

LAFAYETTE PARISH SHERIFF
FINANCIAL REPORT AND
SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2009

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

Release Date 1/6/10

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INDEPENDENT AUDITOR'S REPORT

The Honorable Michael W. Neustrom
Lafayette Parish Sheriff
Lafayette, Louisiana

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Lafayette Parish Sheriff, as of and for the year then ended June 30, 2009, which collectively comprise the Sheriff's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Lafayette Parish Sheriff. Our responsibility is to express opinions on these financial statements based on our audit.



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We conducted our audit in accordance with auditing 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 the provisions of Louisiana Revised Statutes 24:513 and the Louisiana Governmental Audit Guide. Those standards require that we 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. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the Lafayette Parish Sheriff, as of June 30, 2009, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 11, 2009 on our consideration of the Lafayette Parish Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance as the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. 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 our audit.

The management's discussion and analysis, budgetary comparison information and schedule of funding progress of OPEB plan on pages 3 through 12, 44 and 45, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consist principally of inquiries of management regarding the methods for measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lafayette Parish Sheriff's basic financial statements. The other supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Wright, Moore, DeHart,
Dupuis & Hutchinson, LLC*

WRIGHT, MOORE, DeHART,
DUPUIS & HUTCHINSON, L.L.C.
Certified Public Accountants

December 11, 2009

Lafayette Parish Sheriff
Lafayette, Louisiana

Management's Discussion and Analysis

Within this section of the Lafayette Parish Sheriff's (the Sheriff) annual financial report, the Sheriff's management is pleased to provide this narrative discussion and analysis of the financial activities of the Sheriff for the fiscal year ended June 30, 2009. The Sheriff's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section:

FINANCIAL HIGHLIGHTS

The Sheriff's assets exceed its liabilities by \$16,616,606 (net assets) for the fiscal year reported.

Total net assets are comprised of the following:

1. Capital assets, net of related debt, of \$5,991,952 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase of capital assets.
2. Unrestricted net assets of \$10,624,654 represent the portion available to maintain the Sheriff's continuing obligations to citizens and creditors.

The Sheriff's government funds reported total ending fund balance of \$21,981,151 this year. This compares to the prior year ending fund balance of \$17,272,297 showing an increase of \$4,708,854 during the current year.

At the end of the current fiscal year, unreserved fund balance for the General Fund was \$21,147,691, or 49% of total General Fund expenditures and 44% of total General Fund revenues. This represents an increase in General Fund unreserved fund balance of \$4,688,821.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management Discussion and Analysis document introduces the Sheriff's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) required supplementary information. The Sheriff also includes in this report additional information to supplement the basic financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Sheriff's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Sheriff's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

Lafayette Parish Sheriff
Lafayette, Louisiana

Management's Discussion and Analysis

The first of these government-wide statements is the Statement of Net Assets. This is the government-wide statement of position presenting information that includes all of the Sheriff's assets and liabilities, with the difference 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 as a whole is improving or deteriorating. Evaluation of the overall health of the Sheriff would extend to other nonfinancial factors such as diversification of the taxpayer base, in addition to the financial information provided in this report.

The second government-wide statement is the Statement of Activities, which reports how the Sheriff's net assets changed during the *current* fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the Sheriff's distinct activities or functions on revenues provided by the Sheriff's taxpayers.

The government-wide financial statements present governmental activities of the Sheriff that are principally supported by sales and property taxes. The sole purpose of these governmental activities is public safety.

The government-wide financial statements are presented on pages 15 and 16 of this report.

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's operations are reported in two different types of funds.

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 differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 19 - 22 of this report.

Lafayette Parish Sheriff
Lafayette, Louisiana

Management's Discussion and Analysis

The Sheriff is the trustee, or Fiduciary, for assets that are received and held in trust for other governmental agencies. The largest of these trust agreements is for the collecting and disbursing of ad valorem taxes. These assets are reported separate from other financial statements, as these funds are not available to the Sheriff to finance his operations.

The basic agency fund financial statement is presented on page 23 of this report in summary form for all agency funds. A more detailed breakdown of individual funds can be found in the section titled Other Supplementary Information beginning on page 50.

Notes to the basic financial statements:

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 24 of this report.

Other information:

In addition to the basic financial statements and accompanying notes, this report also presents certain Required Supplementary Information concerning the Sheriff's budget presentation for the major fund and the funding progress of the Other Post Employment Benefits (OPEB) Plan. The RSI can be found on pages 44-45 of this report.

The budgetary comparison statement for the General Fund demonstrates compliance with the Sheriff's adopted and final revised budget.

In addition, more detailed General Fund budget information and the budgetary comparison schedule for the Inmate Welfare Special Revenue Fund is presented as Other Supplementary Information and can be found presented on pages 47 - 49 of this report.

FINANCIAL ANALYSIS OF THE SHERIFF AS A WHOLE:

The Sheriff implemented the new financial reporting model used in this report beginning with fiscal year ended June 30, 2003. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net assets may be observed and used to discuss the changing financial position of the Sheriff as a whole.

Lafayette Parish Sheriff
Lafayette, Louisiana

Management's Discussion and Analysis

The Sheriff's net assets at fiscal year-end are \$16,616,606. The following table provides a summary of the Sheriff's net assets:

Summary of Net Assets				
	2009		2008	
Assets:				
Current and Other Assets	\$ 23,729,521	80%	\$ 18,815,017	76%
Capital Assets Net of Accumulated Depreciation	5,991,952	20%	5,948,337	24%
Total Assets	\$ 29,721,473	100%	\$ 24,763,354	100%
Liabilities				
Current liabilities	\$ 1,748,370	13%	\$ 1,542,720	20%
Non-current liabilities	11,356,497	87%	6,186,857	80%
Total Liabilities	13,104,867	100%	7,729,577	100%
Net Assets				
Investment in Capital Assets Net of Related Debt	5,991,952	36%	5,948,337	35%
Unrestricted	10,624,654	64%	11,085,440	65%
Total Net Assets	16,616,606	100%	17,033,777	100%
Total Liabilities and Net Assets	\$ 29,721,473		\$ 24,763,354	

The Sheriff continues to maintain a better than average current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 14 to 1 compared to last year's rate of 12 to 1.

Lafayette Parish Sheriff
Lafayette, Louisiana

Management's Discussion and Analysis

The following table provides a summary of the Sheriff's changes in net assets:

**Summary of Changes in Net Assets
From Governmental Activities**

Revenues	<u>2009</u>		<u>2008</u>	
Program:				
Charges for Services	\$10,435,362	22%	\$ 9,540,792	23%
Operating Grants and Contributions	3,428,407	7%	2,752,518	7%
General:				
Property Taxes	24,985,177	52%	19,537,930	46%
Sales Taxes	6,079,553	13%	6,984,493	17%
State Revenue Sharing	836,942	2%	812,376	2%
State Supplemental Pay	1,622,855	3%	1,519,280	4%
Investment Earnings	199,948	0%	571,666	1%
Gain on Sale of Assets	26,721	0%	11,728	0%
Other General Revenues	<u>710,468</u>	<u>1%</u>	<u>583,979</u>	<u>1%</u>
Total Revenues	<u>48,325,433</u>	<u>100%</u>	<u>42,314,762</u>	<u>100%</u>
Program Expenses				
Public Safety	48,742,604	100%	43,257,739	100%
Interest on Long Term Debt	<u>-</u>	<u>0%</u>	<u>-</u>	<u>0%</u>
Total Expenses	<u>48,742,604</u>	<u>100%</u>	<u>43,257,739</u>	<u>100%</u>
 Change in Net Assets	 (417,171)		 (942,977)	
Beginning Net Assets	<u>17,033,777</u>		<u>17,976,754</u>	
Ending Net Assets	<u>\$16,616,606</u>		<u>\$17,033,777</u>	

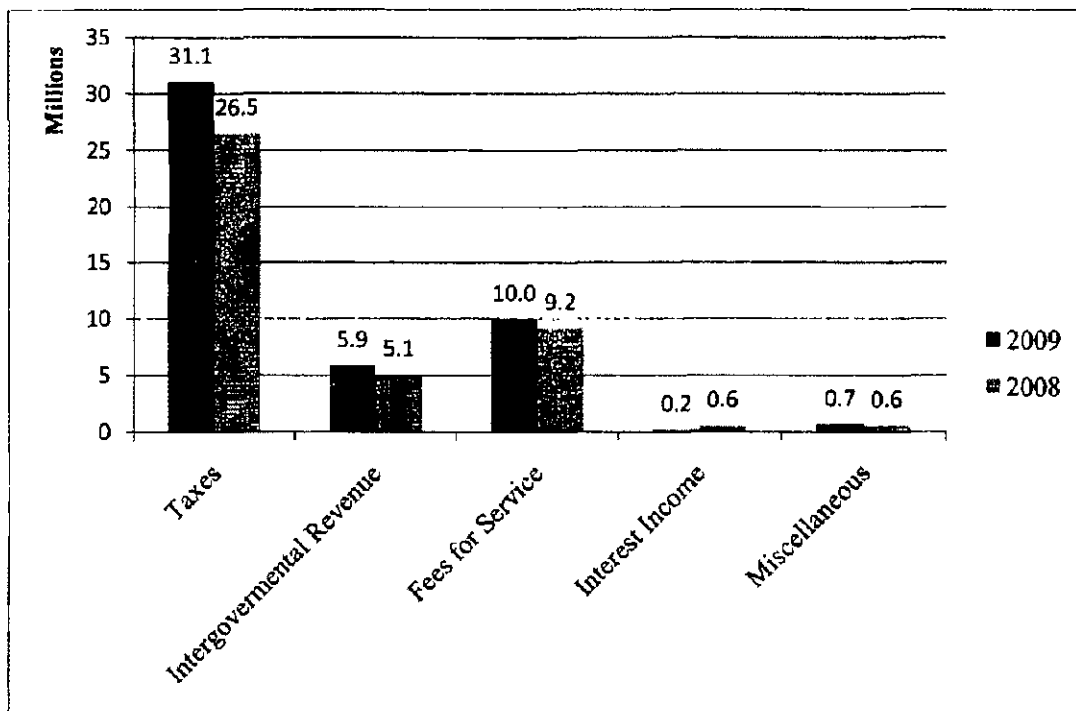
Lafayette Parish Sheriff
Lafayette, Louisiana

Management's Discussion and Analysis

GOVERNMENTAL REVENUES

The Sheriff relies upon sales and property taxes to support its operations. These taxes provided 65% of the Sheriff's total revenues. Because of the Sheriff's financial position, \$199,948 in interest was earned to help support governmental activities. Also, note that program revenues offset 32% of governmental operating expenses. Therefore, the Sheriff's other general revenue and taxes fund 68% of operations.

Revenue by Source



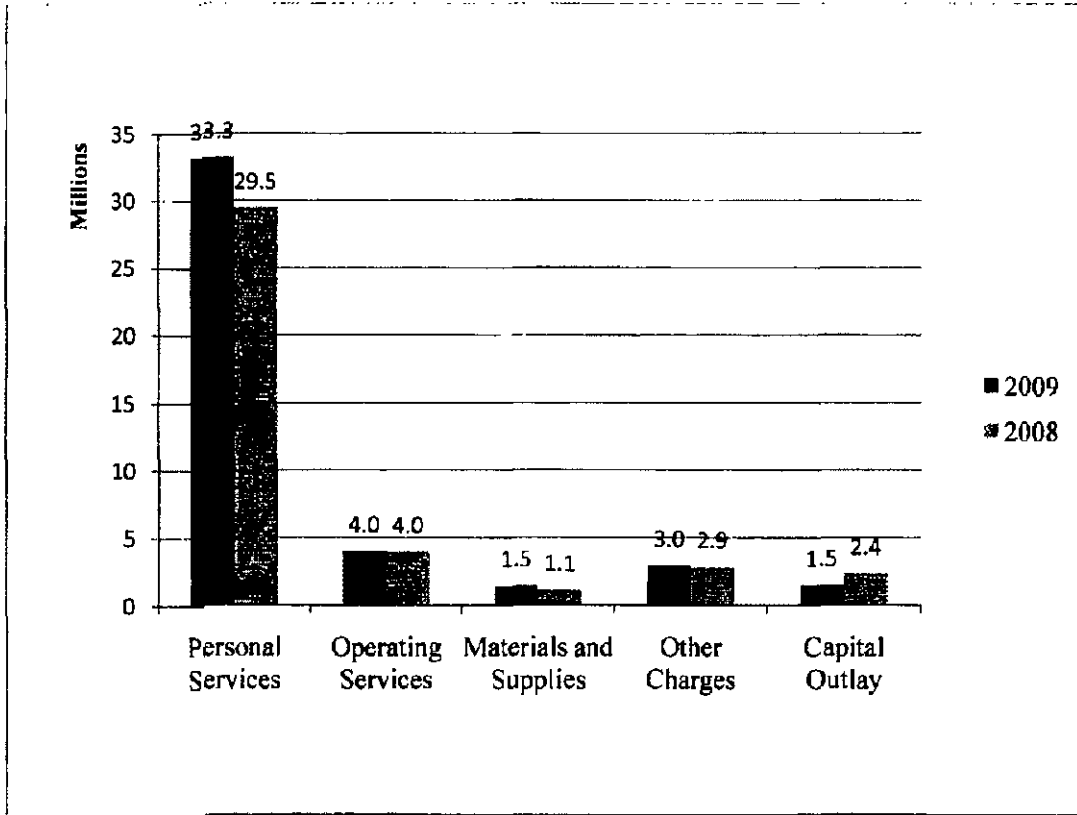
GOVERNMENTAL FUNCTIONAL EXPENSES

The total function of the Sheriff's office is public safety activities. Of the total costs, depreciation on equipment and vehicles was \$1.5m.

Lafayette Parish Sheriff
Lafayette, Louisiana

Management's Discussion and Analysis

Expenditures by Type



FINANCIAL ANALYSIS OF THE SHERIFF'S FUNDS

Governmental Funds:

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$21,981,151, an increase of \$4,708,854 from last year. Of this total, \$546,299 is restricted for inventory and prepaid expenses, with the remainder available for continuing Sheriff's activities.

Lafayette Parish Sheriff Lafayette, Louisiana

Management's Discussion and Analysis

MAJOR GOVERNMENTAL FUNDS

The General Fund is the Sheriff's primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance increased by \$4,609,068 from the prior year.

Operating expenditures were approximately \$43.2 million or 9% more than fiscal year 2008. The vast majority of the increase can be attributed to an increase in personal services of \$3.8m. In an effort to remain competitive in the employer market, and to continue to attract the best candidates for employment, the Sheriff continues to adjust pay at all levels of the agency.

BUDGETARY HIGHLIGHTS

General Fund

The General Fund final budgeted revenue exceeded the original budgeted amount by 8% or \$3m. This can be attributed to the following:

- o A \$3.2m increase in projected ad Valorem tax revenue. Calendar year 2008 was a reassessment year and the new assessed values far exceeded projections. The reassessment generated a 15% increase in revenue.
- o A 1% sales tax, voted on in October of 2002 was budgeted at \$6.4m as a result of the prior year actual collections of \$6.9. It appears that this spike in 2008 was the result of post hurricane recovery from the 2005 storms. A modest drop occurred in 2009, but actual collections still managed to top \$6m.

The final budget reflects a 3% increase in expenditures over the original budget. This minimal variance is attributable to:

- o Personal Services
 - o An increase of approximately \$1m was the result of additional staffing in the jail and in the area of new programs.
- o Operating Services
 - o Operating services saw a decrease in projected costs as the fuel prices of 2008 fell in 2009. Auto liability insurance saw a slight decrease as well.
- o Capital Outlay
 - o In 2008, 2 large purchases of real estate were made, which skewed capital expenditures in that year. In 2009, capital outlay was more in line with previous years.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Sheriff's investment in capital assets, net of accumulated depreciation for the most part held steady from 2008 to 2009.

Lafayette Parish Sheriff
Lafayette, Louisiana

Management's Discussion and Analysis

	Capital Assets	
	<u>Governmental Activities</u>	
	<u>2009</u>	<u>2008</u>
Depreciable Assets		
Buildings and Improvements	\$ 6,569,919	\$ 6,391,463
Equipment and Furniture	7,731,995	7,163,851
Vehicles	<u>4,561,635</u>	<u>4,017,447</u>
Total Depreciable Assets	18,863,549	17,572,761
Less Accumulated Depreciation	<u>12,871,597</u>	<u>11,624,424</u>
Book Value - depreciable assets	<u>\$ 5,991,952</u>	<u>\$ 5,948,337</u>
Percentage depreciated	<u>68%</u>	<u>66%</u>

At June 30, 2009, the depreciable capital assets for governmental activities were 68% depreciated versus 66% for the prior year.

Long-Term Debt

At the end of the fiscal year, the Sheriff had debt in the form of claims payable, OPEB Liability (see below), and compensated absences. The total obligation for these liabilities is \$12.1m, of which \$795k represents the current portion.

Beginning with the fiscal year ended June 30, 2008, the Sheriff is recognizing his future OPEB (Other Post Employment Benefits) obligations as required by GASB Statement number 45. The actuarial unfunded liability at June 30, 2009 is \$9.4m. GASB 45 attempts to record future costs for post retirement benefits in the periods in which they are earned, as opposed to when actually paid. This represents an increase OPEB liability of \$5m. As the unfunded actuarial accrued liability continues to be amortized along with current costs, the accumulated liability will eventually cause a negative balance in the government wide statement of net assets, if no changes are made to the benefits afforded to retirees of The Lafayette Parish Sheriff's Office.

**Lafayette Parish Sheriff
Lafayette, Louisiana**

Management's Discussion and Analysis

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Many factors were taken into consideration when preparing the fiscal 2010 budget. Most revenues will continue to hold steady, however, the nationwide recession is beginning to be felt in reduced sales tax collections. A modest increase is still expected in property tax revenue.

The Work Release program was initiated on July 1, 2004 and after years of steady growth, we have seen a leveling off due to several factors.

1. A large employer providing waste collection in the parish changed to an automated system thereby eliminating the need for the majority of workers.
2. The facility has reached its maximum capacity. The Sheriff, in early 2010, purchased a tract of land on which he plans to build a new Work Release center thereby increasing capacity. That capacity will be needed when the economy rebounds and the need for workers resumes.

Due to economic uncertainty, a modest decrease in revenue is projected in 2010. As of yet, the Sheriff has been somewhat immune to economic conditions, however, as sales taxes continue to fall, this trend will begin to affect all forms of government. As discussed in the preceding paragraph, the Sheriff purchased a tract of land for needed expansion, and with this purchase being made without borrowings, and the possibility of early phases of construction occurring in fiscal 2010, there is the possibility of operating expenses exceeding revenues in the upcoming year. The large surpluses generated in the previous three years were held in reserves with this strategy in mind.

The majority of other revenues and expenditures are expected to remain fairly constant in fiscal year 2010 with the exceptions of those noted above.

CONTACTING THE SHERIFF'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Sheriff's finances, comply with finance-related laws and regulations, and demonstrate the Sheriff's commitment to public accountability. If you have questions about this report or would like to request additional information, contact Keith Sibille, CFO, Lafayette Parish Sheriff's Office, Post Office Box 3508, Lafayette, Louisiana 70502.

BASIC FINANCIAL STATEMENTS

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

LAFAYETTE PARISH SHERIFF

STATEMENT OF NET ASSETS

JUNE 30, 2009

	<u>GOVERNMENTAL ACTIVITIES</u>
LIABILITIES AND NET ASSETS	
LIABILITIES	
Current Liabilities:	
Accounts Payable	\$ 350,844
Accrued Expenses	602,057
Claims Payable - Current	674,797
Current Portion-Compensated Absences	<u>120,672</u>
Total Current Liabilities	<u>1,748,370</u>
Non-current Liabilities:	
Other Post Employment Benefits	9,354,279
Accrued Compensated Absences	<u>2,002,218</u>
Total Noncurrent Liabilities	<u>11,356,497</u>
TOTAL LIABILITIES	<u>13,104,867</u>
NET ASSETS	
Invested in Capital Assets, Net of Related Debt	5,991,952
Unrestricted	<u>10,624,654</u>
TOTAL NET ASSETS	<u>16,616,606</u>
TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 29,721,473</u>

The Accompanying Notes are an Integral Part of the Basic Financial Statements.

LAFAYETTE PARISH SHERIFF
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009

	Program Revenues	Operating Grants and Contributions	Net (Expenses) Revenues and Changes in Net Assets Governmental Activities
Governmental Activities	Expenses	Charges for Services	Activities
Public Safety	\$ 48,742,604	\$ 10,435,362	\$ (34,878,835)
Total Governmental Activities	\$ 48,742,604	\$ 10,435,362	\$ (34,878,835)
General Revenues:			
Property Taxes			24,985,177
Sales Taxes			6,079,553
State Revenue Sharing			836,942
State Supplemental Pay			1,622,855
Investment Earnings			199,948
Gain on Sale of Assets			26,721
Other General Revenues			710,468
Total General Revenues			34,461,664
Change in Net Assets			(417,171)
Net Assets-Beginning			17,033,777
Net Assets-Ending			\$ 16,616,606

The Accompanying Notes are an Integral Part of the Basic Financial Statements.

FUND FINANCIAL STATEMENTS (FFS)

FUND DESCRIPTIONS

GENERAL FUND

To account for resources traditionally associated with governments which are not required to be accounted for in another fund.

SPECIAL REVENUE FUND

Inmate Welfare Fund

The monies in this account are generated primarily from sales of commissary goods as well as the operations of the inmate industries program - LAPPCORR. These funds are used to pay inmate work crews, to purchase recreation equipment to be used by inmates and to provide miscellaneous benefits for the indigent inmates.

LAFAYETTE PARISH SHERIFF

**BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2009**

	General Fund	Special Revenue Fund Non-Major	Total Governmental Funds
ASSETS			
Cash	\$ 98,864	\$ -	\$ 98,864
Interest-Bearing Deposits	19,009,801	252,863	19,262,664
Investments	1,324,357	-	1,324,357
Funds Held in Escrow	15,000	-	15,000
Prepaid Expenses	458,436	-	458,436
Inventory	-	87,863	87,863
Receivables:			
Due From Other Governmental Units	2,429,496	18,568	2,448,064
Due From Other Funds	4,337	40	4,377
Other	8,987	25,286	34,273
 Total Assets	 \$ 23,349,278	 \$ 384,620	 \$ 23,733,898
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 350,844	\$ -	\$ 350,844
Due to Other Funds	40	4,337	4,377
Other Accrued Liabilities	1,392,267	5,259	1,397,526
Total Liabilities	1,743,151	9,596	1,752,747
Fund Balances:			
Reserved for Prepaids	458,436	-	458,436
Reserved for Inventory	-	87,863	87,863
Unreserved, Undesignated	21,147,691	287,161	21,434,852
Total Fund Balances	21,606,127	375,024	21,981,151
 Total Liabilities and Fund Equity	 \$ 23,349,278	 \$ 384,620	 \$ 23,733,898

The Accompanying Notes are an Integral Part of the Basic Financial Statements.

LAFAYETTE PARISH SHERIFF

**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE
TO NET ASSETS OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2009**

Total Governmental Fund Balances	\$ 21,981,151
<i>Amounts reported for governmental activities in the Statement of Net Assets are different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	5,991,952
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	<u>(11,356,497)</u>
<i>Net Assets of Governmental Activities</i>	<u>\$ 16,616,606</u>

The Accompanying Notes are an Integral Part of the Basic Financial Statements.

LAFAYETTE PARISH SHERIFF

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2009**

	General Fund	Special Revenue Fund Non-Major	Total Governmental Funds
Revenues:			
Ad Valorem Taxes	\$ 24,985,177	\$ -	\$ 24,985,177
Sales Tax Revenue	6,079,553	-	6,079,553
Intergovernmental Revenues -			
Federal Grants	290,424	-	290,424
State Revenue Sharing (Net)	836,942	-	836,942
State Supplemental Pay	1,622,855	-	1,622,855
State, City and Parish Grants	3,137,983	-	3,137,983
Fees, Charges, and Commissions for Services -			
Civil and Criminal Fees	2,460,890	-	2,460,890
Court Attendance	32,492	-	32,492
Transporting Prisoners	65,673	-	65,673
Feeding and Keeping Prisoners	3,268,075	-	3,268,075
Work Release Program	2,125,612	-	2,125,612
Commissary Commission Income	-	306,521	306,521
Product Sales	-	158,768	158,768
Community Corrections	413,470	-	413,470
Interest Income	197,050	2,898	199,948
Contractual Arrangements	1,603,861	-	1,603,861
Miscellaneous	684,088	23,569	707,657
Total Revenues	47,804,145	491,756	48,295,901
Expenditures:			
Current -			
 Public Safety:			
Personal Services and Related Benefits	33,261,768	50,742	33,312,510
Operating Services	4,005,293	341,228	4,346,521
Materials and Supplies	1,475,699	-	1,475,699
Other Charges	2,964,201	-	2,964,201
Capital Outlay	1,525,330	-	1,525,330
Total Expenditures	43,232,291	391,970	43,624,261
Excess of Revenues Over Expenditures	4,571,854	99,786	4,671,640
Other Financing Sources (Uses):			
Sale of Assets	37,214	-	37,214
Excess of Revenues and Other Sources Over Expenditures and Other Uses	4,609,068	99,786	4,708,854
Fund Balances, Beginning	16,997,059	275,238	17,272,297
Fund Balances, Ending	\$ 21,606,127	\$ 375,024	\$ 21,981,151

The Accompanying Notes are an Integral Part of the Basic Financial Statements.

LAFAYETTE PARISH SHERIFF

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009**

Net Change in Fund Balances - Total Governmental Funds \$ 4,708,854

*Amounts reported for governmental activities in the
Statement of Activities are different because:*

Governmental funds report capital outlays 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 exceeded depreciation in the current period. 51,297

Some expense reported in the Statement of Activities, such as compensated absences and other post employment benefits, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. (5,169,640)

In the statement of activities, only the gain on sale of assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the difference. (7,682)

Change in Net Assets of Governmental Activities \$ (417,171)

The Accompanying Notes are an Integral Part of the Basic Financial Statements.

LAFAYETTE PARISH SHERIFF
STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2009

	<u>Total Agency Funds</u>
Assets:	
Cash and Interest Bearing Deposits	\$ 2,794,515
Total Assets	<u>\$ 2,794,515</u>
Liabilities:	
Due to Taxing Bodies and Others	\$ 2,221,686
Due to Prisoners	<u>572,829</u>
Total Liabilities	<u>\$ 2,794,515</u>

The Accompanying Notes are an Integral Part of the Basic Financial Statements.

LAFAYETTE PARISH SHERIFF
NOTES TO FINANCIAL STATEMENTS
FOR YEAR ENDED JUNE 30, 2009

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the Lafayette Parish Sheriff (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, serving subpoenas, et cetera.

As the chief law enforcement officer of the parish, the Sheriff is responsible 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. In addition, the Sheriff, when requested, 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, parish occupational licenses, state revenue sharing funds, sportsmen's licenses, and fines, costs, and bond forfeitures imposed by the district court.

The accompanying financial statements of the Lafayette Parish Sheriff (Sheriff) have been prepared in conformity with generally accepted accounting principles (GAAP) generally accepted in the United States of America as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

The accounting and reporting policies of the Lafayette Parish Sheriff conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the industry audit guide, Audits of State and Local Governmental Units.

The following is a summary of certain significant accounting policies:

1. Financial Reporting Entity

For financial reporting purposes, the Sheriff includes all funds, account groups, activities, etcetera, that are controlled by the Sheriff as an independently elected parish official. As an independently elected parish official, the Sheriff is solely responsible for the operations of his office, which include the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. Other than certain operating expenditures of the Sheriff's office that are paid or provided by the parish council as required by Louisiana law, the Sheriff is financially independent. Accordingly, the Sheriff is a separate governmental reporting entity.

Certain units of local government, over which the Sheriff exercises no oversight responsibility, such as the parish government, parish school board, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the Sheriff.

LAFAYETTE PARISH SHERIFF
NOTES TO FINANCIAL STATEMENTS
FOR YEAR ENDED JUNE 30, 2009

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

2. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The Statement of Net Assets and the Statement of Activities display information about the Sheriff as a whole. These statements include all the financial activities of the Sheriff, except the fiduciary funds. The Sheriff has no business-type activities.

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 requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fiduciary funds are also excluded from the government-wide financial statements.

Fund Financial Statements (FFS)

The accounts of the Sheriff are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The various funds of the Sheriff (with the exception of the fiduciary funds) are all classified as governmental. The emphasis on fund financial statements is on major governmental funds. A fund is considered major if it is the primary operating fund of the Sheriff or meets the following criteria:

- a Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least ten percent of the corresponding total for all funds of that category or type; and
- b Total assets, liabilities, revenues or expenditures/expenses of the individual governmental or enterprise fund are at least five percent of the corresponding total for all governmental and enterprise funds combined.

LAFAYETTE PARISH SHERIFF
NOTES TO FINANCIAL STATEMENTS
FOR YEAR ENDED JUNE 30, 2009

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

One fund of the Sheriff is considered to be a major fund and is described below:

General Fund

The General Fund, as provided by Louisiana Revised Statute 33:1422, is the principal fund of the Sheriff's office and accounts for the operations of the Sheriff's office. The Sheriff's primary source of revenue is an ad valorem tax levied by the law enforcement district. Other sources of revenue include state revenue sharing, sales tax revenue, state supplemental pay for deputies, civil and criminal fees, and fees for court attendance and maintenance of prisoners. General operating expenditures are paid from this fund.

The following funds are non-major funds:

Special Revenue Fund

The Special revenue fund is used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

Fiduciary Funds -

Agency Funds

The agency funds are used as depositories for civil suits, cash bonds, taxes, fees, inmate monies, et cetera. Disbursements from these funds are made to various parish agencies, litigants in suits, inmates, deputies, et cetera, in the manner prescribed by law. The agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency funds have no measurement focus, but use the modified accrual basis of accounting.

The Sheriff's fiduciary funds are presented in the fiduciary fund financial statements by type. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

3. Basis of Accounting/Measurement Focus

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.

LAFAYETTE PARISH SHERIFF
NOTES TO FINANCIAL STATEMENTS
FOR YEAR ENDED JUNE 30, 2009

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus –

In the government-wide statement of net assets and the statement of activities, governmental activities are presented using the economic resources measurement. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or non-current) associated with their activities are reported.

In the fund financial statements, the current financial resources measurement focus is used. 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.

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 or exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions."

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available". Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within 60 days of the end of the fiscal year. Ad valorem taxes and the related state revenue sharing are recorded in the year taxes are due and payable. Intergovernmental revenues and fees, charges and commissions for services are recorded when the Sheriff is entitled to the funds. Interest on interest-bearing deposits is recorded or accrued as revenues when earned. Substantially all other revenues are recorded when received.

Expenditures (including capital outlay) are recorded when the related fund liability is incurred. When both restricted and unrestricted resources are available for use, it is the Sheriff's policy to use restricted resources first, then unrestricted resources as they are needed.

LAFAYETTE PARISH SHERIFF
NOTES TO FINANCIAL STATEMENTS
FOR YEAR ENDED JUNE 30, 2009

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

4. Budget and Budgetary Accounting

The Sheriff follows these procedures in establishing the budgetary data reflected in the financial statements:

- a. The chief administrative deputy prepares a proposed budget and submits it to the Sheriff for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
- b. A summary of the proposed budget is published and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
- c. A public hearing is held on the proposed budget at least ten days after publication of the call for a hearing.
- d. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
- e. All budgetary appropriations lapse at the end of each fiscal year.
- f. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the Sheriff. Such amendments were not material in relation to the original appropriations.

5. Cash and Interest-Bearing Deposits

Cash and interest-bearing deposits are stated at cost, which approximates market. Cash includes amounts in demand deposits as well as time deposits with an original maturity date within three months of the date acquired by the government.

6. Investments

Under State law, the Sheriff may invest in United States bonds, treasury notes or certificates, time certificates of deposit of State banks having their principal office in the State of Louisiana, or any other *federally insured investment*. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", investments meeting the criteria specified in the Statement are stated at fair value. Investments that do not meet the requirements are stated at cost. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a nonprofit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. At June 30, 2009, the Sheriff's investments in LAMP, which are stated at fair value based on quoted market rates, amounted to \$1,324,357.

LAFAYETTE PARISH SHERIFF
NOTES TO FINANCIAL STATEMENTS
FOR YEAR ENDED JUNE 30, 2009

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

7. Interfund Transactions

Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental and proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

8. Capital Assets

Capital assets purchased or acquired with an original cost of \$1,000 or more are reported at historical cost or estimated cost if historical cost is not available. Contributed assets are recorded as capital assets at their estimated fair market value at the date of donation. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	30 years
Building improvements	20 years
Vehicles	3 years
Office Furniture	10 years
Computer Equipment	3 years
Other Machinery and Equipment	5 years

9. Compensated Absences

Full-time employees of the Sheriff's office earn from ten to sixteen hours of annual compensated leave per month depending on total years of service. Annual compensated leave shall be granted in lieu of vacation, sick leave, and family time. Part-time employees hired prior to December 31, 1992, earn five hours of annual compensated leave per month. Part-time employees hired subsequent to December 31, 1992 do not earn annual compensated leave. Prior to July 1, 1994, employees were allowed to carry forward a maximum of 480 hours of annual compensated leave beyond the end of the calendar year. Effective, July 1, 1994, accumulated annual leave must be converted to sick leave and family time in order to be carried forward subsequent to the fiscal year end. However, employees shall not be paid for accrued but unused sick leave and family time upon leaving the employ of the Sheriff's office. At June 30, 2009, the Sheriff has accrued vested leave benefits as required to be reported in accordance with GASB statement No. 16, "Accounting for Compensated Absences."

LAFAYETTE PARISH SHERIFF
NOTES TO FINANCIAL STATEMENTS
FOR YEAR ENDED JUNE 30, 2009

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

10. Post-Employment Health Care and Life Insurance Benefits

- a. The Sheriff has no established policy regarding the payment or cost of providing continuing health care and life insurance benefits for retired employees. Should an officer become disabled in the line of duty, the Sheriff will waive one-half of the cost of the officer's health insurance. At June 30, 2009, three officers are receiving waivers due to disability incurred in the line of duty. The cost of health insurance paid for these officers during the year ended June 30, 2009 was \$7,251.
- b. During the 2000 regular session of the Louisiana State Legislature, L.R.S. 33:1448(G) was enacted, requiring the Lafayette Parish Sheriff and others to pay certain premium costs of specified group insurance for certain retired employees. All expenses relating to these benefits are recorded in the financial statements.

11. 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 bonds, mortgages, 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 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. The Sheriff has no restricted net assets at June 30, 2009.
- 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 statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved or unreserved, with unreserved further split between designated and undesignated.

12. Prepaid Items

Insurance payments made to insurance agencies that will benefit periods beyond June 30, 2009 are recorded as prepaid items.

LAFAYETTE PARISH SHERIFF
NOTES TO FINANCIAL STATEMENTS
FOR YEAR ENDED JUNE 30, 2009

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

13. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles of the United States of America 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 amount of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

B. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances - total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this difference are as follows:

Capital Outlay	\$ 1,525,330
Depreciation	<u>(1,474,033)</u>
Net Adjustment to Increase Net Changes in Fund Balances -	
Total Governmental Funds to Arrive at Changes in Net Assets	
of Governmental Activities	<u>\$ 51,297</u>

C. CASH AND INTEREST-BEARING DEPOSITS

Under state law, the Sheriff may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Sheriff may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2009, the Sheriff has cash and interest-bearing deposits (book balances) totaling \$21,792,907 of which \$2,431,379 is attributable to fiduciary funds, which is not presented in the statement of net assets.

LAFAYETTE PARISH SHERIFF
NOTES TO FINANCIAL STATEMENTS
FOR YEAR ENDED JUNE 30, 2009

C. CASH AND INTEREST-BEARING DEPOSITS - continued

Custodial Credit Risk Relating to Deposits

Custodial credit risk is the risk that, in the event of bank failure, the Sheriff's deposits might not be recovered. The Sheriff does not have a policy for custodial credit risk, however, 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. As of June 30, 2009, \$22,334,504 of the Sheriff's bank balances of \$22,584,504 was exposed to custodial credit risk as follows:

Bank Balances	<u>\$ 22,584,504</u>
Federal Deposit Insurance	\$ 250,000
Pledged Securities (Category 3)	<u>22,334,504</u>
Total	<u>\$ 22,584,504</u>

Pledged securities in Category 3 include uninsured or unregistered investments for which the securities are held by the bank, or by its trust department or agent, but not in the Sheriff's name. Even though the pledged securities are considered uncollateralized (Category 3) 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.

D. INVESTMENTS

The Sheriff can invest in direct debt securities of the United States unless such an investment is expressly prohibited by law. The Sheriff's investments are categorized to give an indication of the level of risk assumed by it at year end. Category 1 includes investments that are insured or registered or for which the securities are held by the Sheriff or its agent in the Sheriff's name. Category 2 includes uninsured and unregistered investments with securities held by the counterparty's trust department or agent in the Sheriff's name. Category 3 includes uninsured and unregistered investments with securities held by the counterparty, or by its trust department or agent, but not in the Sheriff's name.

In accordance with GASB Codification Section 150.165, the investment in Louisiana Asset Management Pool (LAMP) is not categorized in the three risk categories provided by GASB Codification Section 150.164 because the investment is in the pool of funds and thereby 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.

LAFAYETTE PARISH SHERIFF

**NOTES TO FINANCIAL STATEMENTS
FOR YEAR ENDED JUNE 30, 2009**

D. INVESTMENTS - continued

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.

At June 30, 2009, the Sheriff's investments totaled \$1,324,357 as follows:

Description	Category	Interest Rate	Carrying Amount/ Amortized Cost	Approximate Fair Market Value
Louisiana Asset				
Management Pool (LAMP)	N/A	variable	\$ 1,324,357	\$ 1,324,357

E. AD VALOREM TAXES

The Sheriff is the ex-officio tax collector of the parish and is responsible for the collection and distribution of ad valorem property taxes. Ad valorem taxes attach as an enforceable lien on property as of January 1, of each year. Taxes are levied by the parish government in June and are actually billed to the taxpayers by the Sheriff in October or November. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Tax Assessor of Lafayette Parish and are collected by the Sheriff. The taxes are remitted to the appropriate taxing bodies net of deductions for assessor's compensation and pension fund contributions.

Ad valorem taxes are budgeted and recorded in the year levied and billed. For the year ended June 30, 2009, law enforcement taxes applicable to the Sheriff's General Fund, were levied at the rate of 16.79 mills on property with assessed valuations totaling \$1,836,348,723. The 16.79 mills tax consists of an 8.76 mills tax for the purpose of providing funds for the Lafayette Parish Law Enforcement District approved by voters through the year 2009 and an 8.03 mills tax now authorized by L.R.S 33:9003A.

Total law enforcement taxes levied during 2008 were \$25,226,646.

LAFAYETTE PARISH SHERIFF
NOTES TO FINANCIAL STATEMENTS
FOR YEAR ENDED JUNE 30, 2009

F. DUE FROM OTHER GOVERNMENTAL UNITS

A summary of due from other governmental units of \$2,448,064 at June 30, 2009 follows:

Sales Tax Revenue	\$	929,718
Interest on Taxes		2,225
Ad Valorem Tax Revenue		74,582
Intergovernmental Revenues -		
Federal Grants		54,441
State Supplemental Pay		147,098
State, City, and Parish Grants		537,876
Food Service Contracts		8,366
Fees, Charges and Commissions for Services -		
Civil and Criminal Fees		128,433
Court Attendance		6,875
Inmate Work Crews		121,374
Non Support from Clerk		2,609
Telephone		19,992
Transporting Prisoners		6,726
Product Sales		18,568
Feeding and Keeping Prisoners -		
Parish Government		83,150
State Government		175,415
Federal Government		2,200
State Per Diem		61,852
Other Contracts		61,327
Miscellaneous		<u>5,237</u>
 Total	 \$	 <u>2,448,064</u>

G. INTERFUND TRANSACTIONS

Purpose	Receivable Fund	Payable Fund	Amount
Due to/From:			
Repayment of Commissions	General	Special Revenue	\$ <u>4,337</u>
Repayment of Credit Card Receipts	Special Revenue	General	\$ <u>40</u>

LAFAYETTE PARISH SHERIFF
NOTES TO FINANCIAL STATEMENTS
FOR YEAR ENDED JUNE 30, 2009

H. INVENTORY

Inventory is valued at average cost which approximates market. Inventory in the Special Revenue Fund consists of the raw materials necessary to make bags for resale to include the boxes for packaging. Inventory at year end consists of the following:

Raw Material	\$ 42,000
Finished Goods	<u>45,863</u>
Total	<u>\$ 87,863</u>

I. RETIREMENT COMMITMENTS

All employees are members of one of the following retirement systems:

- Federal Social Security System
- Louisiana Sheriffs' Pension and Relief Fund

Pertinent information relative to each plan follows:

1. Federal Social Security System

All employees who are not eligible to participate in the Louisiana Sheriffs' Pension and Relief Fund are members of the Federal Social Security System. The Sheriff and its employees contribute a percentage of each employee's compensation to the System (7.65% contributed by the Sheriff; 7.65% by the employee). The Sheriff's contributions during the years ended June 30, 2009 and 2008 amounted to \$390,061 and \$337,107, respectively.

2. Louisiana Sheriffs' Pension and Relief Fund

Plan Description-

The Lafayette Parish Sheriff contributes to the Sheriffs' Pension and Relief Fund (Retirement System), a cost-sharing multiple employer defined benefit pension plan administered by the Sheriffs' Pension and Relief Fund, a public corporation created in accordance with the provisions of Louisiana Revised Statute 11:2171 to provide retirement, disability and survivor benefits to sheriff and deputy sheriff members throughout the State of Louisiana. The Sheriffs' Pension and Relief Fund issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Sheriffs' Pension and Relief Fund, P.O. Box 3163, Monroe, Louisiana 71210-3136.

Funding Policy-

Plan members are required to contribute 10% of their annual covered salary and the Lafayette Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 11% of annual covered payroll. The contribution requirements of plan members and the Lafayette Parish Sheriff are established and may be amended by the Sheriffs' Pension and Relief Fund. Beginning in July 2006, the Sheriff elected, as an additional benefit to employees, to begin paying one-half of the plan members' required contribution which is five percent. The Lafayette Parish Sheriff's contributions to the Retirement System for the years ended June 30, 2009, 2008, and 2007 were \$3,572,006, \$3,224,391 and \$2,627,181, respectively.

LAFAYETTE PARISH SHERIFF

**NOTES TO FINANCIAL STATEMENTS
FOR YEAR ENDED JUNE 30, 2009**

J. OTHER POST EMPLOYMENT BENEFITS

From an accrual accounting perspective, the cost of postemployment healthcare benefits, like the cost of pension benefits, should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. In adopting the requirements of GASB Statement No. 45 during the year ended June 30, 2008, the Sheriff recognizes the cost of postemployment healthcare in the year when employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the Sheriff's future cash flows. Because the Sheriff is adopting the requirements of GASB Statement No. 45 prospectively, recognition of the liability accumulated from prior years will be phased in over 30 years, commencing with the 2008 liability.

Plan Description

Employees who retire under the Sheriff's Pension and Relief Fund are eligible to elect to continue coverage upon retirement. The Sheriff absorbs the full cost of premiums for health, dental, vision and \$10,000 of life insurance coverage for any deputy who, upon retirement, has attained the age of 55 with at least 15 years experience or has retired with 30 years of service at any age. Retirees may choose to continue coverage for his/her spouse at his/her own expense.

Benefits are administered by CIGNA Health Care as the third party administration for the health plan. No separate financial statements are issued.

The number of participants as of July 1, 2008, follows. There have been no significant changes in the number covered or the types of coverage since that date.

Active Employees	525
Retired Employees	89
Spouses of Retired Employees	<u>21</u>
Total	<u>635</u>

Funding Policy

The Sheriff currently pays for postemployment healthcare benefits on a pay-as-you-go basis. Although the Sheriff is studying the establishment of trusts to accumulate and invest assets necessary to pay for the accumulated liability, these financial statements assume the pay-as-you-go funding will continue.

Annual Other Postemployment Benefit Cost

For the fiscal year ended June 30, 2009, the Sheriff's annual OPEB cost (i.e., expense) of \$5,608,981 is equal to the Annual Required Contributions. Considering the Sheriff's annual OPEB cost as well as the payment of current health insurance premiums, which totaled \$518,912 for retirees and their beneficiaries, the result was an increase in the Net OPEB Obligation of \$5,090,069 for the year ended June 30, 2009.

LAFAYETTE PARISH SHERIFF
NOTES TO FINANCIAL STATEMENTS
FOR YEAR ENDED JUNE 30, 2009

J. OTHER POST EMPLOYMENT BENEFITS - continued

Benefit Obligations and Normal Costs

Actuarial Accrued Liability (AAL)	
Retired Employees	\$ 16,020,716
Active Employees	<u>31,054,748</u>
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$ 47,075,464</u>
Normal Cost at Beginning of Year	\$ 2,588,588
Amortization Factor based on 30 years	17.9837
Annual Covered Payroll	24,092,372
UAAL as % of Covered Payroll	195.40%

Level Dollar Amortization

Calculation of ARC under Projected Unit Credit Method

ARC Normal Cost with Interest to End of Year	\$ 2,953,147
Amortization of UAAL with Interest to End of Year	<u>2,722,381</u>
Annual Required Contribution (ARC)	5,675,528
Interest on Net OPEB Obligation	170,568
Adjustment to ARC	<u>(237,115)</u>
Annual OPEB Cost (Expense)	5,608,981
Contribution for the Fiscal Year	<u>(518,912)</u>
Increase in Net OPEB Obligation	5,090,069
Net OPEB Obligation June 30, 2008	<u>4,264,210</u>
Net OPEB Obligation June 30, 2009	<u>\$ 9,354,279</u>
Percent of Annual OPEB Cost Contributed	<u>9.3%</u>

LAFAYETTE PARISH SHERIFF
NOTES TO FINANCIAL STATEMENTS
FOR YEAR ENDED JUNE 30, 2009

J. OTHER POST EMPLOYMENT BENEFITS - continued

The Sheriff's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year ended June 30, 2009 and the preceding year were as follows:

Year Ended	Annual OPEB Cost	Percentage Contributed	Net OPEB Obligation
6/30/2009	\$ 5,608,981	9.25%	\$ 9,354,279
6/30/2008	\$ 4,995,662	14.60%	\$ 4,264,210

In future years, three-year trend information will be presented. Fiscal year 2008 was the year of implementation of GASB Statement No. 45 and the Sheriff elected to implement prospectively, therefore, three year comparative data is not available.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The unfunded actuarial accrued liability is being amortized over 30 years on a level dollar open basis.

The projection of future benefits for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of future events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2009 actuarial valuation, the liabilities were computed using the projected unit credit method and level dollar amortization. The actuarial assumptions utilized a 4% discount rate. Because the plan is unfunded, reference to the general assets, which are short-term in nature (such as money market funds), was considered in the selection of the 4% rate. The valuation assumes a 12.2% healthcare cost trend increase (including 5% dental) for fiscal year 2009-10, reduced by varying decrements in each subsequent year.

K. DEFERRED COMPENSATION PLAN

The Sheriff has adopted Governmental Accounting Standards Board (GASB) Statement 32, Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans. The Sheriff offers a deferred compensation plan to its employees. Under GASB-32, the Sheriff does not report the deferred compensation plan in the general purpose financial statements. During the fiscal year ended June 30, 2008, the Sheriff began matching the employees' deferred compensation amounts at a rate of 50 cents for every dollar contributed by the employee not to exceed two percent of annual gross pay. The total amount contributed for the years ended June 30, 2009 and 2008 was \$43,005 and \$29,581, respectively.

LAFAYETTE PARISH SHERIFF
NOTES TO FINANCIAL STATEMENTS
FOR YEAR ENDED JUNE 30, 2009

L. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2009 was as follows:

	<u>Balance</u> <u>July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2009</u>
Governmental Activities:				
Building and Improvements	\$ 6,391,463	\$ 178,456	\$ -	\$ 6,569,919
Equipment and Furniture	7,163,851	576,144	8,000	7,731,995
Vehicles	<u>4,017,447</u>	<u>770,730</u>	<u>226,542</u>	<u>4,561,635</u>
Total	<u>17,572,761</u>	<u>1,525,330</u>	<u>234,542</u>	<u>18,863,549</u>
Less: Accumulated Depreciation				
Building and Improvements	2,837,481	244,795	-	3,082,276
Equipment and Furniture	5,812,310	536,954	3,600	6,345,664
Vehicles	<u>2,974,633</u>	<u>692,284</u>	<u>223,260</u>	<u>3,443,657</u>
Total	<u>11,624,424</u>	<u>1,474,033</u>	<u>226,860</u>	<u>12,871,597</u>
Net Capital Assets	<u>\$ 5,948,337</u>	<u>\$ 51,297</u>	<u>\$ 7,682</u>	<u>\$ 5,991,952</u>

Depreciation expense for the year ended June 30, 2009 was \$1,474,033 and is charged to the public safety function.

M. TAXES PAID UNDER PROTEST

The unsettled balances due to taxing bodies and others in the agency funds at June 30, 2009, include \$305,652 of taxes paid under protest plus interest earned to date on the investment of these funds. These funds are held pending resolution of the protest and are accounted for in the Tax Collector Agency Fund.

N. CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The Sheriff's long-term debt is attributable to governmental activities and includes compensated absences, claims payable and other post employment benefits. This debt will be liquidated by the general fund.

LAFAYETTE PARISH SHERIFF
NOTES TO FINANCIAL STATEMENTS
FOR YEAR ENDED JUNE 30, 2009

N. CHANGES IN GENERAL LONG-TERM OBLIGATIONS -continued

The following is a summary of the long-term obligations transactions of the Lafayette Parish Sheriff for the year ended June 30, 2009:

	Claims Payable	Other Post Employment Benefits	Compensated Absences	Total
Long-Term Obligations Payable at June 30, 2008	\$ 498,591	\$ 4,264,210	\$ 2,049,439	\$ 6,812,240
Additions	176,206	5,090,069	73,451	5,339,726
Deductions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Long-Term Obligations Payable at June 30, 2009	<u>\$ 674,797</u>	<u>\$ 9,354,279</u>	<u>\$ 2,122,890</u>	<u>\$ 12,151,966</u>
Current Portion				<u>\$ 795,469</u>

O. LITIGATION AND CLAIMS

At June 30, 2009, the Sheriff was a defendant in lawsuits principally arising from the normal course of operations. The Sheriff's legal counsel has reviewed the Sheriff's claims and lawsuits, which are primarily personal injury claims, in order to evaluate the likelihood of an unfavorable outcome to the Sheriff and to arrive at an estimate, if any, of the amount or range of potential loss to the Sheriff. As a result of the review, the various claims and lawsuits have been categorized into "probable," "reasonably possible," or "remote," as defined by the Governmental Accounting Standards Board. The claims and lawsuits that have been classified as "probable" have been accrued into these financial statements in the amount of \$20,560. Those classified as "reasonably possible" are estimated not to exceed \$85,086.

P. EXPENDITURES OF THE SHERIFF'S OFFICE PAID BY THE PARISH GOVERNMENT

The Sheriff's administrative office and jail is located in buildings owned by the Lafayette Parish Government. The cost of maintaining and operating these buildings, as required by statute, is paid by the Lafayette Parish Government. These expenditures are not included in the accompanying financial statements.

LAFAYETTE PARISH SHERIFF
NOTES TO FINANCIAL STATEMENTS
FOR YEAR ENDED JUNE 30, 2009

Q. RISK MANAGEMENT

1. Commercial Insurance Coverage

The Sheriff is exposed to risks of loss in the areas of certain property coverage, general and auto liability, professional law enforcement liability, and public officials' liability. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year.

2. Group Self-Insurance

During fiscal year ending June 30, 1993, the Sheriff established a Group Self-Insurance Fund (an internal service fund) to account for and finance the uninsured risk of loss for commercial group health insurance. On July 1, 2007, the Sheriff elected to terminate the Group Self-Insurance Fund and begin accounting for the cost of health insurance in the General Fund.

The plan year ended on June 30, 2009, and is being administered by CIGNA Life and Annuity Company, Inc. (CIGNA). The plan provided coverage for specific claims for up to a maximum of \$150,000 for each employee or employee dependent and aggregate claims up to a maximum of \$5,111,627 and \$3,973,806 for the plan years ended June 30, 2009 and 2008, respectively. The Sheriff purchased commercial insurance for claims in excess of coverage provided by the Fund.

The claims liability of \$674,797 reported in the General Fund at June 30, 2009 is based on Governmental Accounting Standards Board Statement No. 10. This statement requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the loss can be reasonably estimated.

Changes in the fund's claims liability amount in fiscal years 2009 and 2008 were:

Year Ended	Beginning of Fiscal Year Liability	Current-Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year End
June 30, 2008	\$ 420,420	\$ 4,051,977	\$ 3,973,806	\$ 498,591
June 30, 2009	\$ 498,591	\$ 5,287,833	\$ 5,111,627	\$ 674,797

LAFAYETTE PARISH SHERIFF
NOTES TO FINANCIAL STATEMENTS
FOR YEAR ENDED JUNE 30, 2009

R. JOINT VENTURE

The Sheriff is a participant with the City-Parish Government of Lafayette, in a joint venture to perform investigations and analytical studies of controlled substances, and when necessary under lawful rules, take into custody all persons accused of committing criminal violations with the emphasis on controlled substances. The Lafayette Metro Narcotics Task Force (the Task Force) was formed under a joint powers agreement entered into by the two government units listed above on October 5, 2000. The Task Force is governed by a four-member board composed of two appointees from the Sheriff, and two appointees from the City-Parish of Lafayette. The Sheriff and the City-Parish of Lafayette have agreed to provide, for each calendar year, a minimum of Sixty-Five Thousand Dollars each, for the operation of the Task Force. The Sheriff and the City-Parish may mutually agree to provide a lesser amount. The Sheriff does not hold an equity interest in the Task Force at June 30, 2009. For the year ended December 31, 2008, the Task Force reported an excess of revenues over expenditures in its General Fund of \$170,159, and an ending fund balance of \$557,139. Complete financial statements for the Task Force can be obtained from the Lafayette Parish Sheriff's Department at 316 West Main Street, Lafayette, Louisiana.

For the year ended June 30, 2009, the Sheriff paid \$50,000 to the Lafayette Metro Narcotics Task Force.

S. OPERATING LEASES

The Sheriff has entered into various operating leases for facilities and equipment. These leases are as follows:

- Lease of facility for ten years originally dated February 15, 1985 with renewal options that have been exercised. Current term expires in February 2010. Annual rental payment of \$1,082.
- Lease of facility for three years commencing August 1, 2008 with rental payments of \$2,200 per month.

Future minimum lease payments related to these leases are as follows:

June 30, 2010	\$27,076
June 30, 2011	26,400
June 30, 2012	<u>2,200</u>
Total	<u>\$55,676</u>

Rental payments included in these financial statements relating to these leases totaled \$25,282.

T. SUBSEQUENT EVENTS

In July 2009, the Sheriff's office purchased land to be used in future facilities expansion in the amount of \$1,207,010.

**REQUIRED SUPPLEMENTARY
INFORMATION**

LAFAYETTE PARISH SHERIFF

GENERAL FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
 BUDGET AND ACTUAL (GAAP BASIS)
 YEAR ENDED JUNE 30, 2009

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Self-generated Fees, Services, Ad Valorem Taxes and Sales Taxes	\$ 38,080,230	\$ 41,358,034	\$ 41,034,803	\$ (323,231)
Federal, State and Parish Appropriations	3,543,575	3,541,855	5,888,204	2,346,349
Other Revenues	960,000	774,012	881,138	107,126
Total Revenues	42,583,805	45,673,901	47,804,145	2,130,244
Expenditures:				
Current -				
Public Safety:				
Personal Services and Related Benefits	32,166,099	33,112,495	33,261,768	(149,273)
Operating Services	4,260,000	4,216,035	4,005,293	210,742
Materials and Supplies	1,518,000	1,503,666	1,475,699	27,967
Other Charges	2,804,000	3,016,356	2,964,201	52,155
Capital Outlay	1,381,309	1,620,620	1,525,330	95,290
Total Expenditures	42,129,408	43,469,172	43,232,291	236,881
Excess of Revenues Over Expenditures	454,397	2,204,729	4,571,854	2,367,125
Other Financing Sources (Uses):				
Sale of Assets	-	-	37,214	37,214
Total Other Financing Sources (Uses)	-	-	37,214	37,214
Excess of Revenues and Other Sources Over Expenditures and Other Uses	454,397	2,204,729	4,609,068	2,404,339
Fund Balance, Beginning	18,538,047	18,538,047	18,538,047	-
Fund Balance, Ending	\$ 18,992,444	\$ 20,742,776	\$ 23,147,115	\$ 2,404,339

LAFAYETTE PARISH SHERIFF

**SCHEDULE OF FUNDING PROGRESS OF OPEB PLAN-
FOR THE YEAR ENDED JUNE 30, 2009**

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) Projected Unit Cost</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
	(a)	(b)	(b-a)	(a/b)	(c)	[(b-a)/c]
7/1/2007	\$ -	\$ 41,623,202	\$ 41,623,202	-	\$ 21,586,197	192.82%
7/1/2008	\$ -	\$ 47,075,464	\$ 47,075,464	-	\$ 24,092,372	195.40%

**OTHER SUPPLEMENTARY
INFORMATION**

LAFAYETTE PARISH SHERIFF

GENERAL FUND

STATEMENT OF REVENUES COMPARED TO BUDGET (GAAP BASIS)
YEAR ENDED JUNE 30, 2009

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Self-generated Fees, Services, Ad Valorem Taxes and Sales Taxes:				
Ad Valorem Taxes	\$ 21,729,030	\$ 24,905,399	\$ 24,985,177	\$ 79,778
Sales Tax Revenue	6,420,000	5,682,995	6,079,553	396,558
Civil and Criminal Fees	1,903,200	2,136,225	2,460,890	324,665
Court Attendance	24,000	29,617	32,492	2,875
Transporting Prisoners	-	-	65,673	65,673
Feeding and Keeping Prisoners	3,060,000	3,075,450	3,268,075	192,625
Community Corrections	1,944,000	2,114,314	2,539,082	424,768
Contractual Arrangements	3,000,000	3,414,034	1,603,861	(1,810,173)
Total Self-generated Fees, Services, Ad Valorem Taxes and Sales Taxes	38,080,230	41,358,034	41,034,803	(323,231)
Federal, State and Parish Appropriations:				
Federal Grants	96,000	256,802	290,424	33,622
State Revenue Sharing (Net)	812,375	757,961	836,942	78,981
State Supplemental Pay	1,495,200	1,466,655	1,622,855	156,200
State, City and Parish Grants	1,140,000	1,060,437	3,137,983	2,077,546
Total Federal, State and Parish Appropriations	3,543,575	3,541,855	5,888,204	2,346,349
Other Revenues:				
Interest Income	420,000	186,000	197,050	11,050
Miscellaneous	540,000	588,012	684,088	96,076
Total Other Revenues	960,000	774,012	881,138	107,126
Total Revenues	\$ 42,583,805	\$ 45,673,901	\$ 47,804,145	\$ 2,130,244

LAFAYETTE PARISH SHERIFF

GENERAL FUND

STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)
YEAR ENDED JUNE 30, 2009

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Current:				
Public Safety -				
Personal Services and Related Benefits:				
Sheriff Salary	\$ 114,704	\$ 118,418	\$ 118,983	\$ (565)
Deputies Salaries	23,040,000	23,916,725	23,973,389	(56,664)
Pension and Payroll Taxes	4,001,760	3,980,454	3,956,587	23,867
Sheriff's Expense Allowance	11,470	11,685	11,753	(68)
Hospitalization Insurance	4,998,165	4,969,763	5,026,804	(57,041)
Other Employee Expenses	-	115,450	174,252	(58,802)
Total Personal Services and Related Benefits	<u>32,166,099</u>	<u>33,112,495</u>	<u>33,261,768</u>	<u>(149,273)</u>
Operating Services:				
Auto and Liability Insurance	1,500,000	1,465,625	1,282,870	182,755
Leases	300,000	198,386	178,517	19,869
Telephone and Utilities	432,000	450,188	481,111	(30,923)
Fuel and Oil	780,000	603,525	635,369	(31,844)
Maintenance and Repairs	828,000	920,403	834,893	85,510
Legal and Professional Fees	420,000	577,908	592,533	(14,625)
Total Operating Services	<u>4,260,000</u>	<u>4,216,035</u>	<u>4,005,293</u>	<u>210,742</u>
Materials and Supplies:				
Uniforms	216,000	213,250	221,288	(8,038)
Small Equipment and Supplies	510,000	637,496	632,467	5,029
Office Expense	312,000	366,857	396,697	(29,840)
Publications	480,000	286,063	225,247	60,816
Total Materials and Supplies	<u>1,518,000</u>	<u>1,503,666</u>	<u>1,475,699</u>	<u>27,967</u>
Other Charges:				
Prisoner Feeding and Maintenance	2,460,000	2,638,469	2,630,677	7,792
Criminal Investigation Expense	8,400	4,576	4,501	75
Training, Travel and Conventions	216,000	222,812	187,968	34,844
Dues	48,000	82,207	76,440	5,767
Juvenile Programs	9,600	2,013	1,830	183
Canine	12,000	11,279	12,785	(1,506)
Appropriation to Parish Government -				
Metro Narcotics	50,000	55,000	50,000	5,000
Crime Lab	-	-	-	-
Total Other Charges	<u>2,804,000</u>	<u>3,016,356</u>	<u>2,964,201</u>	<u>52,155</u>
Capital Outlay	<u>1,381,309</u>	<u>1,620,620</u>	<u>1,525,330</u>	<u>95,290</u>
Total Expenditures	<u>\$42,129,408</u>	<u>\$43,469,172</u>	<u>\$43,232,291</u>	<u>\$ 236,881</u>

LAFAYETTE PARISH SHERIFF

SPECIAL REVENUE FUND
INMATE WELFARE FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2009

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Commissary Commission Income	\$ 304,500	\$ 265,000	\$ 306,521	\$ 41,521
Product Sales	114,000	148,000	158,768	10,768
Interest	10,250	1,475	2,898	1,423
Miscellaneous	3,700	18,448	23,569	5,121
Total Revenues	432,450	432,923	491,756	58,833
Expenditures:				
Current -				
Personal Services and Related Benefits	52,000	49,575	50,742	(1,167)
Operating Services:				
Cost of Goods Sold	107,000	107,955	97,846	10,109
Supplies	79,550	123,994	101,964	22,030
Payments to Inmate Work				
Crews and Indigent Inmates	75,000	95,755	94,438	1,317
Miscellaneous	39,300	49,044	46,980	2,064
Total Operating Services	300,850	376,748	341,228	35,520
Capital Outlay	-	1,795	-	1,795
Total Expenditures	352,850	428,118	391,970	36,148
Excess (Deficiency) of Revenues over Expenditures	79,600	4,805	99,786	94,981
Fund Balance, Beginning	275,238	275,238	275,238	-
Fund Balance, Ending	\$ 355,338	\$ 22,782	\$ 213,410	\$ 190,628

FIDUCIARY FUND TYPE - AGENCY FUNDS

Sheriff's Fund

To account for funds held in connection with civil suits, Sheriff's sales, and garnishments and payment of these collections to the Sheriff's General Fund and other recipients in accordance with applicable laws.

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.

Deputy Fund

To account for the receipt and subsequent disbursement of commissions received from vending machine sales, fees received for a benefit golf tournament and other deputy activities.

Bond Fund

To account for the collection of bonds, fines, and costs and payment of these collections to the Sheriff's General Fund and other recipients in accordance with applicable laws.

Prison Inmate Fund

To account for the deposits made by, and for, inmates to their individual accounts and the appropriate disbursements to these inmates.

Evidence Fund

To account for funds seized during arrest for which final resolution of distribution has not been determined.

Juvenile Day Reporting Fund

To account for deposits made by the participants in the program and record amounts to fund activities of these participants.

LAFAYETTE PARISH SHERIFF
FIDUCIARY FUND TYPE - AGENCY FUNDS

COMBINING BALANCE SHEET
JUNE 30, 2009

	Sheriff's Fund	Tax Collector Fund	Deputy Fund	Bond Fund	Prison Inmate Fund	Evidence Fund	Juvenile Day Reporting Fund	Total
ASSETS								
Cash	\$ -	\$ -	\$ -	\$ 200	\$ -	\$ 190,429	\$ -	\$ 190,629
Interest-Bearing Deposits	310,444	565,154	9,805	1,145,249	572,829	-	405	2,603,886
Total Assets	<u>\$ 310,444</u>	<u>\$ 565,154</u>	<u>\$ 9,805</u>	<u>\$ 1,145,449</u>	<u>\$ 572,829</u>	<u>\$ 190,429</u>	<u>\$ 405</u>	<u>\$ 2,794,515</u>
LIABILITIES								
Due to Taxing Bodies and Others	\$ 310,444	\$ 565,154	\$ 9,805	\$ 1,145,449	\$ -	\$ 190,429	\$ 405	\$ 2,221,686
Due to Prisoners	-	-	-	-	572,829	-	-	572,829
Total Liabilities	<u>\$ 310,444</u>	<u>\$ 565,154</u>	<u>\$ 9,805</u>	<u>\$ 1,145,449</u>	<u>\$ 572,829</u>	<u>\$ 190,429</u>	<u>\$ 405</u>	<u>\$ 2,794,515</u>

**COMPLIANCE
AND
INTERNAL CONTROL**

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

The Honorable Michael W. Neustrom
Lafayette Parish Sheriff
Lafayette, Louisiana

We have audited the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Lafayette Parish Sheriff as of and for the year ended June 30, 2009, which collectively comprise the Lafayette Parish Sheriff's basic financial statements and have issued our report thereon dated December 11, 2009. We conducted our audit in accordance with auditing 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 provisions of Louisiana Revised Statutes 24:513 and the Louisiana Governmental Audit Guide.

Internal Control Over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses.

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Lafayette Parish Sheriff's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended for the information and use of management, others within the organization, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor of the State of Louisiana as a public document.

*Wright, Moore, DeHart,
Dupuis & Hutchinson, LLC*

WRIGHT, MOORE, DeHART,
DUPUIS & HUTCHINSON, L.L.C.
Certified Public Accountants

December 11, 2009

LAFAYETTE PARISH SHERIFF
SCHEDULE OF CURRENT YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2009

We have audited the financial statements of the Lafayette Parish Sheriff as of and for the year ended June 30, 2009, and have issued our report thereon dated December 11, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by Comptroller General of the United States and the provisions of Louisiana Revised Statutes 24:513 and the Louisiana Governmental Audit Guide. Our audit of the financial statements of June 30, 2009 resulted in an unqualified opinion.

Section I - Summary of Auditors' Reports

A. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses	<u> </u> Yes	<u> X </u> No
Significant Deficiencies	<u> </u> Yes	<u> X </u> No

Compliance

Compliance Material to Financial Statements	<u> </u> Yes	<u> X </u> No
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Section II - Financial Statement Findings

There were no findings in the current year.

Section III - Federal Award Findings and Questioned Costs

This section is not applicable for the current year.

LAFAYETTE PARISH SHERIFF
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2009

Section I. Internal Control and Compliance Material to the Financial Statements

2008-1 Budget Amendments

Finding:

Louisiana Revised Statute 39:1310 requires that budgets be adopted for General Fund and Special Revenue Fund and amendments be made and properly adopted when variances to the budget amounts are in excess of five (5) percent. The Sheriff's Office failed to adequately amend the budget for the General and Special Revenue Funds.

Follow-up:

This finding was resolved in the current year.

2008-2 Material Audit Adjustments

Finding:

During the course of the current year audit, the auditor was required to make a significant number of adjusting journal entries in both the General Fund and Special Revenue Fund which had material effects on the financial statements of these funds.

Follow-up:

This finding was resolved in the current year.

Section II. Internal Control and Compliance Material to Federal Awards.

There were no findings relating to this section for the year ended June 30, 2008.

Section III. Management Letter

There were no findings relating to this section for the year ended June 30, 2008.