

3082

RECEIVED  
SEP 18 2006

06 SEP 18 AM 11:03

**EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana**

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

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

Release Date 9/20/06

**MARY JO FINLEY, CPA, INC.**  
**A PROFESSIONAL CORPORATION**

RECEIVED

06 SEP 18 AM 11:03

**EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana**

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

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

Release Date 9/20/06

**MARY JO FINLEY, CPA, INC.**  
**A PROFESSIONAL CORPORATION**

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

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

C O N T E N T S

	<u>Page No.</u>
<b>Independent Auditor's Report</b>	3
<b>Required Supplemental Information (Part I)</b>	
Management's Discussion and Analysis	6
<b>Basic Financial Statements</b>	
	<u>Statement</u> <u>Page No.</u>
Government-Wide Financial Statements:	
Statement of Net Assets	A      12
Statement of Activities	B      13
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	C      14
Reconciliation of the Governmental Funds Balance Sheet to The Financial Statement of Net Assets	15
Statement of Revenues, Expenditures, and Changes in Fund Balances	D      16
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, And Changes in Fund Balances to the Statement of Activities	18
Fiduciary - Agency Funds - Statement of Fiduciary Net Assets	E      19
Notes to the Financial Statements	20

C O N T E N T S (CONTD.)

	<u>Schedule</u>	<u>Page No.</u>
<b>Required Supplemental Information (Part II):</b>		
Budget Comparison Schedules:		
General Fund	1	34
East Carroll Detention Center Fund	2	36
Riverbend Detention Center Fund	3	37
Riverbend Detention Commissary Fund	4	38
Note to Budgetary Comparison Schedule		39
<b>Other Supplemental Schedules (Part III):</b>		
Special Revenue Fund Types:		
Combining Balance Sheet	5	42
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	6	43
Fiduciary Fund Type - Agency Funds- Combining Schedule of Changes in Unsettled Deposits	7	45
<b>Independent Auditor's Report Required by     Government Auditing Standards (Part IV):</b>		
Report on Compliance and Internal Control over Financial Reporting		49
Schedule of Findings and Questioned Costs	8	51
Summary Schedule of Prior Audit Findings	9	52
Agency Corrective Action Plan		53

### **Independent Auditor's Report**

#### **EAST CARROLL PARISH SHERIFF**

Lake Providence, Louisiana

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

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

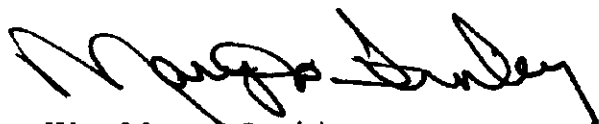
In my opinion, the basic financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the East Carroll Parish Sheriff as of June 30, 2006, and the changes in its financial position for the year then ended, in conformity with U.S. generally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

Management's discussion and analysis, and supplementary information on pages 6 through 10 and 34 through 39, respectively are not a required part of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information and reviewing the source of selected information. However, I did not audit the information and express no opinion on it.

My audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the basic financial statements of the East Carroll 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.

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana  
Independent Auditor's Report,  
June 30, 2006

In accordance with *Government Auditing Standards*, I have also issued a report dated September 5, 2006, on my consideration of the East Carroll 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  
September 5, 2006

**REQUIRED SUPPLEMENTARY INFORMATION**  
**PART I**

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

**Management's Discussion and Analysis**  
June 30, 2006

As management of the East Carroll Parish Sheriff, I offer readers of the East Carroll Parish Sheriff's financial statements this narrative overview and analysis of the financial activities of the East Carroll Parish Sheriff for the fiscal year ended June 30, 2006. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

**Overview of the Financial Statements**

This Management Discussion and Analysis document introduces the Sheriff's basic financial statements. The annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (Government-wide Financial Statements) provide information about the financial activities as a whole and illustrate a longer-term view of the Sheriff's finances. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund (Fund Financial Statements) tell how these services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the operations in more detail than the Government-Wide Financial Statements by providing information about the most significant funds. This report also contains other supplementary information in addition to the basic financial statements themselves.

Our auditor has provided assurance in her independent auditor's report that the Basic Financial Statements are fairly stated. The auditor, regarding the Required Supplemental Information and the Supplemental Information is providing varying degrees of assurance. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

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

The *statement of net assets* presents information on all of the East Carroll 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 East Carroll 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 East Carroll 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 East Carroll 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 East Carroll Parish Sheriff adopts an annual appropriated budget for the general fund and the special revenue funds. A budgetary comparison statement is provided for the major funds to demonstrate compliance with these budgets.

**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 East Carroll 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 East Carroll 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 East Carroll Parish Sheriff exceeded liabilities by \$2,342,582. The largest portion of the East Carroll Parish Sheriff's net assets reflects its investment in capital assets (furniture and equipment), less any related debt used to acquire those assets that is still outstanding. These assets are not available for future spending. Although the investment in capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources.

The balance in unrestricted net assets is affected by two factors: 1) resources expended, over time, by the East Carroll Parish Sheriff to acquire capital assets from sources other than internally generated funds (i.e., debt), and 2) required depreciation on assets having been included in the statement of net assets.

STATEMENT OF NET ASSETS

	<u>2006</u>	<u>2005</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$1,080,927	\$914,469
Investments	100,680	100,515
Receivables	1,079,152	907,544
Prepaid expenses		1,497
Inventory	31,661	
Due from other funds	364	1,961
Utility deposit	310	310
Capital assets (net of accumulated depreciation)	<u>1,457,630</u>	<u>1,574,810</u>
<b>TOTAL ASSETS</b>	<b><u>\$3,750,724</u></b>	<b><u>\$3,501,106</u></b>
<b>LIABILITIES</b>		
Accounts payable	\$424,647	\$458,294
Salaries payable	121,973	94,057
Due to other funds	586	48
Due to others - sheriff	2,852	
Deposits held for others	100,000	100,000
Deferred revenue	17,578	17,578
Interest payable	6,769	7,909
Leases payable	37,718	57,369
Long-term liabilities:		
Due within one year	202,897	154,897
Due in more than one year	<u>493,122</u>	<u>744,019</u>
<b>TOTAL LIABILITIES</b>	<b><u>1,408,142</u></b>	<b><u>1,634,171</u></b>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	1,008,893	951,525
Reserved for:		
Inventory	31,661	
Revenue bonds	181,908	181,908
Certificates of indebtedness	119,455	119,455
Unrestricted	<u>1,000,665</u>	<u>1,565,572</u>
<b>TOTAL NET ASSETS</b>	<b><u>\$2,342,582</u></b>	<b><u>\$1,866,935</u></b>

STATEMENT OF ACTIVITIES

	<u>2006</u>	<u>2005</u>
Public safety:		
Personal services	\$5,995,336	\$5,388,658
Operating services	2,911,481	2,729,420
Materials and supplies	1,611,316	1,375,530
Travel	424,681	114,799
Debt service - interest	49,223	57,458
Depreciation expense	<u>149,082</u>	<u>131,119</u>
Total Program Expenses	<u>11,141,119</u>	<u>9,796,984</u>
Program revenues:		
Commissions on license and taxes	35,753	23,953
Civil and criminal fees	106,196	81,973
Court attendance	3,196	3,654
Feeding prisoners	9,124,178	8,486,175
Tax notices	9,370	15,110

Bond fees	\$10,374	
Off duty witness fees	350	\$15,171
Total program revenues	<u>9,289,417</u>	<u>8,626,036</u>
Net Program Expenses	<u>(1,851,702)</u>	<u>(1,170,948)</u>
General revenues:		
Taxes		
Ad valorem	304,614	283,279
Sales tax	469,474	216,422
Grants and contributions not restricted to specific programs:		
Federal sources	51,010	62,590
State sources		
State revenue sharing (net)	42,299	42,193
State supplemental pay	54,899	50,066
Other state grants	152,168	154,382
Local sources	8,776	4,769
Interest earned	65,547	26,669
Miscellaneous	1,152,361	636,175
Special items:		
Proceeds from insurance	26,220	
Gain (Loss) on sale of assets	<u>(19)</u>	<u>83,956</u>
Change in Net Assets	475,647	389,553
Net Assets - Beginning of year	<u>1,866,935</u>	<u>1,477,382</u>
Net Assets - End of year	<u>\$2,342,582</u>	<u>\$1,866,935</u>

### Financial Analysis of the Government's Funds

As noted earlier, the East Carroll Parish Sheriff uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of June 30, 2006, combined governmental fund balances of \$1,625,458 showed an increase of \$369,139 over June 30, 2005. The General Fund's portion of the unreserved, undesignated fund balance of \$525,774 shows an increase (of approximately \$303,188) from the prior year amount. The East Carroll Detention Center's portion of the unreserved, undesignated fund balance of \$327,615 shows a decrease (of approximately \$106,421) from the prior year amount. The Riverbend Detention Center's portion of the unreserved, undesignated fund balance of \$354,600 shows an increase (of approximately \$145,542) from the prior year amount.

### General Fund Budgetary Highlights

Differences in the General Fund's original budget and the final budget for revenues were due primarily to an increase in ad valorem taxes, proceeds from insurance and transfers in. The differences in expenditures between the original budget and the final budget was an increase in personal services and benefits, operating services, and materials and supplies, and a decrease in capital outlay.

Differences between East Carroll Parish Detention Center's original budget and the final budget for revenues were due to an increase in other revenue and transfers in. The differences in expenditures between the

original budget and the final budget were an increase in personal services and benefits, operating services, materials and supplies, and capital outlay, and an increase in transfers out.

Differences between Riverbend Detention Center's original budget and the final budget for revenues were due primarily to an increase in state feeding and keeping prisoners and other revenues, and a decrease in parish feeding and keeping prisoners. The differences in expenditures between the original budget and the final budget were an increase in transfers to the Sheriff's general fund, personal services and benefits, operating services and materials and supplies.

### **Capital Asset and Debt Administration**

**Capital assets.** The East Carroll Parish Sheriff's investment in capital assets for its governmental activities as of June 30, 2006, amounts to \$1,457,630 (net of accumulated depreciation). This investment includes buildings, furniture and equipment. The increase in capital assets for the year was \$32,641. There were \$22,890 in deletions for the year

**Long-term debt.** At the end of the fiscal year, East Carroll Parish Sheriff has total leases outstanding of \$37,718. During the year, \$19,651 of debt was paid in accordance with the debt agreement.

The East Carroll Sheriff also has revenue bonds outstanding of \$411,019. During the year, \$154,897 of debt was paid in accordance with the agreement. The East Carroll Sheriff has certificates of indebtedness outstanding of \$285,000. During the year, \$48,000 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 East Carroll 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 East Carroll Parish Sheriff, P.O. Box 246, Lake Providence LA 71254.

September 5, 2006

**BASIC FINANCIAL STATEMENTS**

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

STATEMENT OF NET ASSETS  
June 30, 2006

**ASSETS**

Cash and cash equivalents	\$1,080,927
Investments	100,680
Receivables	1,079,152
Inventory	31,661
Due from other funds	364
Utility deposit	310
Capital assets (net of accumulated depreciation)	<u>1,457,630</u>
<b>TOTAL ASSETS</b>	<b><u>3,750,724</u></b>

**LIABILITIES**

Accounts payable	424,647
Salaries payable	121,973
Due to other funds	586
Due to others - sheriff	2,852
Deposits held for others	100,000
Deferred revenue	17,578
Interest payable	6,769
Leases payable	37,718
Long-term liabilities:	
Due within one year	202,897
Due in more than one year	<u>493,122</u>
<b>TOTAL LIABILITIES</b>	<b><u>1,408,142</u></b>

**NET ASSETS**

Invested in capital assets, net of related debt	1,008,893
Restricted for:	
Inventory	31,661
Revenue bonds	181,908
Certificates of indebtedness	119,455
Unrestricted	<u>1,000,665</u>
<b>TOTAL NET ASSETS</b>	<b><u>\$2,342,582</u></b>

The accompanying notes are an integral part of this statement.

## Statement B

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana  
STATEMENT OF ACTIVITIES  
June 30, 2006

Public safety:	
Personal services	\$5,995,336
Operating services	2,911,481
Materials and supplies	1,611,316
Travel	424,681
Debt service - interest	49,223
Depreciation expense	149,082
Total Program Expenses	<u>11,141,119</u>
Program revenues:	
Commissions on licenses and taxes	35,753
Civil and criminal fees	106,196
Court attendance	3,196
Feeding prisoners	9,124,178
Tax notices, etc.	9,370
Bond fees	10,374
Off duty witness fees	350
Total program revenues	<u>9,289,417</u>
Net Program Expenses	(1,851,702)
General revenues:	
Taxes:	
Ad Valorem	304,614
Sales	469,474
Grants and contributions not restricted to specific programs:	
Federal sources	51,010
State sources:	
State revenue sharing (net)	42,299
State supplemental pay	54,899
Other state grants	152,168
Local sources	8,776
Interest earned	65,547
Miscellaneous	1,152,361
Special items:	
Proceeds from insurance	26,220
Loss on sale of assets	<u>(19)</u>
Change in Net Assets	475,647
<b>NET ASSETS</b>	
Beginning of year	<u>1,866,935</u>
End of year	<u><u>\$2,342,582</u></u>

The accompanying notes are an integral part of this statement.

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana  
GOVERNMENTAL FUNDS

Balance Sheet, June 30, 2006

	-----Major Funds-----				OTHER GOVERN- MENTAL FUNDS	TOTAL
	GENERAL FUND	EAST CARROLL DETENTION CENTER	RIVERBEND DETENTION CENTER	RIVERBEND DETENTION COMMISSARY		
<b>ASSETS</b>						
Cash and cash equivalents	\$191,673	\$345,988	\$77,649	\$285,577	\$180,040	\$1,080,927
Investments			100,680			100,680
Receivables	81,038	372,919	621,449	2,677	1,069	1,079,152
Due from other funds	410,776	250,000	16,095	41	100,000	776,912
Inventory			31,661			31,661
Utility deposit			310			310
<b>TOTAL ASSETS</b>	<u>\$683,487</u>	<u>\$968,907</u>	<u>\$847,844</u>	<u>\$288,295</u>	<u>\$281,109</u>	<u>\$3,069,642</u>
<b>LIABILITIES AND FUND EQUITY</b>						
Liabilities:						
Accounts payable	\$15,595	\$149,271	\$258,151	\$1,208	\$422	\$424,647
Salaries payable	21,688	55,986	44,299			121,973
Due to other funds	100,000	436,035	90,794	150,305		777,134
Due to others - sheriff	2,852					2,852
Deposits held for others			100,000			100,000
Deferred revenues	17,578					17,578
<b>Total Liabilities</b>	<u>157,713</u>	<u>641,292</u>	<u>493,244</u>	<u>151,513</u>	<u>422</u>	<u>1,444,184</u>
Fund Equity:						
Reserved for inventory			31,661			31,661
Reserved for debt service:						
Revenue bonds		181,908				181,908
Certificates of indebtedness		103,593	15,862			119,455
Fund balance - unreserved - undesignated	525,774	42,114	307,077	136,782	280,687	1,292,434
<b>Total Fund Equity</b>	<u>525,774</u>	<u>327,615</u>	<u>354,600</u>	<u>136,782</u>	<u>280,687</u>	<u>1,625,458</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>\$683,487</u>	<u>\$968,907</u>	<u>\$847,844</u>	<u>\$288,295</u>	<u>\$281,109</u>	<u>\$3,069,642</u>

The accompanying notes are an integral part of this statement.



EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

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

For the Year Ended June 30, 2006

Total Fund Balances at June 30- Governmental Funds (Statement C)		<u>\$1,625,458</u>
Cost of capital assets at June 30	\$2,349,575	
Less: Accumulated depreciation as of June 30	<u>(891,945)</u>	1,457,630
Elimination of interfund assets and liabilities:		
Due from other funds	776,548	
Due to other funds	<u>(776,548)</u>	
Long-term liabilities at June 30:		
Revenue bonds payable	411,019	
Certificates of indebtedness payable	285,000	
Lease payable	37,718	
Accrued interest payable	<u>6,769</u>	(740,506)
Net Assets at June 30 (Statement A)		<u>\$2,342,582</u>

The accompanying notes are an integral part of this statement.

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana  
GOVERNMENTAL FUND TYPE

Statement of Revenues, Expenditures, and  
Changes in Fund Balance

For the Year Ended June 30, 2006

	-----Major Funds-----					TOTAL
	GENERAL FUND	EAST CARROLL DETENTION CENTER	RIVERBEND DETENTION CENTER	RIVERBEND DETENTION COMMISSARY	OTHER GOVERN- MENTAL FUNDS	
Taxes :						
Ad valorem	\$304,614					\$304,614
Sales tax	469,474					469,474
Intergovernmental revenues:						
Federal grants	41,610	\$9,400				51,010
State grants:						
Feeding prisoners		3,541,174	\$5,194,727			8,735,901
State revenue sharing (net)	42,299					42,299
State supplemental pay	54,899					54,899
Other state grants	27,508	124,660				152,168
Local grants	8,776					8,776
Fees, charges, and commissions for services:						
Commissions on licenses and taxes	35,753					35,753
Civil and criminal fees	106,196					106,196
Court attendance	3,196					3,196
Feeding prisoners			388,277			388,277
Tax notices, etc.	9,370					9,370
Bond fees	10,374					10,374
Off duty witness fees	350					350
Use of money and property	18,118	16,037	12,946	\$10,823	\$7,623	65,547
Other revenues	17,161	852,912	77,888	140,138	63,262	1,151,361
Total revenues	<u>1,149,698</u>	<u>4,544,183</u>	<u>5,673,838</u>	<u>150,961</u>	<u>70,885</u>	<u>11,589,565</u>
<b>EXPENDITURES</b>						
Public safety:						
Current:						
Personal services and related benefits	1,165,757	2,606,481	2,223,098			5,995,336
Operating services	232,465	660,899	1,976,382	12,033	29,702	2,911,481
Materials and supplies	129,966	768,538	709,531	2,303	978	1,611,316
Travel and other charges	32,770	386,591	5,320			424,681
Debt Service	18,046	231,900	22,965			272,911
Capital outlay	5,640	27,001				32,641
Total expenditures	<u>1,584,644</u>	<u>4,681,410</u>	<u>4,937,296</u>	<u>14,336</u>	<u>30,680</u>	<u>11,248,366</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<u>(434,946)</u>	<u>(137,227)</u>	<u>736,542</u>	<u>136,625</u>	<u>40,205</u>	<u>341,199</u>

(Continued)

EAST CARROLL PARISH SHERIFF  
 Lake Providence, Louisiana  
 GOVERNMENTAL FUND TYPE - GENERAL FUND  
 Statement of Revenues, Expenditures, and  
 Changes in Fund Balance

	-----Major Funds-----				OTHER GOVERN- MENTAL FUNDS	TOTAL
	GENERAL FUND	EAST CARROLL DETENTION CENTER	RIVERBEND DETENTION CENTER	RIVERBEND DETENTION COMMISSARY		
<b>OTHER FINANCING SOURCES (Use):</b>						
Proceeds from Insurance	\$26,220					\$26,220
Proceeds from sale of assets	914	\$806				1,720
Transfers in	711,000	195,000				906,000
Transfers out		(165,000)	(\$591,000)	(\$150,000)		(906,000)
Total Other Financing Sources (Use)	738,134	30,806	(591,000)	(150,000)	NONE	27,940
<b>EXCESS (Deficiency) OF REVENUES AND OTHER SOURCE OVER EXPENDITURES AND OTHER USE</b>	303,188	(106,421)	145,542	(13,375)	\$40,205	369,139
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>222,586</u>	<u>434,036</u>	<u>209,058</u>	<u>150,157</u>	<u>240,482</u>	<u>1,256,319</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$525,774</u>	<u>\$327,615</u>	<u>\$354,600</u>	<u>\$136,782</u>	<u>\$280,687</u>	<u>\$1,625,458</u>

(Concluded)

The accompanying notes are an integral part of this statement.

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

Reconciliation of Governmental Funds  
Statement of Revenue, Expenditures, and Changes  
in Fund Balances to the Statement of Activities

For the Year Ended June 30, 2006

Total net change in fund balances - governmental funds (Statement D)	\$369,139
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.	(115,441)
Governmental funds do not report gain or loss on disposition of assets. In the Statement of Activities, loss on disposition of assets decreased when the asset is disposed.	(1,739)
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>223,688</u>
Change in net assets of governmental activities (Statement B)	<u><u>\$475,647</u></u>

The accompanying notes are an integral part of this statement.

**Statement E**

**EAST CARROLL PARISH SHERIFF**  
**Lake Providence, Louisiana**  
**Statement of Fiduciary Net Assets - Agency Funds**

June 30, 2006

	<u>TAX COLLECTOR FUND</u>	<u>CONFISCATED FUNDS</u>	<u>CRIMINAL FUND</u>	<u>JAIL INMATE</u>	<u>ECDC INMATE</u>	<u>RBDC INMATE</u>	<u>TOTAL</u>
<b>ASSETS</b>							
Cash and cash equivalents	\$275,562	\$3,569	\$96,258	\$501	\$18,367	\$36,261	\$430,518
Due from others						303	303
Due from other funds					281	305	586
<b>TOTAL ASSETS</b>	<u>\$275,562</u>	<u>\$3,569</u>	<u>\$96,258</u>	<u>\$501</u>	<u>\$18,648</u>	<u>\$36,869</u>	<u>\$431,407</u>
<b>LIABILITIES</b>							
Due to other funds			\$42			\$322	\$364
Due to inmates						327	327
Due to taxing bodies and others	<u>\$275,562</u>	<u>\$3,569</u>	<u>96,216</u>	<u>\$501</u>	<u>\$18,648</u>	<u>36,220</u>	<u>430,716</u>
<b>TOTAL</b>	<u>\$275,562</u>	<u>\$3,569</u>	<u>\$96,258</u>	<u>\$501</u>	<u>\$18,648</u>	<u>\$36,869</u>	<u>\$431,407</u>

The accompanying notes are an integral part of this statement.

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the sheriff serves a four year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The sheriff also administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, serving subpoenas, et cetera. As the ex-officio tax collector of the parish, the sheriff is responsible for the collection and distribution of ad valorem property taxes, parish occupational licenses, state revenue sharing funds, 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 East Carroll Parish Sheriff have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, issued in June 1999.

**A. REPORTING ENTITY**

As the governing authority of the parish, for reporting purposes, the East Carroll Parish Police Jury is the financial reporting entity for East Carroll 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 East Carroll 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:

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana  
Notes to the Financial Statements (Continued)

1. Appointing a voting majority of an organization's governing body, and:
  - a. The ability of the police jury to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury maintains and operates the 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 East Carroll 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 East Carroll Parish financial reporting entity.

## **B. BASIC FINANCIAL STATEMENTS - GOVERNMENT-WIDE STATEMENTS**

The sheriff's basic financial statements include both government-wide (reporting the sheriff as a whole) and fund financial statements (reporting the sheriff's major funds). 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,

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana  
Notes to the Financial Statements (Continued)

expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

**Program Revenues** - Program revenues included in the Statement of Activities (Statement B) are derived directly from parties outside the sheriff's taxpayers or citizenry. Program revenues reduce the cost of the function to be financed from the sheriff's general revenues.

**Allocation of Indirect Expenses** - The sheriff reports all direct expenses by function in the Statement of Activities (Statement B). Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

### C. BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS

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

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

#### **Governmental Fund Types**

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



EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana  
Notes to the Financial Statements (Continued)

**Special Revenue Funds** - The Detention Center Special Revenue Funds, are used to account for the proceeds of specific revenue sources such as grants and state and parish funds for maintaining state and parish prisoners. Those revenues are restricted to expenditures for specified purposes.

**Capital Projects Funds** - The capital projects funds account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

**Fiduciary Fund Type - Agency Funds**

The agency funds are used as depositories for civil suits, cash bonds, taxes, fees, et cetera. Disbursements from the funds are made to various parish agencies, litigants in suits, et cetera, in the manner prescribed by law. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**D. BASIS OF ACCOUNTING**

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurement made regardless of the measurement focus applied.

**1. Accrual:**

Both governmental and business type activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

**2. Modified Accrual:**

The governmental funds financial statements are presented on the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

**EAST CARROLL PARISH SHERIFF**  
Lake Providence, Louisiana  
Notes to the Financial Statements (Continued)

Governmental funds and the fiduciary type agency funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The sheriff considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

**Revenues**

Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December, January, and February of the fiscal year.

Intergovernmental revenues and fees, charges, and commissions for services are recorded when the sheriff is entitled to the funds.

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. SALES TAXES**

On November 2, 2004, voters of the parish approved a one per cent sales and use tax which is dedicated for the purpose of drug education, prevention and enforcement, personnel, training

EAST CARROLL PARISH SHERIFF  
 Lake Providence, Louisiana  
 Notes to the Financial Statements (Continued)

and equipment, and other lawful expenses of the operations of the law enforcement district. The tax is for an indefinite period of time.

**F. CASH AND CASH EQUIVALENTS**

Under state law, the sheriff may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2006, the sheriff has cash and equivalents (book balances) totaling \$1,511,445 as follows:

Demand deposits	\$1,329,362
Petty cash	175
Time deposits	<u>181,908</u>
Total	<u>\$1,511,445</u>

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

Bank balances	<u>\$1,809,879</u>
Federal deposit insurance	\$912,451
Pledged securities (uncollateralized)	<u>3,309,088</u>
Total	<u>\$4,221,539</u>

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

**G. INVESTMENTS**

Investments held at June 30, 2006 consist of \$100,680 in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section

**EAST CARROLL PARISH SHERIFF**

Lake Providence, Louisiana

**Notes to the Financial Statements (Continued)**

150.126, the investment in LAMP at June 30, 2006 is not categorized in the three risk categories provided by GASB Codification Section 150.125 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA - R.S. 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities.

Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA - R.S. 33:2955(A)(1)(h) which allows all municipalities, parishes, school boards, and any other political subdivisions of the State to invest in "investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

## **H. 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 \$1,000 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

**EAST CARROLL PARISH SHERIFF**  
 Lake Providence, Louisiana  
 Notes to the Financial Statements (Continued)

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>
Buildings	20-40 years
Furniture and fixtures	5 - 10 years
Vehicles	5 - 15 years
Equipment	5 - 20 years

**I. RISK MANAGEMENT**

The sheriff is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets and errors and omissions. To handle such risk of loss, the sheriff maintains commercial insurance policies covering his automobiles and surety bond coverage. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended June 30, 2006.

**J. VACATION AND SICK LEAVE**

Employees will receive one week annual vacation leave for the first year of service and two weeks for the second year of service. A week is defined as the number of days normally worked during the employee's tour of duty. Annual vacation leave does not accrue and cannot be carried forward in the next year. Sick leave accrues at one-half (½) day per month after three months of employment, up to a total of six (6) days per year, with a cap of 12 days. There is no monetary value for accumulated sick leave.

**2. RECEIVABLES**

The receivables of \$1,079,152 at June 30, 2006, are as follows:

<u>Class of receivables:</u>	<u>General Fund</u>	<u>EC Detention Center</u>	<u>RB Detention Center</u>	<u>RB Detention Commissary</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Taxes - sales	\$47,085					\$47,085
Intergovernmental revenues:						
Federal grants	10,989					10,989
State grants:						

**EAST CARROLL PARISH SHERIFF**  
**Lake Providence, Louisiana**  
**Notes to the Financial Statements (Continued)**

<u>Class of receivables:</u>	<u>General Fund</u>	<u>EC Detention Center</u>	<u>RB Detention Center</u>	<u>RB Detention Commissary</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Video poker	\$2,000					\$2,000
Feeding prisoners		\$287,264	\$621,449			908,713
Other	13,552	62,330		\$2,677	\$1,069	79,628
Fees, charges, and commissions for services:						
Court attendance	510					510
Civil and criminal fees	1,371					1,371
Phone commission		17,440				17,440
Other	5,531	5,885				11,416
<b>Total</b>	<b>\$81,038</b>	<b>\$372,919</b>	<b>\$621,449</b>	<b>\$2,677</b>	<b>\$1,069</b>	<b>\$1,079,152</b>

**3. CHANGES IN CAPITAL ASSETS**

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>General Fund:</b>				
Weapons	\$20,276			\$20,276
Furniture and equipment	176,864			176,864
Vehicles	390,737	\$5,640	(\$14,840)	381,537
Sub-total General Fund	587,877	5,640	(14,840)	578,677
<b>East Carroll Detention Center:</b>				
Buildings	1,212,530			1,212,530
Improvements other than buildings	79,901			79,901
Weapons	9,817			9,817
Furniture and equipment	281,401	9,616		291,017
Vehicles	129,000	17,385	(8,050)	138,335
Sub-total ECDC	1,712,649	27,001	(8,050)	1,731,600
<b>Riverbend Detention Center:</b>				
Furniture and equipment	38,298	1,000		39,298
Sub-total RBDC	38,298	NONE	NONE	39,298
<b>Total assets</b>	<b>2,338,824</b>	<b>32,641</b>	<b>(22,890)</b>	<b>2,349,575</b>
<b>Less accumulated depreciation</b>	<b>764,014</b>	<b>149,082</b>	<b>(21,151)</b>	<b>891,945</b>
<b>Net capital assets</b>	<b>\$1,574,810</b>	<b>(\$116,441)</b>	<b>(\$1,739)</b>	<b>\$1,457,630</b>

**4. PENSION PLAN**

Substantially all employees of the East Carroll 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.

**EAST CARROLL PARISH SHERIFF**  
 Lake Providence, Louisiana  
 Notes to the Financial Statements (Continued)

All sheriffs and all deputies who are 18 years or older at the time of original employment, who earn not less than \$400 per month if employed after September 4, 1979 and before January 1, 1991; \$550 if employed between January 1, 1991 and December 31, 1999; and \$800 if employed after January 1, 2000 are required to participate in the System. Employees are eligible to retire at or after age 55 with at least 12 years of credited service and receive a benefit, payable monthly for life, equal to 3.33 percent of their final-average salary for each year of credited service. The retirement benefit cannot exceed 100 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.

Plan members are required by state statute to contribute 10 percent of their annual covered salary and the East Carroll Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 10.75 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 East Carroll 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 East Carroll Parish Sheriff's contributions to the System for the years ended June 30, 2006, 2005, and 2004 were \$450,737, \$372,945, and \$345,558, respectively, equal to the required contributions for each year.

**5. DUE FROM/TO OTHER FUNDS**

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

	<u>Due From</u>	<u>Due To</u>
General Fund	\$410,776	\$100,000
Special Revenue Fund		
East Carroll Detention Center - Operating	250,000	436,035
Riverbend Detention Center - Operating	16,095	90,794
Capital Projects Fund - Construction Fund	100,000	
Agency Funds:		
ECDC Inmate Fund	281	

EAST CARROLL PARISH SHERIFF  
 Lake Providence, Louisiana  
 Notes to the Financial Statements (Continued)

	<u>Due From</u>	<u>Due To</u>
RBDC Inmate Fund	\$305	\$322
RBDC Commissary	41	150,305
Criminal Fund		<u>42</u>
Total	<u>\$777,498</u>	<u>\$777,498</u>

**6. 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>Con- fiscated Fund</u>	<u>Criminal Fund</u>	<u>Civil Fund</u>	<u>Jail Inmate Fund</u>	<u>ECDC Inmate Fund</u>	<u>RBDC Inmate Fund</u>	<u>Total</u>
Balance at June 30, 2005	\$173,732	\$3,429	\$144,389	\$5,418	\$529	\$26,095	\$30,581	\$384,173
Additions	3,106,045	140	831,036	150,241	1,556	460,933	732,487	5,282,438
Reductions	<u>(3,004,215)</u>		<u>(879,209)</u>	<u>(155,659)</u>	<u>(1,584)</u>	<u>(468,380)</u>	<u>(726,848)</u>	<u>(5,235,895)</u>
Balance at June 30, 2006	<u>\$275,562</u>	<u>\$3,569</u>	<u>\$96,216</u>	<u>NONE</u>	<u>\$501</u>	<u>\$18,648</u>	<u>\$36,220</u>	<u>\$430,716</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, 2006, the sheriff has three capital leases in effect. The leases in effect are for a Chevrolet Suburban, Ford Expedition and a rotary mower. The lease for the suburban has an original recorded amount of \$36,540. Lease obligations are retired from the East Carroll Sheriff's office general fund. The second lease for the expedition has an original recorded amount of \$29,156. Lease obligations are retired from the East Carroll Sheriff's office general fund. The third lease for the rotary mower has an original recorded amount of \$11,113. Lease obligation are retired from the East Carroll Detention Center operating 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, 2006:

<u>Year</u>	
2007	\$21,987
2008	<u>17,537</u>
Total minimum lease payments	39,524
Less amount representing interest	<u>(1,806)</u>
Present value of net minimum lease payments	<u>\$37,718</u>

**8. CHANGES IN GENERAL LONG-TERM OBLIGATIONS**

The following is a summary of long-term obligation transactions for the year ended June 30, 2006:



EAST CARROLL PARISH SHERIFF  
 Lake Providence, Louisiana  
 Notes to the Financial Statements (Continued)

	Revenue Bonds	Certificates of Indebtedness	Capital Leases	Total
Long-term obligations at June 30, 2005	\$565,916	\$333,000	\$57,369	\$956,285
Additions				NONE
Deductions	<u>(154,897)</u>	<u>(48,000)</u>	<u>(19,651)</u>	<u>(222,548)</u>
Long-term obligations at June 30, 2006	<u>\$411,019</u>	<u>\$285,000</u>	<u>\$37,718</u>	<u>\$733,737</u>

Bonded debt and certificates of indebtedness at June 30, 2006, are comprised of the following:

Revenue Bonds - \$1,400,000 issue of November 16, 1998, for the purpose of acquiring a prison facility known as the East Carroll Detention Center, near Lake Providence, Louisiana. The principal is due in monthly installments of \$15,159 through November 15, 2008 with interest at 5.45 per cent. Debt retirement payments are made from the East Carroll Detention Center Operating Fund. \$411,019

Certificates of Indebtedness - \$500,000 issue of August 7, 2000, for the purpose of acquiring and constructing sewerage lines and a lift station and closing a sewage treatment facility at the East Carroll Detention Center. The principal is due in fluctuating annual installments through August 1, 2010 with interest at 5.70 per cent, payable semi-annually. Monthly payments are made from the East Carroll Detention Center and Riverbend Detention Center operating funds and deposited into a reserve account held by the Paying Agent. The Paying Agent disburses annual principal and semi-annual interest payments to certificate holders as they become due. 285,000

Total bonded debt and certificates of indebtedness \$696,019

The annual requirements to amortize all bonded debt and certificates of indebtedness outstanding at June 30, 2006, including interest of \$70,915 are as follows:

<u>Fiscal Year Ended June 30:</u>	Revenue Bonds	Certificates of Indebtedness	Total
2007	\$181,908	\$65,792	\$247,700
2008	181,908	65,799	247,707
2009	75,795	65,635	141,430
2010		130,097	130,097
Total	<u>\$439,611</u>	<u>\$327,323</u>	<u>\$766,934</u>

**EAST CARROLL PARISH SHERIFF**  
 Lake Providence, Louisiana  
 Notes to the Financial Statements (Continued)

**9. MANAGEMENT AGREEMENT**

The East Carroll Parish Sheriff manages the Riverbend Detention Center which is a privately owned facility of Western Correctional Corporation (WCC). The management agreement is for a term of twenty years, beginning January 1, 2000. This agreement provides that the sheriff will receive 75 percent of all payments received for housing inmates in the facility and WCC will receive the remaining 25 percent. At the end of twenty years, the sheriff will own the detention center. The sheriff holds a deposit of \$100,000 from WCC for use in meeting operating expenses in the event that revenues fall below the amount required to meet those costs. Interest earned on the deposit is a revenue of the sheriff. If not needed as stated above, the deposit will be returned to WCC at the end of twenty years.

**10. LITIGATION AND CLAIMS**

At June 30, 2006, the East Carroll Parish Sheriff is involved in several lawsuits. In the opinion of the sheriff's legal counsel, the outcome will not materially affect the financial statements.

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

The East Carroll 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 East Carroll Parish Police Jury.

**12. GRANT PROGRAMS**

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

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM NAME	CFDA NUMBER	PASS THROUGH GRANT NUMBER	EXPENDITURES
<b>FEDERAL PROGRAMS</b>			
<b>United States Department of Homeland Security</b>			
FEMA - Hurricane Katrina	97.084	N/A	\$30,691
Law Enforcement Terrorism Prevention	97.074	N/A	9,330
<b>United States Department of Justice</b>			
Passed through Louisiana Commission on Law Enforcement and Administration of Criminal Justice -			
K-9 Narcotics Unit	16.579	B05-2-002	2,455
K-9 Narcotics Unit	16.579	B03-2-009	8,534
Total United State Department of Justice			<u>10,989</u>
Total Federal Financial Assistance			<u><u>\$51,010</u></u>

**REQUIRED SUPPLEMENTARY INFORMATION**

**PART II**

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

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

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>				
Taxes:				
Ad valorem	\$280,000	\$313,000	\$304,614	(\$8,386)
Sales	450,000	420,000	469,474	49,474
Intergovernmental revenues:				
Federal grants - federal revenue	29,600	31,621	41,610	9,989
State funds:				
State revenue sharing (net)	42,000	42,000	42,299	299
State supplemental pay	50,400	50,400	54,899	4,499
Other state grants	27,000	27,000	27,508	508
Local grant			8,776	8,776
Fees, charges, and commissions for services:				
Commissions on licenses and taxes	23,000	29,000	35,753	6,753
Civil and criminal fees	96,000	97,000	106,196	9,196
Court attendance	3,000	3,000	3,196	196
Tax notices, etc	8,000	8,000	9,370	1,370
Bond fees	6,000	4,300	10,374	6,074
Off duty witness fees			350	350
Use of money and property	2,500	14,000	18,118	4,118
Other revenue	11,000	15,900	17,161	1,261
Total revenues	<u>1,028,500</u>	<u>1,055,221</u>	<u>1,149,698</u>	<u>94,477</u>
<b>EXPENDITURES</b>				
Public safety:				
Current:				
Personal services and benefits	1,065,100	1,225,000	1,165,757	59,243
Operating services	225,600	260,000	232,465	27,535
Materials and supplies	93,000	134,000	129,966	4,034
Travel and other charges	24,960	30,000	32,770	(2,770)
Debt service	37,000	20,000	18,046	1,954
Capital outlay	45,000	15,000	5,640	9,360
Total expenditures	<u>1,490,660</u>	<u>1,684,000</u>	<u>1,584,644</u>	<u>99,356</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>				
	<u>(462,160)</u>	<u>(628,779)</u>	<u>(434,946)</u>	<u>193,833</u>

(Continued)

EAST CARROLL PARISH SHERIFF  
 Lake Providence, Louisiana  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL (BUDGETARY BASIS)</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>OTHER FINANCING SOURCES</b>				
Proceeds from insurance		\$26,220	\$26,220	
Proceeds from sale of assets			914	\$914
Transfers in	<u>\$590,000</u>	<u>771,000</u>	<u>711,000</u>	<u>(60,000)</u>
Total financing sources	<u>590,000</u>	<u>797,220</u>	<u>738,134</u>	<u>(59,086)</u>
<b>EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES</b>	127,840	168,441	303,188	134,747
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>200,000</u>	<u>222,856</u>	<u>222,586</u>	<u>(270)</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$327,840</u>	<u>\$391,297</u>	<u>\$525,774</u>	<u>\$134,477</u>

(Concluded)

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

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

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>				
Federal grants	\$10,000	\$9,400	\$9,400	
State funds:				
Feeding and keeping prisoners	3,512,000	3,517,000	3,541,174	\$24,174
Other state grants	124,000	124,000	124,660	660
Use of money and property	3,000	12,000	16,037	4,037
Other revenue	662,200	804,665	852,912	48,247
Total revenues	<u>4,311,200</u>	<u>4,467,065</u>	<u>4,544,183</u>	<u>77,118</u>
<b>EXPENDITURES</b>				
Public safety:				
Current:				
Personal services and benefits	2,321,652	2,580,000	2,606,481	(26,481)
Operating services	506,000	610,000	660,899	(50,899)
Materials and supplies	593,500	740,000	768,538	(28,538)
Travel and other charges	390,850	391,850	386,591	5,259
Debt service	245,000	245,000	231,900	13,100
Capital outlay		30,000	27,001	2,999
Total expenditures	<u>4,057,002</u>	<u>4,596,850</u>	<u>4,681,410</u>	<u>(84,560)</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>254,198</u>	<u>(129,785)</u>	<u>(137,227)</u>	<u>(7,442)</u>
<b>OTHER FINANCING SOURCE (Use)</b>				
Proceeds from sale of assets		800	806	6
Transfers in		45,000	195,000	150,000
Transfers out	(140,000)	(265,000)	(165,000)	100,000
Total financing source (Use)	<u>(140,000)</u>	<u>(219,200)</u>	<u>30,806</u>	<u>250,006</u>
<b>EXCESS OF REVENUES AND OTHER SOURCE OVER EXPENDITURES AND OTHER USE</b>	114,198	(348,985)	(106,421)	242,564
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>424,253</u>	<u>458,289</u>	<u>434,036</u>	<u>(24,253)</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$538,451</u>	<u>\$109,304</u>	<u>\$327,615</u>	<u>\$218,311</u>

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

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

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>				
State funds - Feeding and keeping prisoners	\$4,410,000	\$5,090,000	\$5,194,727	\$104,727
Fees, charges, and commissions for services-Feeding and keeping prisoners	610,000	192,000	388,277	196,277
Use of money and property	3,000	9,000	12,946	3,946
Other revenue	40,000	71,600	77,888	6,288
Total revenues	<u>5,063,000</u>	<u>5,362,600</u>	<u>5,673,838</u>	<u>311,238</u>
<b>EXPENDITURES</b>				
Public safety:				
Current:				
Personal services and benefits	2,096,000	2,215,000	2,223,098	(8,098)
Operating services	1,789,400	1,920,600	1,976,382	(55,782)
Materials and supplies	631,100	731,100	709,531	21,569
Travel and other charges	1,500	6,000	5,320	680
Debt service	23,800	23,800	22,965	835
Total expenditures	<u>4,541,800</u>	<u>4,896,500</u>	<u>4,937,296</u>	<u>(40,796)</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>521,200</u>	<u>466,100</u>	<u>736,542</u>	<u>270,442</u>
<b>OTHER FINANCING USE</b>				
Transfers out	<u>(450,000)</u>	<u>(551,000)</u>	<u>(591,000)</u>	<u>(40,000)</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES AND OTHER USE</b>	71,200	(84,900)	145,542	230,442
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>260,000</u>	<u>209,058</u>	<u>209,058</u>	NONE
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$331,200</u>	<u>\$124,158</u>	<u>\$354,600</u>	<u>\$230,442</u>

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

BUDGETARY COMPARISON SCHEDULE  
RIVERBEND DETENTION COMMISSARY FUND  
For the Year Ended June 30, 2006

	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Use of money and property	\$10,000	\$10,823	\$823
Other revenue	138,000	140,138	2,138
Total revenues	<u>148,000</u>	<u>150,961</u>	<u>2,961</u>
<b>EXPENDITURES</b>			
Public safety:			
Current:			
Operating services	10,000	12,033	(2,033)
Materials and supplies	2,450	2,303	147
Total expenditures	<u>12,450</u>	<u>14,336</u>	<u>(1,886)</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>135,550</u>	<u>136,625</u>	<u>1,075</u>
<b>OTHER FINANCING USE</b>			
Transfers out	<u>(152,800)</u>	<u>(150,000)</u>	<u>2,800</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES AND OTHER USE</b>	(17,250)	(13,375)	3,875
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>150,157</u>	<u>150,157</u>	NONE
<b>FUND BALANCES AT END OF YEAR</b>	<u><u>\$132,907</u></u>	<u><u>\$136,782</u></u>	<u><u>\$3,875</u></u>



EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

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

A proposed budget, prepared on the modified accrual basis of accounting, is published in the official journal at least ten days prior to the public hearing. A public hearing is held at the East Carroll 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**

**EAST CARROLL PARISH SHERIFF**  
**Lake Providence, Louisiana**  
**SUPPLEMENTAL INFORMATION SCHEDULES**  
**For the Year Ended June 30, 2006**

**NON MAJOR FUNDS**

**NARCOTICS FUND**

The Narcotics Fund accounts for monies seized from suspects and monies given the sheriff's office by court order on drug cases. These funds are restricted and are to used for drug enforcement.

**EAST CARROLL DETENTION CENTER COMMISSARY FUND**

The Commissary Fund accounts for the purchase and resale of personal items to the inmates at the East Carroll detention center.

**CONSTRUCTION FUND**

The capital projects funds account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana  
GOVERNMENTAL FUND TYPE - NON MAJOR FUNDS

Combining Balance Sheet, June 30, 2006

	<u>NARCOTICS</u>	<u>ECDC COMMISSARY</u>	<u>CONSTRUCTION</u>	<u>TOTAL</u>
<b>ASSETS</b>				
Cash	\$3,291	\$112,524	\$64,225	\$180,040
Accounts receivable		1,069		1,069
Due from other funds			100,000	100,000
Total Assets	<u>\$3,291</u>	<u>\$113,593</u>	<u>\$164,225</u>	<u>\$281,109</u>
<b>LIABILITIES AND FUND EQUITY</b>				
Liabilities - accounts payable		\$422		\$422
Fund Equity - Unreserved - undesignated	<u>\$3,291</u>	<u>113,171</u>	<u>\$164,225</u>	<u>280,687</u>
FUND EQUITY	<u>\$3,291</u>	<u>\$113,593</u>	<u>\$164,225</u>	<u>\$281,109</u>

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana  
GOVERNMENTAL FUND TYPE - NON MAJOR FUNDS

Combining Schedule of Revenues, Expenditures, and  
Changes in Fund Balances  
For the Year Ended June 30, 2006

	NARCOTICS	ECDC COMMISSARY	CONSTRUCTION	TOTAL
<b>REVENUES</b>				
Use of money and property	\$152	\$4,771	\$2,700	\$7,623
Other revenues	32	63,230		63,262
Total revenues	<u>184</u>	<u>68,001</u>	<u>2,700</u>	<u>70,885</u>
<b>EXPENDITURES</b>				
Public safety:				
Current:				
Operating services	1,150	5,733	22,819	29,702
Materials and supplies		978		978
Total expenditures	<u>1,150</u>	<u>6,711</u>	<u>22,819</u>	<u>30,680</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<u>(966)</u>	<u>61,290</u>	<u>(20,119)</u>	<u>40,205</u>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>4,257</u>	<u>51,881</u>	<u>184,344</u>	<u>240,482</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$3,291</u>	<u>\$113,171</u>	<u>\$164,225</u>	<u>\$280,687</u>

**EAST CARROLL PARISH SHERIFF**  
Lake Providence, Louisiana  
**SUPPLEMENTAL INFORMATION SCHEDULES**  
As of and For the Year Ended June 30, 2006

**FIDUCIARY FUND TYPE - AGENCY FUNDS**

**TAX COLLECTOR FUND**

Article V, Section 27 of the Louisiana Constitution of 1974, provides that the sheriff will serve as the collector of state and parish taxes and fees. The Tax Collector Fund is used to collect and distribute these taxes and fees to the appropriate taxing bodies.

**CONFISCATED FUNDS**

The Confiscated Funds account was established to track funds seized in narcotics arrests.

**CRIMINAL FUND**

The Criminal Fund accounts for the collection of bonds, fines and costs, and payment of the collections to recipients in accordance with applicable laws.

**CIVIL FUND**

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

**JAIL INMATE FUND**

The Jail Inmate Fund accounts for funds of inmates that are used for personal items purchased by the inmates at the concessions store located at the jail.

**EAST CARROLL DETENTION CENTER INMATE FUND (ECDC)**

The East Carroll Detention Center 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.

**RIVERBEND DETENTION CENTER INMATE FUND (RBDC)**

The Riverbend Detention Center 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.

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana  
FIDUCIARY FUND TYPE - AGENCY FUNDS

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

	TAX COLLECTOR FUND	CON- FISCATED FUND	CRIMINAL FUND	SHERIFF'S CIVIL FUND	JAIL INMATE FUND	ECDC INMATE FUND	RBDC INMATE FUND	TOTAL
<b>UNSETTLED BALANCES DUE TO TAXING BODIES AND OTHERS AT BEGINNING OF YEAR</b>	<u>\$173,732</u>	<u>\$3,429</u>	<u>\$144,389</u>	<u>\$5,418</u>	<u>\$529</u>	<u>\$26,095</u>	<u>\$30,581</u>	<u>\$384,173</u>
<b>ADDITIONS</b>								
Deposits :								
Ad valorem taxes	2,896,173							2,896,173
State Revenue Sharing	168,012							168,012
Beer and Liquor licenses	5,040							5,040
Interest on:								
NOW accounts	3,619							3,619
Delinquent taxes	3,465							3,465
Protested taxes held in escrow	9,177							9,177
Redemptions	11,484							11,484
Tax notices, etc.	9,075							9,075
Appearance bonds, fines, etc.			831,036					831,036
Inmate deposits		140			1,556	460,933	732,487	1,195,116
Sheriff's sales, etc.				150,241				150,241
Total additions	<u>3,106,045</u>	<u>140</u>	<u>831,036</u>	<u>150,241</u>	<u>1,556</u>	<u>460,933</u>	<u>732,487</u>	<u>5,282,438</u>
Total	<u>3,279,777</u>	<u>3,569</u>	<u>975,425</u>	<u>155,659</u>	<u>2,085</u>	<u>487,028</u>	<u>763,068</u>	<u>5,666,611</u>
<b>REDUCTIONS</b>								
Deposits settled to:								
Clerk of Court	115		75,719	5,517				81,351
Louisiana Dept. Of Forestry	2,066							2,066
Louisiana Tax Commission	1,064							1,064
Fifth District Levee Board	126,078							126,078
Crime Lab			43,926					43,926
Judicial Expense			21,061					21,061
Louisiana Comm. on Law Enf.			10,811					10,811
East Carroll Parish:								
Criminal Court Fund			258,058					258,058
District attorney			132,621					132,621
Police Jury	1,431,306							1,431,306
School Board	402,602							402,602
Sheriff	357,388		130,366	8,102				495,856
Assessor	215,201							215,201
Hospital	258,880							258,880
Indigent Defender Board			153,425					153,425
Litigants				113,254				113,254
Lake Providence Port Comm.	111,820							111,820
Pension Funds	86,621							86,621

(Continued)

EAST CARROLL PARISH SHERIFF  
 Lake Providence, Louisiana  
 FIDUCIARY FUND TYPE - AGENCY FUNDS  
 Combining Schedule of Changes in Balances  
 Due to Taxing Bodies and Others, 2006

	<u>TAX COLLECTOR FUND</u>	<u>CON- FISCATED FUND</u>	<u>CRIMINAL FUND</u>	<u>SHERIFF'S CIVIL FUND</u>	<u>JAIL INMATE FUND</u>	<u>ECDC INMATE FUND</u>	<u>RBDC INMATE FUND</u>	<u>TOTAL</u>
<b>REDUCTIONS (CONTD.)</b>								
Deposits settled to (contd.):								
Inmate disbursements					\$1,584	\$468,380	\$726,848	\$1,196,812
Redemptions	\$11,074							11,074
Refunds			\$13,100					13,100
Other settlements			40,122	\$28,786				68,908
Total reductions	<u>3,004,215</u>	<u>NONE</u>	<u>879,209</u>	<u>155,659</u>	<u>1,584</u>	<u>468,380</u>	<u>726,848</u>	<u>5,235,895</u>
<b>UNSETTLED BALANCES DUE TO TAXING BODIES AND OTHERS AT END OF YEAR</b>								
	<u>\$275,562</u>	<u>\$3,569</u>	<u>\$96,216</u>	<u>NONE</u>	<u>\$501</u>	<u>\$18,648</u>	<u>\$36,220</u>	<u>\$430,716</u>



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

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

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

**MARY JO FINLEY, CPA, INC.**

A PROFESSIONAL CORPORATION

116 Professional Drive - West Monroe, LA 71291

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

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

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

I have audited the basic financial statements of the East Carroll Parish Sheriff, a component unit of the East Carroll Parish Police Jury, as of and for the year ended June 30, 2006 and have issued my report thereon dated September 5, 2006. I conducted my audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

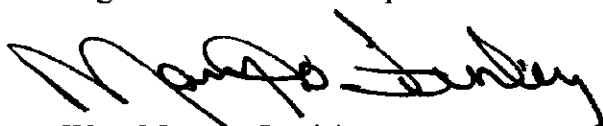
As part of obtaining reasonable assurance about whether the East Carroll Parish Sheriff's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material 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 East Carroll 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 one matter involving the internal control over financial reporting and its operation that I consider to be a material weakness.

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana  
Independent Auditor's Report on Compliance  
And Internal Control Over Financial Reporting, etc.  
June 30, 2006

This report is intended solely for the information and use of the East Carroll 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  
September 5, 2006

EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana

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

**A. SUMMARY OF AUDIT RESULTS**

1. The Auditor's report expresses an unqualified opinion on the general purpose financial statements of the East Carroll Parish Sheriff.
2. One instance of noncompliance material to the financial statements of the East Carroll Parish Sheriff was 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**

**06-1 Theft of Agency Funds**

**Finding:** Michelle Horath, the bookkeeper for the Riverbend Detention Center stated that she took funds from the inmate organizations at the detention center. From August, 2003 until June, 2006 Ms. Horath has taken approximately \$14,814 from the organizational accounts.

**Recommendation:** The lack of accounting controls and separation of accounting functions allowed Ms. Horath to take the inmate organizational funds. I recommend that the Sheriff's office review its accounting procedures and internal controls that will reduce the likelihood of irregularities occurring in the future without timely detection.

I further recommend that the District Attorney review this information and take appropriate legal action, to include seeking restitution.

**Management's Response:** The sheriff states that he has formally adopted policies and procedures for improved internal controls. The sheriff states that he has turned this information over to the District Attorney and he is taking the appropriate action.

**EAST CARROLL PARISH SHERIFF  
Lake Providence, Louisiana**

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

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

Mark W. Shumate  
Sheriff and Tax Collector



Telephone 318-559-2800  
Fax 318-559-2567  
e-mail: [sheriff@ecsheriff.com](mailto:sheriff@ecsheriff.com)

East Carroll Parish Sheriff  
P.O. Box 246  
Lake Providence, Louisiana 71254

September 6, 2006

Mr. Steve J. Theriot  
Legislative Auditor  
State of Louisiana  
P. O. Box 94397  
Baton Rouge, LA 70804

Dear Mr. Theriot:

On our June 30, 2006 audit, there was one finding, "Theft of Agency Funds." This office filed charges against the employee, Michelle Horath, who went to court September 5, 2006 and pled guilty. She has been ordered to pay full restitution and is on probation for 24 months.

As a result of the theft of agency funds, the East Carroll Sheriff's Office and its detention centers have adopted a new policy and procedure for handling all funds including individual inmate funds and funds held by the facility on behalf of the inmate organizations. This policy and procedure basically provides for a checks and balances system whereby receipts, cash receipt logs and trust fund balances are reconciled against each other on a daily basis. These duties are segregated between shift personnel, the banking secretary, East Carroll Sheriff's business office personnel and the individual inmates themselves.

During the period of August 2003 to June 2006, inmates and organizations were not provided a computer generated receipt of their deposits and withdrawals. At the present time individual inmates and inmates responsible for maintaining organizational fund records receive a receipt for all transactions that are made on their account including, but not limited to deposits, withdrawals for commissary purchases, purchases of money orders, charges for medical co-payments and inmate to inmate transfers. Inmate organizations are also provided a copy of any cash receipts that are issued by the shift employee during visitation. The stewards of the organizations are encourage to reconcile the cash receipts, computer receipts and withdrawals each week with their records. They are also advised to report any irregularities immediately to administrative personnel.

We believe the changes implemented by the Sheriff's Office will significantly reduce the likelihood of mishandling of funds held in trust by the department.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "M. Shumate".

Mark W. Shumate  
Sheriff