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**EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana**

**ANNUAL FINANCIAL STATEMENTS**

**As of and for the year ended  
June 30, 2007**

**(With Accountant's Report Thereon)**

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 1/23/08

**Jerrold A. Black  
Certified Public Accountant**

EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

Annual Financial Statements  
As of and for the year ended  
June 30, 2007

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EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

Annual Financial Statements  
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June 30, 2007

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**INDEPENDENT AUDITOR'S REPORT**

HONORABLE SID J. GAUTREAUX, III  
EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the East Baton Rouge Parish Sheriff as of and for the year ended June 30, 2007, which collectively comprise the basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the East Baton Rouge Parish Sheriff's management. My responsibility is to express an opinion on these financial statements based on my audit. The prior year's comparative information has been derived from the Sheriff's 2006 financial statements and, in my report dated December 9, 2006, I expressed unqualified opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information.

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

In my opinion, the financial statements referred to above present fairly, in all material respects, the relative financial position of the governmental activities and each major fund of the East Baton Rouge Parish Sheriff as of June 30, 2007, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued a report dated December 21, 2007, on my consideration of the East Baton Rouge Parish Sheriff's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations and grant agreements. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.

The Management's Discussion and Analysis and the Required Supplemental information on pages 3 through 10 and pages 33 and 34 are not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted primarily of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, I did not audit the information and express no opinion on it.

HONORABLE SID J. GAUTREAUX, III  
EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

My audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the East Baton Rouge Parish Sheriff's basic financial statements taken as a whole. The Other Supplementary Information on pages 36 through 38 is presented for the purpose of additional analysis and the Schedule of Expenditures of Federal Awards on page 42 is presented for the purpose of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements of the East Baton Rouge Parish Sheriff. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Baton Rouge, Louisiana  
December 21, 2007



EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

Management's Discussion and Analysis

This section of the East Baton Rouge Parish Sheriff's (the Sheriff's) annual financial report provides our narrative discussion and analysis of the financial activities of the Sheriff for the fiscal years ended June 30, 2007 and 2006. The Sheriff's financial performance is discussed and analyzed within the context of the financial statements and disclosures, which follow this section.

Financial Highlights

- The Sheriff's assets exceeded its liabilities by \$24.8 million and \$22.6 million (net assets) for the fiscal years ended June 30, 2007 and 2006, respectively.
- Total revenues of \$61.3 million exceeded total expenditures of \$59.1 million, resulting in a surplus of \$2.2 million for the year ended June 30, 2007. For the year ended June 30, 2006, total revenues of \$54.9 million exceeded total expenditures of \$54.8 million, resulting in a surplus of \$0.1 million for that year.
- The Sheriff's governmental funds report total ending fund balances of \$22.7 million and \$19.5 million for the years ending June 30, 2007 and 2006, respectively. This represents an increase of \$3.2 million and \$1.4 million in fund balance for the fiscal years ended June 30, 2007 and 2006, respectively. For fiscal year 2008 the Sheriff's Office has budgeted a decrease in fund balance of \$2.1 million. This budgeted deficit for fiscal year 2008 includes anticipated increases in expenditures of \$2.3 million for non-reimbursable personnel services and benefits, \$1.0 million for operating services, and \$1.9 million for capital outlay. The current fund balance is sufficient to absorb this projected deficit.
- Total net assets are comprised of the following:
  - (1) Capital assets of \$5.4 million and \$6.1 million for the years ended June 30, 2007 and 2006, respectively, net of related debt of \$ -0-. Capital assets include property and equipment net of accumulated depreciation.
  - (2) Restricted net assets of \$22,888 and \$28,783 for the years ended June 30, 2007 and 2006, respectively.
  - (3) Unrestricted net assets of \$19.5 million and \$16.4 million for the years ended June 30, 2007 and 2006, respectively.

*Greater detail of these financial highlights is provided in the "financial analysis" section of this document.*

EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

Management's Discussion and Analysis

Overview of the Financial Statements

Management's Discussion and Analysis introduces the Sheriff's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The Sheriff also includes information in this report to supplement the basic financial statements. Comparative data for the year ended June 30, 2006 is included.

**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.

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 non-financial 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 taxpayers.

The government-wide financial statements present governmental activities of the Sheriff that are principally supported by property taxes. The sole purpose of these governmental activities is public safety. The government-wide financial statements are presented on pages 13 and 14 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 uses governmental funds and fiduciary funds as follows:

*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 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

EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

Management's Discussion and Analysis

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 17 through 20 of this report.

*Fiduciary funds are reported in the fund financial statements and present taxes collected for other taxing bodies, deposits held pending court action and the individual prison inmate accounts. The only fiduciary funds presented by the Sheriff are agency funds.*

The basic agency fund financial statement is presented on page 21 of this report.

**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 22 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 presentations. Budgetary comparison statements are included as "required supplementary information" for the general and special revenue fund. These schedules demonstrate compliance with the Sheriff's adopted and final revised budget. Required supplementary information can be found on pages 33 and 34 of this report.

**Financial Analysis of the Sheriff as a Whole**

The Sheriff's net assets are \$24,832,844 and \$22,597,705 at June 30, 2007 and 2006, respectively. The following table provides a summary of the Sheriff's net assets:



EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

Management's Discussion and Analysis

Summary of Net Assets

	June 30, 2007		June 30, 2006	
	Governmental Percentage		Governmental Percentage	
	<u>Activities</u>	<u>Total</u>	<u>Activities</u>	<u>Total</u>
<b>Assets:</b>				
Current assets	\$ 25,228,614	82%	\$ 20,663,603	77%
Capital assets	<u>5,359,574</u>	<u>18%</u>	<u>6,130,328</u>	<u>23%</u>
Total assets	<u>30,588,188</u>	<u>100%</u>	<u>26,793,931</u>	<u>100%</u>
<b>Liabilities:</b>				
Current liabilities	2,522,852	44%	1,151,966	27%
Long-term liabilities	<u>3,232,492</u>	<u>56%</u>	<u>3,044,260</u>	<u>73%</u>
Total liabilities	<u>5,755,344</u>	<u>100%</u>	<u>4,196,226</u>	<u>100%</u>
<b>Net assets:</b>				
Investment in capital assets	5,359,574		6,130,328	
Restricted	22,888		28,783	
Unrestricted	<u>19,450,382</u>		<u>16,438,593</u>	
Total net assets	<u>\$ 24,832,844</u>		<u>\$ 22,597,705</u>	

Net assets of \$24,832,844 and \$22,597,705 at June 30, 2007, and 2006, respectively, were \$2,235,139 more and \$142,917 more than net assets for the previous year. The Sheriff has \$5,359,574 and \$6,130,328 invested in capital assets at June 30, 2007 and 2006, respectively. Current assets exceed current liabilities by \$22,705,762 and \$19,511,637 at June 30, 2007 and 2006, respectively.

EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, 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

	<u>June 30, 2007</u>		<u>June 30, 2006</u>	
	<u>Governmental</u>	<u>Percentage</u>	<u>Governmental</u>	<u>Percentage</u>
	<u>Activities</u>	<u>of Total</u>	<u>Activities</u>	<u>of Total</u>
Revenues:				
Program:				
Fees, charges and commissions for services	\$ 16,029,983	26%	\$ 13,013,438	26%
Operating grants and contributions	<u>813,471</u>	1%	<u>1,095,178</u>	2%
General:				
Ad valorem taxes	39,414,812	63%	36,147,873	64%
Licenses and permits	903,546	1%	609,662	1%
Grants not restricted to specific programs	2,086,820	4%	2,162,608	4%
Interest income	1,344,901	2%	1,086,966	1%
Proceeds from sale of fixed assets/ gain on sale of fixed assets	118,065	0%	76,375	0%
Miscellaneous	<u>591,700</u>	1%	<u>739,673</u>	1%
Total revenues	<u>61,303,299</u>	<u>100%</u>	<u>54,931,773</u>	<u>100%</u>
Program expenses:				
Public safety	<u>59,068,162</u>	<u>100%</u>	<u>54,788,856</u>	<u>100%</u>
Total expenses	<u>59,068,162</u>	<u>100%</u>	<u>54,788,856</u>	<u>100%</u>
Change in net assets	2,235,137		142,917	
Beginning net assets	<u>22,597,705</u>		<u>22,454,788</u>	
Ending net assets	<u>\$ 24,832,844</u>		<u>\$ 22,597,705</u>	

EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

Management's Discussion and Analysis

**GOVERNMENTAL REVENUES**

Taxpayers funded 73% and 72% of the Sheriff's operations in the form of property taxes, grants and the Sheriff's other general revenues for the years ended June 30, 2007 and 2006, respectively. Program revenues funded 27% and 28% of governmental operating expenses for the years ended June 30, 2007 and 2006, respectively.

**GOVERNMENTAL FUNCTIONAL EXPENSES**

The total function of the Sheriff's office is public safety activities. Depreciation of office equipment, vehicles, buildings and all other capital assets for the years ended June 30, 2007 and 2006 was \$1,811,110 (3.1% of total expenses) and \$2,038,556 (3.7% of total expenses), respectively

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 \$22,705,762 and \$19,511,637 at June 30, 2007 and 2006, respectively. The legally restricted fund balances (i.e., the reserved fund balances) for inventory were \$22,888 and \$28,783 for the years ended June 30, 2007 and 2006, respectively. The unreserved, undesignated fund balances were \$22,682,874, \$19,482,856, and \$18,019,284 at June 30, 2007, 2006, and 2005, respectively.

The unreserved, undesignated fund balances increased by \$3,200,018 and \$1,463,572 from the previous year for the years ended June 30, 2007 and 2006, respectively.

***Major Governmental Funds***

The General Fund is the Sheriff's primary operating fund. Total General Fund revenues increased by approximately \$6.5 million in the fiscal year 2007 from fiscal year 2006 and by approximately \$2.5 million in fiscal year 2006 from fiscal year 2005, with the most significant increases for fiscal year 2007 coming from a \$3.3 million increase in ad valorem taxes and a \$3.0 million increase in fees, charges and commissions for services; the most significant increase for fiscal year 2006 was a \$1.7 million increase in ad valorem tax revenue. Total expenditures in the General Fund increased from the previous fiscal year by \$4.7 million and by \$0.5 million in the years ended June 30, 2007 and 2006, respectively. The most significant increases in expenditures for the year ended June 30, 2007 were in materials and supplies (\$2.9 million) and in personnel services and related benefits (\$0.9 million), and the most significant increases in expenditures for the year ended June 30, 2006 were in personnel services and related benefits and in operating services (\$0.9 million each). Total revenues for the General Fund exceeded total expenditures by \$3.2 million for the year ended June 30, 2007, and by \$1.4 million for the year ended June 30, 2006, resulting in ending fund balances of \$22.5 million and \$19.3 million.

EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

Management's Discussion and Analysis

Beginning in fiscal year 2004, the Sheriff's Office implemented cost-cutting measures resulting in the \$3.2 and \$1.4 million reduction in the use of fund balance during the fiscal years ended June 30, 2007 and 2006, respectively.

Budgetary Highlights

**The General Fund** — The original budget for the General Fund included anticipated revenues of approximately \$56.7 million and \$53.7 million for the years ended June 30, 2007 and 2006, respectively, an increase of approximately \$3.0 million and \$3.5 million for these years from the prior year. For the fiscal year ended June 30, 2007, the budget was amended to reflect increases in various revenue accounts totaling approximately \$3.0 million; however, the total actual revenues of \$60.3 million, as reported in the General Fund, exceeded the amended budget by approximately \$0.5 million.

The original budget for the General Fund included anticipated expenditures of approximately \$58.7 and \$55.9 million for the years ended June 30, 2007 and 2006, an increase of approximately \$2.8 million and \$60,000 for these years from the prior year. For the year ended June 30, 2007, the budget was amended to reflect a decrease of approximately \$0.5 million in anticipated expenditures, most significantly in the areas of personnel services and related benefits and capital outlay; however, the total actual expenditures of \$57.2 million was approximately \$1.0 million less than total anticipated expenditures of \$58.2 million on the amended budget.

**The Prison Canteen Special Revenue Fund** — There were no significant differences between the original and final budget.

Capital Assets and Debt Administration

**Capital assets**

The Sheriff's investment in capital assets was \$5,359,574, net of accumulated depreciation of \$11,737,484 at June 30, 2007 and \$6,130,329, net of accumulated depreciation of \$10,709,265 at June 30, 2006. Under the Sheriff's capitalization policy, assets with a cost of \$5,000 or more are capitalized for purposes of financial reporting. All assets with a cost of \$500 or more, as well as certain assets with a cost of less than \$500, are inventoried and tracked. See Note 6 for additional information about changes in capital assets during the fiscal year and the balance at the end of the year.

The following table provides a summary of capital asset categories.

**EAST BATON ROUGE PARISH SHERIFF**  
 Baton Rouge, Louisiana

**Management's Discussion and Analysis**

**Capital Assets**

	<u>Governmental Activities</u>	
	<u>6/30/2007</u>	<u>6/30/2006</u>
<b>Depreciable assets:</b>		
Land	\$ 43,560	\$ 43,560
Buildings	2,073,426	2,139,026
Vehicles	2,387,161	2,905,377
Office furniture & equipment	418,942	569,262
Law enforcement equipment	249,488	213,460
Telecommunications equipment	<u>186,997</u>	<u>259,645</u>
<b>Total depreciable assets</b>	<u>\$ 5,359,574</u>	<u>\$ 6,130,328</u>

At June 30, 2007 and 2006, respectively, the depreciable capital assets for governmental activities were 69% and 64% depreciated.

***Long-term debt***

The Sheriff had no long-term debt for the fiscal years ended June 30, 2007 and 2006.

**Contacting the Sheriff's Financial Management**

This financial report is designed to provide a general overview of the Sheriff's finances, comply with laws and regulations related to finance, and demonstrate the Sheriff's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the Sheriff's Office, David Morgan, Acting Chief Civil Deputy, at (225) 389-4929 or email at [dmorgan@ebrso.org](mailto:dmorgan@ebrso.org).

**BASIC FINANCIAL STATEMENTS**

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

EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

Statement of Net Assets  
June 30, 2007

ASSETS

Cash and cash equivalents	\$ 21,003,377
Cash restricted	950,596
Receivables	1,930,293
Due from other funds	963,900
Inventory	22,888
Other	357,560
Capital assets:	
Land	43,560
Capital assets, net	<u>5,316,014</u>
 Total assets	 <u>30,588,188</u>

LIABILITIES

Accounts payable and accrued liabilities	1,655,654
Payroll and sales taxes payable	267,339
Due to others	590,709
Reserve deputy - equipment deposits	9,150
Long-term liabilities:	
Compensated absences payable	<u>3,232,492</u>
 Total liabilities	 <u>5,755,344</u>

NET ASSETS

Invested in capital assets	5,359,574
Restricted	22,888
Unrestricted	<u>19,450,382</u>
 Total net assets	 <u>\$ 24,832,844</u>

The accompanying notes are an integral part of this statement.



EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

Statement of Activities  
For the year ended June 30, 2007

Activities	Expenses	Program Revenues		Net (Expense) Revenues and Changes in Net Assets
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Governmental Activities
Governmental activities:				
Public safety	\$ 59,068,162	16,029,983	813,471	(42,224,708)
General revenues:				
Ad valorem taxes				39,414,812
Licenses and permits				903,546
Grants not restricted to specific programs				2,086,820
Interest income				1,344,901
Proceeds from sale of fixed assets				118,065
Miscellaneous				591,700
Total general revenues				<u>44,459,844</u>
Change in net assets				2,235,137
Net assets - July 1, 2006				<u>22,597,705</u>
Net assets - June 30, 2007				<u>\$ 24,832,844</u>

The accompanying notes are an integral part of this statement.

**FUND FINANCIAL STATEMENTS (FFS)**

EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

**MAJOR 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**

**Prison Canteen Fund**

To account for the receipt and use of proceeds from the sale of personal items to prisoners in the parish jail.

EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

Balance Sheet - Governmental Funds  
June 30, 2007  
With Comparative Totals for June 30, 2006

	General Fund	Special Revenue Fund	Totals (Memorandum Only)	
			2007	2006
<b>ASSETS</b>				
Cash and cash equivalents	\$ 20,869,212	134,165	21,003,377	17,907,919
Cash restricted	950,596	-	950,596	749,568
Receivables	1,930,293	-	1,930,293	978,049
Due from other funds	949,868	14,032	963,900	926,507
Inventory	-	22,888	22,888	28,783
Other	357,326	235	357,560	72,778
Total assets	\$ 25,057,294	171,320	25,228,615	20,663,604
<b>LIABILITIES</b>				
Accounts payable and accrued liabilities	\$ 1,644,226	11,429	1,655,654	591,414
Payroll and sales taxes payable	263,397	3,942	267,339	262,314
Due to others	590,709	-	590,709	272,214
Deferred revenues	-	-	-	16,573
Reserve deputy - equipment deposits	9,150	-	9,150	9,450
Total liabilities	2,507,481	15,371	2,522,852	1,151,965
<b>FUND BALANCE/NET ASSETS</b>				
Fund balances:				
Reserved for inventory	-	22,888	22,888	28,783
Reserved and designated	-	-	-	-
Unreserved - undesignated	22,549,812	133,061	22,682,874	19,482,856
Total liabilities and fund balances	\$ 25,057,294	171,320	25,228,615	20,663,604

The accompanying notes are an integral part of this statement.

EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

Reconciliation of the Governmental Funds Balance Sheet  
to the Statement of Net Assets  
June 30, 2007

Total fund balances for governmental funds at June 30, 2007 \$ 22,705,762

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

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

Land	\$	43,560	
Building, net of \$548,742 accumulated depreciation		2,073,426	
Vehicles, net of \$7,590,183 accumulated depreciation		2,387,161	
Office furniture and equipment, net of \$1,924,399 accumulated depreciation		418,942	
Law enforcement equipment, net of \$284,216 accumulated depreciation		249,488	
Telephone equipment, net of \$1,389,944 accumulated depreciation		<u>186,997</u>	5,359,574

Long-term liabilities at June 30, 2007:

Compensated absences payable (3,232,492)

Total net assets of governmental activities at June 30, 2007 \$ 24,832,844

The accompanying notes are an integral part of this statement.

**EAST BATON ROUGE PARISH SHERIFF**  
Baton Rouge, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances-  
Governmental Funds  
For the year ended June 30, 2007  
With Comparative Totals for the year ended June 30, 2006

	General Fund	Special Revenue Fund	Totals (Memorandum Only)	
			2007	2006
<b>Revenues:</b>				
Ad valorem taxes	\$ 39,414,812	-	39,414,812	36,147,873
Licenses and permits	903,546	-	903,546	609,662
Intergovernmental revenues:				
Federal grants	726,362	-	726,362	999,533
State grants	87,109	-	87,109	95,645
State supplemental pay	2,086,820	-	2,086,820	2,162,608
Fees, charges and commissions for services:				
Commissions and state revenue sharing	680,235	-	680,235	679,649
Civil and criminal fees	5,866,290	-	5,866,290	4,389,467
Court attendance	156,604	-	156,604	159,494
Transporting prisoners	207,419	-	207,419	156,549
Feeding and keeping prisoners	6,070,227	-	6,070,227	4,456,833
Sales of merchandise	-	880,470	880,470	1,037,426
Fines and forfeitures	266,218	-	266,218	205,878
Other	1,902,519	-	1,902,519	1,928,141
Interest income	1,335,638	9,263	1,344,901	1,086,966
Miscellaneous	591,690	10	591,700	715,351
<b>Total revenues</b>	<b>60,295,490</b>	<b>889,743</b>	<b>61,185,233</b>	<b>54,831,075</b>
<b>Expenditures:</b>				
Public safety:				
Personnel services and related benefits	41,690,869	-	41,690,869	40,835,763
Operating services	6,304,929	506,116	6,811,045	6,491,996
Materials and supplies	7,093,595	387,456	7,481,051	4,645,630
Travel and other charges	1,007,227	47,456	1,054,682	719,136
Capital outlay	1,071,527	-	1,071,527	758,118
<b>Total expenditures</b>	<b>57,168,146</b>	<b>941,028</b>	<b>58,109,174</b>	<b>53,450,643</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>3,127,344</b>	<b>(51,284)</b>	<b>3,076,059</b>	<b>1,380,432</b>
<b>Other financing sources:</b>				
Sale of fixed assets	118,065	-	118,065	76,375
<b>Total other financing sources</b>	<b>118,065</b>	<b>-</b>	<b>118,065</b>	<b>76,375</b>
<b>Net change in fund balance</b>	<b>3,245,409</b>	<b>(51,284)</b>	<b>3,194,124</b>	<b>1,456,807</b>
Fund balance, beginning of year	19,304,403	207,234	19,511,637	18,054,832
Fund balance, end of year	\$ 22,549,812	155,949	22,705,762	19,511,637

The accompanying notes are an integral part of this statement.

EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

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, 2007

Total net changes in fund balances at June 30, 2007, per  
Statement of Revenues, Expenditures and Changes in Fund Balances \$ 3,194,124

The change in net assets reported for governmental activities in the  
Statement of Activities is 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 and reported as  
depreciation expense.

Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 1,071,527	
Depreciation expense for the year ended June 30, 2007	<u>(1,811,110)</u>	(739,583)

Excess of compensated absences earned over compensated absences used		(188,232)
---	--	-----------

Disposal of fixed assets, net		<u>(31,172)</u>
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Total changes in net assets at June 30, 2007, per Statement of Activities \$ 2,235,137

The accompanying notes are an integral part of this statement.

EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

Statement of Fiduciary Assets and Liabilities  
Fiduciary Funds  
June 30, 2007  
With Comparative Totals for June 30, 2006

	Agency Funds	
	2007	2006
<b>ASSETS</b>		
Cash and cash equivalents	\$ 14,040,895	12,495,742
Cash restricted	5,317,219	5,036,113
Receivables	<u>25,474</u>	<u>23,718</u>
Total assets	<u>\$ 19,383,588</u>	<u>17,555,573</u>
<b>LIABILITIES</b>		
Balance due to taxing bodies, prisoners and others	<u>\$ 19,383,588</u>	<u>17,555,573</u>
Total liabilities	<u>\$ 19,383,588</u>	<u>17,555,573</u>

The accompanying notes are an integral part of this statement.



EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

Notes to Financial Statements

As of and for the year ended June 30, 2007

INTRODUCTION

As provided in Article V, Section 27 of the Louisiana Constitution of 1974, the East Baton Rouge Parish Sheriff (the Sheriff) serves a four-year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The Sheriff administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court and serving subpoenas.

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

For financial reporting purposes, in conformance with GASB Codification Section 2100, the Sheriff includes all funds, activities, et cetera, 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 city-parish council as required by Louisiana law, the Sheriff is financially independent. As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the East Baton Rouge Parish Sheriff (the primary government). There are no component units to be included in the Sheriff's reporting entity.

B. BASIS OF PRESENTATION

The accompanying basic financial statements of the Sheriff have been prepared in conformity with *generally accepted accounting principles in the United States of America*. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, issued in June 1999.

Government-Wide Financial Statements (GWFS)

The Statement of Net Assets and the Statement of Activities display information about the Sheriff as a whole. They include all funds of the reporting entity, which are considered to be governmental activities. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed).

EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

Notes to Financial Statements (Continued)

Government-Wide Financial Statements (GWFS), Continued

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

The Statement of Activities presents a comparison between direct expenses and program revenues for each function 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 are derived directly from fees and charges paid by the recipient of services offered by the Sheriff and grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements (FFS)

The Sheriff uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Sheriff functions and activities. A fund is a separate accounting entity with a self-balancing set of accounts. The various funds of the Sheriff are classified into two categories: governmental and fiduciary. A fund is considered major if it is the primary operating fund of the Sheriff or its total assets, liabilities, revenues, or expenditures of the individual governmental fund are at least 10% of the corresponding total for all governmental funds.

The following are the Sheriff's governmental funds:

Governmental Funds

General Fund

The General Fund, as provided by Louisiana Revised Statute 33:1422, is the primary operating fund of the Sheriff. It accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose, provided it is expended or transferred in accordance with state and federal laws and according to the Sheriff's policy.

Prison Canteen Special Revenue Fund

The Prison Canteen Special Revenue Fund accounts for sales of personal items to prisoners in the parish jail. Revenues are used to compensate ministers who visit the prison, to purchase office supplies, to compensate directly associated personnel for services and related benefits and to provide for other inmate benefits, et cetera.

Fiduciary Funds

Fiduciary Fund reporting focuses on net assets and changes in net assets. The only funds accounted for in this category by the Sheriff are agency funds. The agency funds account for assets held by the Sheriff as an agent for various taxing bodies (tax collections) and for deposits held pending court action. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of operations. Consequently, the agency funds have no measurement focus, but use the modified accrual basis of accounting.

EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

Notes to Financial Statements (Continued)

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the Sheriff's operations.

The government-wide financial statements are accounted for using an economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets and financial position. All assets and liabilities (whether current or non-current) associated with their activities are reported. Fund equity is classified as net assets.

The government-wide financial statements 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 the economic asset is used.

Expenditures are recorded when the related fund liability is incurred, except for certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

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

Licenses, permits, fees, charges, and commissions for services are recorded when earned.

Intergovernmental revenues are recorded when the Sheriff is entitled to the funds.

Interest income on time deposits is recorded when the interest is earned.

Expenditures

The Sheriff's primary expenditures include salaries and other personnel related benefits, which are recorded when the liability is incurred. Capital expenditures and purchases of various operating supplies are regarded as expenditures at the time purchased.

Other Financing Sources (Uses)

Proceeds from the sale of fixed assets are accounted for as other financing sources and are recognized when received. Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) when the transfer is authorized by the Sheriff.

Deferred Revenues

Deferred revenues arise when resources are received by the Sheriff before it has a legal claim to them, as when grant monies are received before the incurrence of qualifying expenditures. In subsequent periods, when the Sheriff has a legal claim to the resources, the liability for deferred revenue is removed

EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

Notes to Financial Statements (Continued)

D. BUDGET PRACTICES

The Sheriff uses the following budget practices:

1. The chief civil deputy prepares a proposed budget for the general and special revenue funds and submits it to the Sheriff for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
2. 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. The proposed budget for 2006-2007 was made available for public inspection on June 12, 2006.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing. The proposed budget for 2006-2007 was published in the official journal ten (10) days prior to the public hearing, which was held at the Sheriff's Office on June 22, 2006, for the comments from taxpayers.
4. 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.
5. All budgetary appropriations lapse at the end of the fiscal year. Unexpended appropriations and any excess revenues over expenditures are carried forward to the subsequent year as beginning fund balance.
6. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

E. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include amounts in demand deposits. Under state law, the Sheriff may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or under the laws of the United States. Tax collections must be deposited in a bank domiciled in the parish where the funds are collected.

Under state law, the Sheriff may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days.

F. INVENTORY

Inventory at June 30, 2007, consists of merchandise for resale in the Prison Canteen Special Revenue Fund. Inventory items are valued at cost and are recorded as expenditures, using the first-in, first-out (FIFO) cost flow assumption for valuing inventory.

G. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Sheriff maintains a threshold level of \$5,000 or more for capitalizing capital assets.

Capital assets are recorded in the Statement of Net Assets and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land,

EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

Notes to Financial Statements (Continued)

G. CAPITAL ASSETS, Continued

are depreciated using the straight-line method over the following useful lives:

	<u>Estimated Lives</u>
Buildings	40 years
Vehicles	5 years
Computer software	5 years
Office furniture and equipment	5 – 15 years
Law enforcement equipment	5 – 10 years
Telecommunications equipment	10 years

H. COMPENSATED ABSENCES

Employees of the Sheriff's Office earn from 16 to 22 hours of paid time off (PTO) every 28 days of uninterrupted full-time employment. Maximum accrual of PTO is 208 to 286 hours, depending upon length of service. Hours of PTO accumulated in excess of the limits are transferred into an extended sick leave bank. The maximum accrual of extended sick leave is 2,184 hours. Upon termination of employment, employees are paid for accrued PTO. All accumulated extended sick leave lapses upon termination of employment.

Non-law enforcement employees receive overtime compensation for compensable hours worked in excess of 40 hours during a 7-day week. Law enforcement employees receive overtime compensation for compensable hours worked in excess of 171 hours in a 28-day work period. Exempt employees are not compensated for overtime. As a condition of employment with the Sheriff's Office, nonexempt employees receive compensatory time (CT), at the rate of time and a half, in lieu of immediate cash payment for overtime. CT is time off with full pay and benefits (insurance, pension, and accrual of PTO). A maximum of 480 hours of CT may be accumulated for law enforcement personnel. A maximum of 240 hours of CT may be accumulated by non-law enforcement personnel. Cash payment will be made for any CT in excess of the maximum accumulation allowed, and for all CT balances upon separation from employment.

The compensated absences plan assets, including PTO and CT, remain the property of the Sheriff's Office until paid or made available to participants, subject only to the claims of the employer's general creditors. The cost of leave privileges is recognized as current year expenditure in the General Fund when leave is actually taken or paid upon termination. The cost of leave privileges not requiring current resources is reported as a liability in the Statement of Net Assets.

I. FUND EQUITY

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Any designation of fund balance represents tentative management plans that are subject to change.

J. INTERFUND TRANSACTIONS

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as revenue in the fund that is reimbursed. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transactions are reported as transfers.

EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

Notes to Financial Statements (Continued)

K. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in 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 amounts of revenues, expenditures and expenses during the reporting period. Actual results could differ from those estimates.

L. REPORT CLASSIFICATION

Certain previously reported amounts for the year ended June 30, 2006 have been reclassified to conform to the June 30, 2007 classifications.

2. LEVIED TAXES

The following is a summary of authorized and levied property taxes:

	AUTHORIZED MILLAGE	LEVIED MILLAGE	EXPIRATION DATE
Special law enforcement	4.36	4.36	None
Additional special law enforcement	3.73	3.73	12/31/2010
Additional special law enforcement	6.90	6.90	12/31/2013

3. CASH AND CASH EQUIVALENTS

At June 30, 2007, the Sheriff had cash and cash equivalents (book balances) totaling \$41,312,087 as follows:

	Government- wide Statement of Net Assets	Fiduciary Funds Statement of Net Assets	Total
Demand deposits	\$ 21,003,377	14,040,895	35,044,272
Restricted cash	<u>950,596</u>	<u>5,317,219</u>	<u>6,267,815</u>
Total	<u>\$ 21,953,973</u>	<u>19,358,114</u>	<u>41,312,087</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market values of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. 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. At June 30, 2007, the deposits are adequately secured from risk by pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 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.

Restricted cash represents funds received from grants, narcotic seizures, litigation settlements, evidence cash received or found and amounts received under ACT 942. These amounts are held in these accounts until disbursements are properly authorized.

EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

Notes to Financial Statements (Continued)

4. RECEIVABLES

Receivables as of June 30, 2007, are as follows:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>TOTAL</u>
Licenses and permits	\$ 27,792	-	27,792
Feeding, keeping and transporting prisoners	1,444,313	-	1,444,313
Other fees, charges and commissions	<u>458,188</u>	-	<u>458,188</u>
 Total	 <u>\$1,930,293</u>	 =	 <u>1,930,293</u>

5. INTERFUND TRANSACTIONS

Interfund receivables and payables consist of amounts due to/from other funds primarily for commissions and fees. They consist of the following at June 30, 2007:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 949,868	-
Prison Canteen Special Revenue Fund	14,032	-
Agency Funds:		
Sheriff's	-	-
Prison Inmate	-	14,032
Tax Collector	-	<u>949,868</u>
 Total	 <u>\$ 963,900</u>	 <u>963,900</u>

6. CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2007, follows:

<u>Governmental Activities</u>	<u>Balance June 30, 2006</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Balance June 30, 2007</u>
Land	\$ 43,560	-	-	43,560
Buildings	2,622,168	-	-	2,622,168
Vehicles	9,802,743	889,121	714,520	9,977,344
Office furniture and equipment	2,344,622	86,210	87,491	2,343,341
Law enforcement equipment	461,296	84,460	12,052	533,704
Telecommunications equipment	<u>1,565,205</u>	<u>11,736</u>	-	<u>1,576,941</u>
	16,839,594	1,071,527	814,063	17,097,058
Less: accumulated depreciation	<u>10,709,265</u>	<u>1,811,110</u>	<u>782,891</u>	<u>11,737,484</u>
 Net capital assets	 <u>\$6,130,329</u>	 <u>(739,583)</u>	 <u>31,172</u>	 <u>5,359,574</u>

EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

Notes to Financial Statements (Continued)

6. CAPITAL ASSETS, Continued

Assets with a cost of \$5,000 or more are capitalized for purposes of financial reporting. All assets with a cost of \$500, or more, as well as certain other assets with a cost of less than \$500 are inventoried and tracked. Depreciation expense in the amount of \$1,811,110 is charged to public safety.

7. PENSION PLAN

*Plan Description.* Substantially all employees of the Sheriff's Office are members of the Louisiana Sheriffs' Pension and Relief Fund (System), a cost sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All sheriffs and all deputies who are found to be physically fit, who earn at least \$400 per month if employed prior to January 1, 1991, and not less than \$800 if employed subsequent to December 31, 1990, and who were between the ages of 18 and 50 at the time of original employment are required to participate in the System. Employees are eligible to retire at or after age 55 with at least twelve years of credited service and receive a benefit, payable monthly for life, equal to a percentage of their final average salary for each year of credited service.

The member shall be paid a monthly sum equal to 3 1/3 percent of the member's average monthly salary for the 36 highest successive months of employment, or the highest 36 successive joined months of employment where interruption of service occurred, multiplied by the number of years of creditable service in the fund. In any case, the retirement benefit cannot exceed 100.00% of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least twelve years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination as indicated previously. Employees who terminate with at least 20 years of credited service are also eligible to elect early benefits between ages 50 and 55 with reduced benefits equal to the actuarial equivalent of the benefit to which they would otherwise be entitled at age 55. The System also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Sheriffs' Pension and Relief Fund, Post Office Box 3163, Monroe, Louisiana, 71220 or by calling (318) 362-3191.

*Funding Policy.* Plan members are required by state statute to contribute 10.0% of their annual covered salary, and the Sheriff is required to contribute at an actuarially determined rate. The current rate is 11.0% of annual covered payroll. Contributions to the System also include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and funds as required and available from insurance premium taxes. The contribution requirements of plan members and the Sheriff are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Sheriff's contributions to the System for the years ending June 30, 2007, 2006, and 2005, were \$3,463,369, \$3,355,838, and \$2,999,591, respectively, and equal the required contributions for each year.



EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

Notes to Financial Statements (Continued)

8. CHANGES IN AGENCY FUND BALANCES

A summary of changes in agency fund balances due to taxing bodies and others is as follows:

	Sheriff's Fund	Prison Inmate Fund	Tax Collector Fund	Evidence Fund
Balance, June 30, 2006	\$4,700,252	141,531	11,371,623	351,747
Additions	27,116,351	1,743,412	317,853,205	314,196
Reductions	<u>(26,917,484)</u>	<u>(1,745,013)</u>	<u>(316,347,666)</u>	<u>(229,345)</u>
Balance, June 30, 2007	<u>\$4,899,119</u>	<u>139,931</u>	<u>12,877,162</u>	<u>436,598</u>

9. LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligations during the fiscal year ended June 30, 2007:

	<u>Compensated Absences</u>
Balance, June 30, 2006	\$3,044,260
Additions	3,845,783
Reductions	<u>(3,657,551)</u>
Balance, June 30, 2007	<u>\$ 3,232,492</u>

10. PROTESTED TAXES

The unsettled balances due to taxing bodies and others in the Agency Funds at June 30, 2007, amounted to \$6,366,291, consisting of \$6,187,626 of taxes paid under protest, plus interest earned year to date on the investments of their funds, totaling \$178,665. These funds are held pending resolution of the protest and are accounted for in the Tax Collector Agency Fund.

11. RISK MANAGEMENT

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

12. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

The Sheriff provides certain continuing health care, life and dental insurance benefits for its retired employees. Substantially all of the Sheriff's employees qualify for those benefits if they reach their eligible retirement age while working for the Sheriff. Those benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid by the retirees and subsidized by the Sheriff. There were 152 retired employees receiving benefits at June 30, 2007. The Sheriff's costs of subsidizing health care, life and dental insurance benefits are recognized as expenditures when the monthly premiums are paid.

In June 2004, the GASB issued a new accounting pronouncement, Statement No. 45 *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This statement requires the accrual of postemployment benefits for retired employees. The Sheriff is required to implement this standard for the fiscal year ending June 30, 2009.

EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

Notes to Financial Statements (Continued)

13. LITIGATION AND CLAIMS

At June 30, 2007, the Sheriff is a defendant in various litigations principally arising from the normal course of operations. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Sheriff's legal counsel, resolution of these matters would not create a liability in excess of insurance coverage, or in the case of uninsured claims, have a material adverse effect on the financial condition of the Sheriff.

14. SUBSEQUENT EVENTS

On September 25, 2007, the Sheriff issued a Revenue Anticipation Note in the amount of \$6,000,000. The proceeds are to fund costs of current operations through December 31, 2007. The note is secured by and payable from a pledge of all revenues accruing to the Sheriff through December 31, 2007. The note, bearing interest at 3.79%, matures March 1, 2008.

The Honorable Sid J. Gautreaux, III was elected to serve as East Baton Rouge Parish Sheriff in November 2007 for the term December 2007 through June 2012.

**REQUIRED SUPPLEMENTARY INFORMATION**

EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

General Fund  
Budgetary Comparison Schedule  
For the year ended June 30, 2007  
With Comparative Actual Amounts for the year ended June 30, 2006

	2007			Variance with Final Budget Positive (Negative)	2006
	Budget		Actual		
	Original	Final			
<b>Revenues:</b>					
Ad valorem taxes	\$ 38,080,000	39,280,000	39,414,812	134,812	36,147,873
Licenses and permits	625,000	875,000	903,546	28,546	609,662
<b>Intergovernmental revenues:</b>					
Federal grants	2,359,000	1,596,590	726,362	(870,228)	999,533
State grants	75,000	87,500	87,109	(391)	95,645
State supplemental pay	2,160,000	2,090,000	2,086,820	(3,180)	2,162,608
<b>Fees, charges and commissions for services:</b>					
Commissions and state revenue sharing	679,600	680,235	680,235	-	679,649
Civil and criminal fees	5,222,000	5,329,250	5,866,290	537,040	4,389,467
Court attendance	151,000	157,000	156,604	(396)	159,494
Transporting prisoners	150,000	207,000	207,419	419	156,549
Feeding and keeping prisoners	3,838,000	5,535,000	6,070,227	535,227	4,456,833
Fines and forfeitures	185,000	211,500	266,218	54,718	205,878
Other	1,704,740	1,999,040	1,902,519	(96,521)	1,928,141
Interest income	1,100,000	1,200,000	1,335,638	135,638	1,076,688
Miscellaneous	411,600	505,050	591,690	86,640	714,850
<b>Total revenues</b>	<u>56,740,940</u>	<u>59,753,165</u>	<u>60,295,490</u>	<u>542,325</u>	<u>53,782,870</u>
<b>Expenditures:</b>					
<b>Public safety:</b>					
Personnel services and related benefits	43,410,778	42,022,781	41,690,869	331,912	40,835,763
Operating services	6,653,700	6,363,790	6,304,929	58,861	5,990,780
Materials and supplies	4,761,500	7,284,800	7,093,595	191,205	4,195,422
Travel and other charges	872,300	1,077,290	1,007,227	70,063	651,288
Capital outlay	3,000,000	1,487,860	1,071,527	416,333	758,117
<b>Total expenditures</b>	<u>58,698,278</u>	<u>58,236,521</u>	<u>57,168,146</u>	<u>1,068,375</u>	<u>52,431,370</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(1,957,338)</u>	<u>1,516,644</u>	<u>3,127,344</u>	<u>1,610,700</u>	<u>1,351,500</u>
<b>Other financing sources:</b>					
Sale of fixed assets	60,000	118,100	118,065	(35)	76,375
<b>Total other financing sources</b>	<u>60,000</u>	<u>118,100</u>	<u>118,065</u>	<u>(35)</u>	<u>76,375</u>
<b>Special item:</b>					
Negotiated settlement of litigation judgment	-	-	-	-	-
<b>Net change in fund balance</b>	<u>(1,897,338)</u>	<u>1,634,744</u>	<u>3,245,409</u>	<u>1,610,665</u>	<u>1,427,875</u>
<b>Fund balance, beginning of year</b>	<u>19,304,403</u>	<u>19,304,403</u>	<u>19,304,403</u>	<u>0</u>	<u>17,876,528</u>
<b>Fund balance, end of year</b>	<u>\$ 17,407,065</u>	<u>20,939,147</u>	<u>22,549,812</u>	<u>1,610,665</u>	<u>19,304,403</u>

EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

Special Revenue Fund - Prison Canteen Fund  
Budgetary Comparison Schedule  
For the year ended June 30, 2007  
With Comparative Actual Amounts for the year ended June 30, 2006

	2007			Variance with Final Budget Positive (Negative)	2006
	Budget		Actual		
	Original	Final			
Revenues:					
Sales of merchandise	\$ 1,050,000	858,500	880,470	21,970	1,037,426
Interest income	10,500	-	9,263	9,263	10,278
Miscellaneous	-	-	10	10	500
Total revenues	<u>1,060,500</u>	<u>858,500</u>	<u>889,743</u>	<u>31,243</u>	<u>1,048,204</u>
Expenditures:					
Public safety:					
Personnel services and related benefits					
Operating services	501,200	503,500	506,116	(2,616)	501,216
Materials and supplies	502,100	382,350	387,456	(5,106)	450,209
Travel and other charges	70,200	48,900	47,456	1,445	67,848
Capital outlay	-	-	-	-	-
Total expenditures	<u>1,073,500</u>	<u>934,750</u>	<u>941,028</u>	<u>(6,278)</u>	<u>1,019,273</u>
Excess (deficiency) of revenues over expenditures	(13,000)	(76,250)	(51,284)	24,966	28,931
Fund balance, beginning of year	<u>207,234</u>	<u>207,234</u>	<u>207,234</u>	(0)	<u>178,303</u>
Fund balance, end of year	<u>\$ 194,234</u>	<u>130,984</u>	<u>155,949</u>	<u>24,965</u>	<u>207,234</u>

**OTHER SUPPLEMENTARY INFORMATION**

EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

General Fund Budgetary Comparison  
Schedule of Expenditures - Budget and Actual  
For the year ended June 30, 2007  
With Comparative Actual Amounts for the year ended June 30, 2006

	2007			Variance with Final Budget Positive (Negative)	2006 Actual
	Budget		Actual		
	Original	Final			
Expenditures:					
Public safety:					
Personnel services and related benefits:					
Salaries	\$ 32,250,000	31,100,000	31,132,068	(32,068)	30,360,000
Sheriff's Expense Allowance	11,778	12,431	12,431	(653)	11,778
Salaries-Special Overtime	-	185,000	-	185,000	-
Salaries-Wal-Mart Overtime	-	155,000	-	155,000	-
State Supplemental Pay	2,160,000	2,090,000	2,088,714	1,286	2,160,741
Pension Fund Contributions	3,658,000	3,455,000	3,451,897	3,103	3,355,838
Pension Fund Contributions-Special Overtime	-	20,350	11,472	8,878	-
FICA Contributions	26,000	23,000	21,751	1,249	21,883
Medicare Contributions	420,000	411,000	410,143	857	393,530
Unemployment Contributions	5,000	21,000	16,145	4,855	41,775
Group Health and Life Insurance	4,880,000	4,550,000	4,546,247	3,753	4,490,418
Operating services:					
Auto Insurance	935,000	827,900	827,902	(2)	850,000
Auto Insurance Deductible	350,000	200,000	157,234	42,766	181,194
Surety Bond/Liability Insurance Premium	1,076,000	945,000	941,081	3,919	956,819
Liability Insurance Deductible	75,000	70,000	55,685	14,315	62,459
Rental/Lease-Office Machines	21,000	21,000	19,635	1,365	21,300
Rental/Lease Copiers	6,500	6,500	5,368	1,132	6,299
Rental/Lease-Parking	13,000	10,830	11,471	(641)	13,138
Rental/Lease-Radio Tower Site	5,200	10,200	10,738	(538)	4,513
Rental/Lease-Buildings	11,000	17,000	16,550	450	9,329
Telephone Expense	342,000	307,000	324,544	(17,544)	325,707
Utilities	100,000	27,000	25,340	1,660	78,974
Auto Fuel	1,500,000	1,350,000	1,322,533	27,467	1,268,175
Maintenance-Vehicles	475,000	775,000	774,975	25	514,582
Maintenance-Radios	140,000	145,000	138,339	6,661	136,744
Maintenance-Telephone	37,000	36,000	37,462	(1,462)	43,135
Maintenance-Office Equipment	35,000	33,000	33,317	(317)	32,361
Maintenance-Computers	200,000	170,000	165,699	4,301	198,019
Maintenance-Buildings	20,000	12,000	11,897	103	14,803
Maintenance- Buildings Work Release Center	-	-	-	-	2,625
Maintenance-Other Property	42,000	53,000	55,982	(2,982)	38,132
Minor Construction and Renovations	36,000	5,000	3,845	1,155	27,644
Professional Services	62,000	60,000	51,310	8,690	52,003
Professional Services-Accounting and Auditing	56,000	63,000	54,815	8,185	49,891
Professional Services-Legal	245,000	250,000	236,050	13,950	230,849
Professional Services-Computer	180,000	220,000	225,142	(5,142)	181,298
Medical Exams	42,000	50,000	36,707	13,293	36,089
Temporary Employees	81,000	45,000	43,192	1,808	80,022
Office Expense and Postage	265,000	295,000	277,730	17,270	260,640
Legal Notices	38,000	57,000	56,578	422	37,314
Recording and Filing Fees	160,000	160,000	291,447	(131,447)	155,914
Interest Expense on Short-Term Borrowing	80,000	92,360	92,362	(2)	73,403
Litigation Settlements	25,000	50,000	-	50,000	46,803
Materials and supplies:					
Uniforms and Related Supplies	140,000	110,000	100,009	9,991	116,785
Uniform Allowance	64,500	68,000	68,000	-	64,500
Supplies-Office	90,000	120,000	128,228	(8,228)	89,137
Supplies-Copier	26,000	36,000	33,211	2,789	22,473
Supplies-Computer	200,000	195,000	194,659	341	190,912
Supplies-Training	32,000	32,000	30,245	1,755	25,405
Supplies-Law Enforcement	295,000	240,000	210,869	29,131	179,711
Supplies-Photo	11,000	8,500	9,618	(1,118)	9,864
Supplies-Radio	19,000	46,000	43,173	2,827	14,249

Continued

EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

General Fund Budgetary Comparison  
Schedule of Expenditures - Budget and Actual  
For the year ended June 30, 2007

With Comparative Actual Amounts for the year ended June 30, 2006

	2007			Variance with Final Budget Positive (Negative)	2006 Actual
	Budget		Actual		
	Original	Final			
<b>Materials and supplies, Continued:</b>					
Supplies-Printed Material	\$ 56,000	50,000	39,969	10,031	54,039
Supplies-Publications	17,500	22,000	30,285	(8,285)	15,494
Supplies-Ammunition	100,000	80,000	99,681	(19,681)	43,404
Supplies-Other	28,000	10,000	9,959	41	24,509
Prisoner Food and Related Supplies	2,215,000	2,400,000	2,381,598	18,402	2,131,511
Prisoner Household	423,000	485,000	532,522	(47,522)	427,573
Prisoner Laundry/Toiletries	110,000	125,000	128,636	(3,636)	119,403
Prisoner Uniforms	140,000	100,000	133,914	(33,914)	158,253
Work Release - Clothing/Uniforms	-	-	-	-	5,858
Prisoner Maintenance-Out of Parish	200,000	1,500,000	1,886,748	(386,748)	219,211
Work Release - Food & Related Supplies	-	-	-	-	115,646
Work Release - Household	-	-	-	-	4,421
Work Release - Laundry/Toiletries	-	-	-	-	4,123
Work Release - Prisoner Drug Testing	-	-	-	-	893
Small Equipment-Boat	5,000	-	-	-	-
Small Equipment-Law Enforcement	300,000	340,000	358,963	(18,963)	72,633
Small Equipment-Radios	35,000	41,000	41,001	(1)	8,874
Small Equipment-Interoperable Communications	-	1,042,800	396,059	646,741	-
Small Equipment-Telephone	3,000	1,500	12,720	(11,220)	1,980
Small Equipment-Office Furniture and Equipment	59,000	12,000	11,441	559	7,373
Small Equipment-Computer Hardware	165,000	176,000	177,282	(1,282)	56,017
Small Equipment-Computer Software	25,000	25,000	15,533	9,467	11,096
Small Equipment-Maintenance Equipment	2,500	19,000	19,273	(273)	675
<b>Travel and other charges:</b>					
Reimburse to City/Parish for State Prisoners	178,400	242,500	231,992	10,508	277,552
Reimburse to City/Parish for Federal Prisoners	-	84,200	59,803	24,397	-
Prisoner Transportation	1,000	500	539	(39)	460
Extraditions	95,000	140,000	132,820	7,180	108,936
Prisoner Guard Services	2,500	10,000	8,470	1,530	854
Feeding and Lodging of Jurors	15,000	5,000	4,828	172	10,481
Criminal Investigation Expense	15,000	10,000	7,007	2,993	(27,423)
Deputy Training	150,000	180,000	171,081	8,919	120,635
L.S.U. Basic Training	-	13,000	12,706	294	4,175
Travel Expense	1,000	500	-	500	120
Business Meeting Expense	1,000	1,000	1,088	(98)	893
Association Dues and Subscriptions	23,000	23,000	22,600	400	22,280
Capital District Law Enforcement Dues	9,000	11,960	11,962	(2)	8,898
Membership-Health and Fitness	55,000	55,000	58,880	(3,880)	52,237
Medical and Related Expense	10,000	6,500	5,037	1,463	9,342
Occupational Injury Expense	20,000	16,500	15,168	1,332	16,503
Law Enforcement Foundation Donation	-	25,330	25,330	-	-
Sub-grantee Awards	296,400	252,300	237,904	14,396	45,347
<b>Capital outlay:</b>					
General	273,154	300,000	-	300,000	-
Vehicles	554,200	907,610	868,967	38,643	76,522
Boat, Motors, and Trailers	-	13,700	13,659	41	360,201
Law Enforcement Equipment	50,000	50,000	95,050	(45,050)	32,785
Interoperable Communications	1,872,646	109,100	-	109,100	-
Telephone Equipment	30,000	23,300	11,736	11,564	22,564
Office Furniture and Equipment	40,000	40,000	33,893	6,107	6,350
Computer Hardware	10,000	31,000	30,542	458	73,526
Computer Software	170,000	6,650	11,185	(4,535)	64,540
Auto Maintenance Equipment	-	6,500	6,495	5	-
Maintenance Equipment	-	-	-	-	6,095
Land, Building, and Related Equipment	-	-	-	-	115,535
<b>Total expenditures</b>	<b>\$ 58,698,278</b>	<b>58,236,521</b>	<b>57,168,146</b>	<b>1,068,375</b>	<b>52,431,370</b>



EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

Special Revenue Fund Budgetary Comparison  
Schedule of Expenditures - Budget and Actual  
For the year ended June 30, 2007  
With Comparative Actual Amounts for the year ended June 30, 2006

	2007			Variance with Final Budget Positive (Negative)	2006 Actual
	Budget		Actual		
	Original	Final			
<b>Expenditures:</b>					
<b>Public safety:</b>					
<b>Operating services:</b>					
Maintenance of Property	\$ -	-	-	-	630
Temporary Employees	-	2,000	1,978	22	2,690
Employee Reimbursement	500,000	500,000	500,000	-	500,000
Office Expense/Postage	1,200	1,500	4,138	(2,638)	1,217
<b>Materials and supplies:</b>					
Office Supplies	10,000	22,800	18,781	4,019	8,475
Inmate Supplies	2,100	1,400	2,100	(700)	1,672
Merchandise for Resale	490,000	355,000	365,957	(10,957)	441,734
Small Equipment-Office	-	2,500	-	2,500	-
Small Equipment-Computer Hardware	-	650	618	32	-
<b>Travel and other charges:</b>					
Payments to Church Ministers	40,000	18,200	18,190	10	34,480
Inmate Benefits	24,500	25,000	23,526	1,474	22,442
Inmate Education	1,200	600	599	1	1,138
Services for Resale-Haircuts	4,500	5,100	5,140	(40)	4,795
<b>Total expenditures</b>	<b>\$ 1,073,500</b>	<b>934,750</b>	<b>941,028</b>	<b>(6,278)</b>	<b>1,019,273</b>

EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

Supplemental Information Schedules  
As of and for the year ended  
June 30, 2007

FIDUCIARY FUNDS - AGENCY FUNDS

Sheriff's Fund

The Sheriff's Fund accounts for funds held in civil suits, Sheriff's sales, and garnishments. It also accounts for collections of bonds, fines, and costs and payment of these collections to the recipients in accordance with applicable laws.

Prison Inmate Fund

This fund accounts for deposits made by and for the inmates and for authorized withdrawals.

Tax Collector Agency 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 accounts for the collection and distribution of these taxes and fees to the appropriate taxing bodies.

Evidence Fund

All United States currency received by the evidence section, whether considered evidence, seized funds, or found property, is to be deposited into the Evidence Fund, and maintained by the Sheriff. All found property is to be returned to its rightful owner as soon as possible after obtaining the proper release. Other money that can be specifically identified to a third party can be released upon obtaining the proper authorization and release forms.

EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

Combining Balance Sheet  
June 30, 2007

With Comparative Totals for June 30, 2006

	Sheriff's Fund	Prison Inmate Fund	Tax Collector Fund	Evidence Fund	Totals	
					2007	2006
<b>ASSETS</b>						
Cash and cash equivalents	\$ -	220,794	13,820,101	-	14,040,895	12,495,742
Cash restricted	4,880,620	-	-	436,598	5,317,219	5,036,113
Receivables	18,499	46	6,929	-	25,474	23,718
<b>Total assets</b>	<b>\$ 4,899,119</b>	<b>220,840</b>	<b>13,827,030</b>	<b>436,598</b>	<b>19,383,588</b>	<b>17,555,573</b>
<b>LIABILITIES</b>						
Due to other funds	\$ -	14,032	949,868	-	963,900	926,507
Due to E.M.S.	-	66,877	-	-	66,877	63,913
Due to taxing bodies and others:						
Due to taxing bodies and others	-	139,931	6,510,871	-	6,650,802	6,868,051
Restricted liabilities	4,899,119	-	-	436,598	5,335,718	5,052,000
Protested taxes	-	-	6,366,291	-	6,366,291	4,645,102
<b>Total due taxing bodies and others</b>	<b>4,899,119</b>	<b>139,931</b>	<b>12,877,162</b>	<b>436,598</b>	<b>18,352,811</b>	<b>16,565,153</b>
<b>Total liabilities</b>	<b>\$ 4,899,119</b>	<b>220,840</b>	<b>13,827,030</b>	<b>436,598</b>	<b>19,383,588</b>	<b>17,555,573</b>

EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

Combining Statement of Changes in Assets and Liabilities  
For the year ended June 30, 2007  
With Comparative Totals for the year ended June 30, 2006

	Sheriff's Fund	Prison Inmate Fund	Tax Collector Fund	Evidence Fund	Total	
					2007	2006
<b>Additions:</b>						
<b>Deposits:</b>						
Suits, successions, etc.	\$ 22,698,092	-	-	-	22,698,092	11,875,482
Garnishments	3,600,555	-	-	-	3,600,555	3,021,506
Bonds	817,704	-	-	-	817,704	622,112
Taxes, fees, etc. paid to tax collector	-	-	315,873,443	-	315,873,443	291,922,683
Interest on investments	-	-	1,979,762	-	1,979,762	1,540,480
<b>Other additions:</b>						
Prisoner deposits	-	1,743,412	-	-	1,743,412	2,822,419
Donations	-	-	-	-	-	17,120
Evidence cash received	-	-	-	314,196	314,196	343,397
<b>Total additions</b>	<b>27,116,351</b>	<b>1,743,412</b>	<b>317,853,206</b>	<b>314,196</b>	<b>347,027,166</b>	<b>312,165,199</b>
<b>Reductions:</b>						
Taxes, fees, etc. distributed to <i>taxing bodies and others</i>	-	-	316,347,666	-	316,347,666	290,908,692
Payments to litigants, etc.	20,196,699	-	-	-	20,196,699	10,462,214
Fees to sheriff's General Fund	5,606,752	-	-	-	5,606,752	4,178,740
Bond forfeitures	396,678	-	-	-	396,678	184,350
Cash bond refunds	717,355	-	-	-	717,355	417,552
Refunds to released inmates and prisoner authorized disbursements	-	1,678,136	-	-	1,678,136	2,914,295
Authorized program disbursements	-	66,877	-	229,345	296,221	214,830
Miscellaneous disbursements	-	-	-	-	-	2,004
<b>Total reductions</b>	<b>26,917,484</b>	<b>1,745,013</b>	<b>316,347,666</b>	<b>229,345</b>	<b>345,239,508</b>	<b>309,282,677</b>
<b>Change in net assets</b>	<b>198,867</b>	<b>(1,600)</b>	<b>1,505,540</b>	<b>84,851</b>	<b>1,787,659</b>	<b>2,882,522</b>
<b>Balance, beginning of year</b>	<b>4,700,252</b>	<b>141,531</b>	<b>11,371,623</b>	<b>351,747</b>	<b>16,565,153</b>	<b>13,682,831</b>
<b>Balance, end of year</b>	<b>\$ 4,899,119</b>	<b>139,931</b>	<b>12,877,162</b>	<b>436,598</b>	<b>18,352,812</b>	<b>16,565,153</b>

**EAST BATON ROUGE PARISH SHERIFF**  
**Baton Rouge, Louisiana**

Schedule of Expenditures of Federal Awards  
For the year ended  
June 30, 2007

<u>PASS-THROUGH FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM OR CLUSTER TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>ENTITY IDENTIFYING NUMBER</u>	<u>FEDERAL EXPENDITURES</u>
U.S. Department of Justice:			
Office of Justice Programs:			
Local Law Enforcement Block Grant (04)	16.592	2004-LB-BX-0492	\$ 16,573
Justice Assistance Grant	16.579	2005-DJ-BX-0849	292,326
Louisiana Commission on Law Enforcement and Administration of Criminal Justice:			
Counseling Program	16.540	J05-5-002	2,729
Counseling Program	16.540	J06-5-002	4,223
Child Advocacy Center	16.575	C05-8-013	9,721
Child Advocacy Center	16.575	C04-8-014	2,087
Child Advocacy Center	16.575	C05-5-004	23,040
Crime Victims Unit	16.575	C06-5-003	11,606
Criminal Records	16.738	B05-5-015	763
Criminal Records	16.738	B06-5-010	<u>34,753</u>
Total U.S. Department of Justice			<u>397,821</u>
U.S. Department of Home Land Security:			
Urban Area Security Initiative	97.008	USAI-FY05	114,609
Buffer Zone Protection Program	97.067	2006-GE-T6-0069	<u>211,765</u>
Total U.S. Depart. of Home Land Sec.			<u>326,374</u>
Total Expenditures of Federal Awards			<u>\$ 724,195</u>

Note to the Schedule of Expenditures of Federal Awards

**Note 1. Basis of Presentation**

This schedule of expenditures of federal awards includes the federal grant activity of the East Baton Rouge Parish Sheriff and is presented on the accrual basis. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

**COMPLIANCE AND INTERNAL CONTROL**

EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

Summary Schedule of Prior Year Audit Findings  
For the year ended June 30, 2007

Ref.No.    Description of Findings

Section I - Internal Control and Compliance Material to the Financial Statements:

None

Section II - Internal Control and Compliance Material to Federal Awards:

None

Section III - Management Letter:

None

EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

Summary Schedule of Current Year Audit Findings  
For the year ended June 30, 2007

Ref.No.      Description of Findings

Section I - Internal Control and Compliance Material to the Financial Statements:

None

Section II - Internal Control and Compliance Material to Federal Awards:

None

Section III - Management Letter:

None



**JERROLD A. BLACK**  
**CERTIFIED PUBLIC ACCOUNTANT**  
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**Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of  
Financial Statements Performed in Accordance With *Government Auditing Standards***

HONORABLE SID J. GAUTREAU, III  
EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

I have audited the financial statements of the East Baton Rouge Parish Sheriff as of and for the year ended June 30, 2007, and have issued my report thereon dated December 21, 2007. I conducted my 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.

Compliance

As part of obtaining reasonable assurance about whether the East Baton Rouge Parish Sheriff's financial statements are free of material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

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 control deficiencies, that adversely affects the East Baton Rouge 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 East Baton Rouge Parish Sheriff's financial statements that is more than inconsequential will not be prevented or detected by the East Baton Rouge 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 entity's internal control.

HONORABLE SID J. GAUTREAUX, III  
EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

My consideration of the 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 the internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the East Baton Rouge Parish Sheriff, others within the entity, and the Legislative Auditor and is not intended to be, and should not be, used by anyone other than these specified parties.



Baton Rouge, Louisiana  
December 21, 2007

**JERROLD A. BLACK**  
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**Report on Compliance With Requirements Applicable to Each Major Program and on Internal  
Control Over Compliance in Accordance With OMB Circular A-133**

HONORABLE SID J. GAUTREAUX, III  
EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

Compliance

I have audited the compliance of the East Baton Rouge Parish Sheriff with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2007. The East Baton Rouge Parish Sheriff's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the East Baton Rouge Parish Sheriff's management. My responsibility is to express an opinion on the East Baton Rouge Parish Sheriff's compliance based on my audit.

I conducted my audit of compliance 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the East Baton Rouge Parish Sheriff's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination of the East Baton Rouge Parish Sheriff's compliance with those requirements.

In my opinion, the East Baton Rouge Parish Sheriff complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2007.

Internal Control Over Compliance

The management of the East Baton Rouge Parish Sheriff is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing my audit, I considered the East Baton Rouge Parish Sheriff's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the East Baton Rouge Parish Sheriff's internal control over compliance.

HONORABLE SID J. GAUTREAUX, III  
EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

My consideration of internal control over compliance 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. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses, as defined above.

This report is intended for the information of the management of the East Baton Rouge Parish Sheriff 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.



Baton Rouge, Louisiana  
December 21, 2007

EAST BATON ROUGE PARISH SHERIFF  
Baton Rouge, Louisiana

Summary Schedule of Audit Results  
For the year ended June 30, 2007

**SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unqualified opinion on the financial statements of the East Baton Rouge Parish Sheriff.
2. No reportable conditions relating to the audit of the financial statements are reported in the Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of the East Baton Rouge Parish Sheriff were disclosed during the audit.
4. No reportable conditions relating to the audit of the major federal award programs are reported in the Report on Compliance With Requirements Applicable to Each Major Program and on Internal Controls Over Compliance in Accordance with OMB Circular A-133.
5. The auditor's Report on Compliance expresses an unqualified opinion.
6. There were no audit findings relative to major federal award programs for the East Baton Rouge Parish Sheriff.
7. A management letter was not issued.
8. The programs tested as major programs include:

<u>NAME</u>	<u>CFDA</u> <u>Nos.</u>
Justice Assistance Grant	16.579
Buffer Zone Protection Program	97.067

9. The threshold for distinguishing Type A and B Programs was \$300,000.
10. The East Baton Rouge Parish Sheriff was not determined to be a low-risk auditee.

**FINDINGS - FINANCIAL STATEMENTS AUDIT**

None

**FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARDS REQUIRED TO BE REPORTED IN ACCORDANCE WITH OMB CIRCULAR A-133**

None