessor	1.98M	1.98M	N/A
Sheriff's Law Enforcement	8.62M	8.62M	N/A

CONCORDIA PARISH SHERIFF  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

NOTE 3 – LEVIED TAXES - CONTINUED

Sheriff's Special	12.00M	12.00M	2006
School Constitutional	3.08M	3.08M	2010
School New Construction	12.55M	13.00M	2010
School Maintenance	24.03M	24.43M	2012
Fifth Louisiana Levee District	3.86M	3.86M	N/A
Recreation District No. 1	2.74M	2.92M	2007
Recreation District No. 2	6.29M	6.29M	2007
Recreation District No. 3	3.89M	4.00M	2006
Fire District No. 1	3.15M	3.15M	2008
Fire District No. 2 Debt Service	2.40M	3.00M	2005
Fire District No. 2 Maintenance	6.75M	6.94M	2009
Forestry Tax	\$.08/Acre	\$.08/Acre	N/A

NOTE 4 – CASH AND CASH EQUIVALENTS

At June 30, 2004, the Sheriff has cash and cash equivalents, book balances, totaling \$6,351,030 as follows:

Petty cash	\$ 214
Interest-bearing demand deposits	1,602,467
Time deposits	<u>4,748,349</u>
Total	<u>\$ 6,351,030</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or 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. At June 30, 2004, the Sheriff had \$6,697,400 in deposits (collected bank balances). These deposits are secured from risk by \$411,801 of federal deposit insurance and \$6,285,599 of pledged securities held by the custodial bank in the name of the fiscal agent bank.

NOTE 5 – DUE FROM OTHER GOVERNMENT UNITS

Amounts due from other government units at June 30, 2004 were as follows:

United States Treasury:	Prisoner Upkeep	\$ 174,584
	Federal grants	241,700
State of Louisiana:	Prisoner Upkeep	218,280
	State grants	<u>6,000</u>
		<u>\$ 640,564</u>

CONCORDIA PARISH SHERIFF  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

NOTE 6 – CAPITAL ASSETS

A summary of the Concordia Parish Sheriff's capital assets follows:

	<u>Balance</u> <u>6/30/2003</u>	<u>Additions</u>	<u>Retirements</u>	<u>Prior</u> <u>Period</u> <u>Adjustment</u>	<u>Balance</u> <u>6/30/2004</u>
Capital assets not being depreciated					
Land	\$ 87,500	\$ -	\$ -	\$ -	\$ 87,500
Capital assets being depreciated					
Furniture, fixtures and equipment	1,807,744	318,311	-	(412,394)	1,713,661
Less accumulated depreciation	<u>-</u>	<u>(165,093)</u>	<u>-</u>	<u>(603,069)</u>	<u>(768,162)</u>
Total furniture, fixtures and equipment	<u>1,807,744</u>	<u>153,218</u>	<u>-</u>	<u>(1,015,463)</u>	<u>945,499</u>
Buildings and improvements	4,341,103	184,112	-	-	4,525,215
Less accumulated depreciation	<u>-</u>	<u>(110,527)</u>	<u>-</u>	<u>(643,178)</u>	<u>(753,705)</u>
Total buildings and improvements	<u>4,341,103</u>	<u>73,585</u>	<u>-</u>	<u>(643,178)</u>	<u>3,771,510</u>
Total other capital assets	<u>6,148,847</u>	<u>226,803</u>	<u>-</u>	<u>(1,658,641)</u>	<u>4,717,009</u>
Capital assets, net	<u>\$ 6,236,347</u>	<u>\$ 226,803</u>	<u>\$ -</u>	<u>\$ (1,658,641)</u>	<u>\$ 4,804,509</u>

Depreciation expense was charged to governmental activities as follows:

Public safety	\$ 140,636
Corrections	114,072
Grass mowing	<u>20,912</u>
Total	<u>\$ 275,620</u>

NOTE 7 – LONG-TERM LIABILITIES AND RESTRICTED ASSETS

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

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending</u> <u>Balance</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
Notes payable	\$ 1,289,228	\$ -	\$ 350,952	\$ 938,276	\$ 353,221
Compensated absences	<u>36,570</u>	<u>-</u>	<u>1,177</u>	<u>35,393</u>	<u>35,393</u>
Total	<u>\$ 1,325,798</u>	<u>\$ -</u>	<u>\$ 352,129</u>	<u>\$ 973,669</u>	<u>\$ 388,614</u>

CONCORDIA PARISH SHERIFF  
 NOTES TO THE FINANCIAL STATEMENTS  
 JUNE 30, 2004

NOTE 7 – LONG-TERM LIABILITIES AND RESTRICTED ASSETS - CONTINUED

Notes payable consist of a mortgage note secured by the correctional facility. The note is at 4.25% due in monthly installments of approximately \$33,246 through January 31, 2007.

The following is a summary of bond principal interest and maturity requirements:

Year Ended				
<u>June 30</u>	<u>Interest</u>	<u>Principal</u>	<u>Total</u>	
2005	\$ 45,736	\$ 353,221	\$ 398,957	
2006	24,882	374,075	398,957	
2007	<u>4,633</u>	<u>210,980</u>	<u>215,613</u>	
Total	<u>\$ 75,251</u>	<u>\$ 938,276</u>	<u>\$ 1,013,527</u>	

Bond Indenture Restrictions

The bond resolution provides certain requirements and restrictions that are being complied with. Those requirements are as follows:

1. There shall be established a paying agent account which contains an adequate balance to pay the following month's interest and principal.
2. There shall be established a reserve account with a balance of at least \$172,500.

The Sheriff is in compliance with these covenants. The following funds are restricted to comply with these terms of the Board resolution.

Paying agent cash	\$ 220,587
Reserve cash	<u>177,681</u>
Total restricted assets	<u>\$ 398,268</u>

NOTE 8 – PENSION PLAN

Substantially all employees of the Concordia Parish Sheriff's Office are members of the Louisiana Sheriff's Pension and Relief Fund (System), a multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees.

Plan Description – All sheriffs, deputies and other employees who are found to be physically fit, who earn at least \$400 to \$800 per month depending on year employed, and who were at least age 18 years or older at the time of original employment 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 a percentage of their final-average salary for each year of credited service. The percentage factor to be used for each year of service is 3.33 percent for each year of total service. In any case, 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.

CONCORDIA PARISH SHERIFF  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

**NOTE 8 – PENSION PLAN - CONTINUED**

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.

*Members are not required to make any contributions to the plan. The Concordia Parish Sheriff's Office is required to contribute at an actuarially determined rate. The combined rates range from 17.55% to 19.05% of annual covered payroll. The Concordia Parish Sheriff's Office contributions for the year ending June 30, 2004 were \$1,061,192.*

The Louisiana Sheriff Pension and Relief fund issues a publicly available Actuarial Valuation and required supplementary information. That information may be obtained by writing to Sheriff's Pension and Relief Fund, 6554 Florida Blvd., Suite 215, Baton Rouge, LA 70806 or by calling (800) 586-9049.

**NOTE 9 – POST RETIREMENT BENEFITS**

The Concordia Parish Sheriff provides group health, dental and life insurance benefits to retirees who are at least 55 years of age and who are entitled to receive benefits from the Louisiana Sheriff's Pension and Relief Fund. The fiscal year cost of these benefits, which were established by legislative act in the year 2001, was \$3,545. The retired employees are not required to contribute any of the cost of this benefit. At June 30, 2004, one retired employee was a participant.

**NOTE 10 – CHANGES IN FIDUCIARY FUND TYPE – AGENCY FUND BALANCES**

The following is a summary of changes in agency fund unsettled balances for the year ended June 30, 2004:

<u>Funds</u>	<u>Balance</u> <u>July 1, 2003</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2004</u>
Sheriff's	\$ 101,397	\$ 876,222	\$ 870,953	\$ 106,666
Tax Collector	29,877	9,879,241	9,864,173	44,945
Inmate	176,499	787,581	881,983	82,097
	<u>\$ 307,773</u>	<u>\$11,543,044</u>	<u>\$11,617,109</u>	<u>\$ 233,708</u>

**NOTE 11 – EXPENDITURES OF THE SHERIFF'S OFFICE PAID BY THE PARISH POLICE JURY**

The Sheriff's office is located in the parish courthouse. Expenditures for operation and maintenance of the parish courthouse, as required by state statute, are paid by the Concordia Parish Police Jury and are not included in the accompanying financial statements.

CONCORDIA PARISH SHERIFF  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

NOTE 12 – LITIGATION

The Sheriff's Office is involved in various litigation at June 30, 2004. It is not possible at present for the Concordia Parish Sheriff's legal counsel to predict the outcome or the range of potential loss, if any, that may result from those actions. No provision for any liability that may result has been made in the financial statements, but the lawsuits are considered to be within the Sheriff's insurance limits and therefore should not have any effect on its financial statements. The Concordia Parish Sheriff is not aware of any claims or assessments that should be reflected in the accompanying financial statements.

NOTE 13 – RISK MANAGEMENT

The Concordia Parish Sheriff is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees, and natural disasters. The Sheriff maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Sheriff.

**REQUIRED SUPPLEMENTARY INFORMATION**

CONCORDIA PARISH SHERIFF  
 BUDGETARY COMPARISON SCHEDULE – GENERAL FUND  
 YEAR ENDED JUNE 30, 2004

	<u>BUDGET</u>		<u>ACTUAL</u>	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>ACTUAL</u>
<b>REVENUES</b>				
Ad valorem taxes	\$ 1,984,083	\$ 1,920,825	\$ 1,920,825	\$ -
Intergovernmental revenues				
Federal Fund:				
Grants	438,671	886,130	857,699	(28,431)
State Funds:				
State revenue sharing	121,592	143,525	129,425	(14,100)
State supplemental pay	165,000	182,500	175,999	(6,501)
State and other grants	89,375	142,750	148,506	5,756
Mowing contract	326,086	415,495	356,207	(59,288)
Miscellaneous	252,540	251,500	260,400	8,900
Fees, charges and commissions:				
Hydro patrol	-	156,000	156,403	403
Sheriff's sales	36,667	47,100	47,033	(67)
Fines and forfeitures	16,500	18,000	19,490	1,490
Civil and criminal fees	60,041	61,500	60,981	(519)
Feeding and keeping prisoners-jail	64,167	70,000	101,005	31,005
Feeding and keeping prisoners-CPCF	4,456,833	6,309,600	5,828,631	(480,969)
Telephone commissions	110,000	125,000	147,869	22,869
Commissary sales	214,500	250,000	218,827	(31,173)
Interest income	81,124	155,425	164,183	8,758
Total revenues	<u>8,417,179</u>	<u>11,135,350</u>	<u>10,593,483</u>	<u>(541,867)</u>
<b>EXPENDITURES</b>				
Public safety	4,036,284	4,309,839	3,753,535	556,304
Correctional facility	3,867,668	6,689,451	6,933,493	(244,042)
Grass mowing contract	82,500	118,860	74,705	44,155
	<u>7,986,452</u>	<u>11,118,150</u>	<u>10,761,733</u>	<u>356,417</u>
(Deficiency) of revenues over expenditures	430,727	17,200	(168,250)	(185,450)
Fund balance, beginning (restated)	<u>7,065,816</u>	<u>7,065,816</u>	<u>7,065,816</u>	<u>-</u>
Fund balance, ending	<u>\$ 7,496,543</u>	<u>\$ 7,083,016</u>	<u>\$ 6,897,566</u>	<u>\$ (185,450)</u>

The accompanying notes are an integral part of the basic financial statements.

## CONCORDIA PARISH SHERIFF

### NOTE TO BUDGETARY COMPARISON SCHEDULE FOR THE YEAR ENDED JUNE 30, 2004

#### General Budget Policies

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 Concordia Parish Sheriff's office during the month of June for comments from taxpayers. 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.

#### Budget Basis of Accounting

All governmental funds' budgets are prepared on the cash basis of accounting. Budgeted amounts are as originally adopted or as amended by the Sheriff. Legally, the Sheriff must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Sheriff to amend its budgets when revenues plus projected revenues *within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more.*

# SWITZER, HOPKINS & MANGE

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## REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Honorable Randy J. Maxwell  
Concordia Parish Sheriff  
Vidalia, Louisiana

We have audited the basic financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Concordia Parish Sheriff, Vidalia Louisiana as of and for the year ended June 30, 2004, and have issued our report thereon dated December 26, 2004. We have conducted our audit in accordance with standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the Louisiana Governmental Audit Guide.

### Compliance

As part of obtaining reasonable assurance about whether Concordia Parish Sheriff's basic financial statements are free of material misstatement, we 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 statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed two instances of noncompliance that is required to be reported under *Government Auditing Standards*. The reportable condition is described in the accompanying schedule of findings and questioned costs as items 2004-1 and 2004-2.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Concordia Parish Sheriff's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide assurance on the internal control over financial reporting. Our 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

Honorable Randy J. Maxwell  
Concordia Parish Sheriff  
Page Two

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 basic 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information and use of the Concordia Parish Sheriff and the Legislative Auditor of the State of Louisiana.

Ferriday, Louisiana  
December 26, 2004

*Switzer, Hopkins & Manger*

**SCHEDULE OF FINDINGS AND  
QUESTIONED COSTS**

CONCORDIA PARISH SHERIFF

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

Summary of Audit Results

1. The auditor's report expresses an unqualified opinion on the Basic Financial Statements.
2. No reportable conditions were disclosed during the audit of the financial statements reported in the Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
3. Two instances of noncompliance with certain laws and regulations of the Concordia Parish Sheriff were disclosed during the audit.

Findings – Financial Statement Audit

*Reportable Conditions*

2004-1 ITEMIZED REPORTS OF EXPENDITURES

Louisiana Revised Statute 42:283 – 286 requires that certain reports be made within 30 days of the close of the fiscal year to the Clerk of Court and the Police Jury. These reports should include salaries and other classifications of expenses and specific salaries of each employee. The Concordia Parish Sheriff did not comply with these statutes.

We recommend that the Concordia Parish Sheriff file these reports to the Police Jury and the Clerk of Court within 30 days of the year end beginning next year. For the year we recommend that the reports be filed as soon as possible.

See response attached.

2004-2 LATE FILING OF AUDIT REPORT

Louisiana Revised Statute 24:513 requires that this audit be completed by December 31, 2004. It was completed in January 2005. This is a violation of State law.

We recommend that in future years the audit report be completed within the time allowed by State law.

See response attached.

CONCORDIA PARISH SHERIFF

Summary of Schedule of Prior Audit Findings  
June 30, 2003

Findings – Financial Statement Audit

Reportable Conditions

2003-1 ITEMIZED REPORTS OF EXPENDITURES

Louisiana Revised Statute 42:283 – 286 requires that certain reports be made within 30 days of the close of the fiscal year to the Clerk of Court and the Police Jury. These reports should include salaries and other classifications of expenses and specific salaries of each employee. The Concordia Parish Sheriff did not comply with these statutes.

This finding still applies and is reported in the current audit as finding 2004-1.

2003-2 CIVIL DEPARTMENT GENERAL LEDGER

We noted during the audit that the civil department general ledger did not properly close at the end of the prior year. As a result the general ledger was out of balance during the entire year by approximately \$265,300. The problem was detected by your personnel and an attempt was made to have the software provider make a correction. However the problem was never corrected.

As a result of this problem the financial statements prepared for the civil department were incorrect all year. This indicated an internal control problem.

We recommend that you contact the software provider and have them correct this problem. A maintenance contract with them provides for them to correct problems such as this. We recommend they perform as the contract provides.

This finding has been corrected and does not apply to the year ended June 30, 2004.

**RESPONSE**



Randy Maxwell, Sheriff

# CONCORDIA PARISH SHERIFF'S OFFICE

4001 Carter Street, Room 7  
318-336-5231

Vidalia, LA 71373  
318-336-5021 Fax

January 19, 2005

Mr. Myles Hopkins  
Switzer, Hopkins & Mange  
P.O. Box 478  
Ferriday, LA 71334

RE: Schedule of Findings and Questioned Costs and Response  
Year End June 30, 2003

Dear Myles:

In response to the findings on the General Purpose Financial Statement referenced above  
Please note the following:

## **2004-1 ITEMIZED REPROTS OF EXPENDITURES**

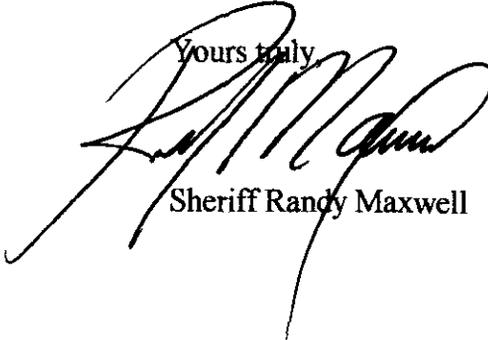
The Concordia Parish Sheriff's audit reports are available for the public to review. copies of the financial statements are provided to the Concordia Parish Clerk of Court and the Concordia Parish Police Jury. Specific requirement that the names of employees and their salaries be disclosed is a violation of Federal privacy laws. Names of employees and their salaries are provided to the public upon request.

## **2004-2 LATE FILING OF AUDIT REPORT**

Louisiana Revised Statute 24:513 require that the annual audit be completed by December 31, 2004. GASB 34 requirements has delayed the audit being completed by the time allowed by the State.

Should you have any questions concerning this information please contact me.

Yours truly,

  
Sheriff Randy Maxwell

**SINGLE AUDIT ACT REPORTS**

# SWITZER, HOPKINS & MANGE

Certified Public Accountants

POST OFFICE BOX 478  
FERRIDAY, LOUISIANA 71334

DENNIS R. SWITZER, CPA  
H. MYLES HOPKINS, CPA  
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1840 NORTH E.E. WALLACE BLVD.  
FERRIDAY, LOUISIANA 71334  
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OFFICES IN NATCHEZ, MISSISSIPPI

## REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Honorable Randy J. Maxwell  
Concordia Parish Sheriff  
Vidalia, Louisiana

### Compliance

We have audited the compliance of the Concordia Parish Sheriff, Vidalia, Louisiana with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2004. The Concordia Parish Sheriff's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Concordia Parish Sheriff management. Our responsibility is to express an opinion on the Concordia Parish Sheriff's compliance based on our audit.

We conducted our audit of compliance in accordance with standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the comptroller General of the United States and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform that audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Concordia Parish Sheriff's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Concordia Parish Sheriff's compliance with those requirements.

Honorable Randy J. Maxwell  
Concordia Parish Sheriff  
Page Two

In our opinion, the Concordia Parish Sheriff complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2004.

#### Internal Control Over Compliance

The management of the Concordia Parish Sheriff is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Concordia Parish Sheriff's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

*Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control 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 noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.*

#### Schedule of Expenditures of Federal Awards

We have audited the general purpose financial statements of the Concordia Parish Sheriff as of and for the year ended June 30, 2004 and have issued our report thereon dated December 26, 2005. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

This report is intended for the information of management, federal awarding agencies and the Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

Ferriday, Louisiana  
December 26, 2004

*Switzer, Hopkins & Mang*

CONCORDIA PARISH SHERIFF  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED JUNE 30, 2004

<u>Federal Grantor Pass-through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
United States Department of Justice		
Law Enforcement Block Grant	16.592	\$ 1,618
COPS In School	16.711	38,007
Domestic Violence	16.575	54,703
Drug Rehabilitation (RSAT)	16.593	353,436
Enhanced Job Skills	16.579	71,442
Multijurisdictional Task Force	16.579	37,457
Probation Program	16.593	5,800
90 Day Drug Program	16.586	<u>295,236</u>
Total expenditures of Federal Awards		<u>\$ 857,699</u>

CONCORDIA PARISH SHERIFF  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS – SINGLE AUDIT  
 FOR THE YEAR ENDED JUNE 30, 2004

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of auditor’s report issued: Unqualified

Internal control over financial reporting:

- Material weakness identified?  Yes  No
- Reportable condition identified that is not considered to be material weaknesses?  Yes  No

Noncompliance material to financial statements noted?  Yes  No

Federal Awards

Internal control over major programs:

- Material weakness identified?  Yes  No
- Reportable conditions identified that is not considered to be material weaknesses?  Yes  No

Type of auditor’s report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?  Yes  No

Identification of major programs:

<i>CFDA Numbers</i>	<i>Name of Federal Program or Cluster</i>
1 16.586	<b>Department of Justice - 90 Day Program</b>

Dollar threshold used to distinguish between type A and type B programs: \$ 500,000

Auditee qualified as low-risk auditee?  Yes  No

CONCORDIA PARISH SHERIFF  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – SINGLE AUDIT  
FOR THE YEAR ENDED JUNE 30, 2004

SECTION II –Federal Award Findings and Questioned Costs

Major Program No. 1

- |                                      |  |
|--------------------------------------|--|
| ▪ Information on the federal program | Department of Justice – 90 Day Program<br>16.586 |
| ▪ Criteria or specific requirement   | Circular A-133                                   |
| ▪ Condition                          | N/A  |
| ▪ Questioned costs                   | N/A  |
| ▪ Context                            | N/A  |
| ▪ Effect                             | N/A  |
| ▪ Cause                              | N/A  |
| ▪ Recommendation                     | N/A  |
| ▪ Management’s response              | N/A  |