

ACADIA PARISH SHERIFF
Crowley, Louisiana

**ANNUAL
FINANCIAL STATEMENTS
WITH SUPPLEMENTAL SCHEDULES**

FOR THE YEAR ENDED JUNE 30, 2010

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 3/2/11

ACADIA PARISH SHERIFF
Crowley, Louisiana

ANNUAL FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2010
WITH SUPPLEMENTAL INFORMATION SCHEDULES

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ACADIA PARISH SHERIFF
Crowley, Louisiana

ANNUAL FINANCIAL STATEMENTS
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WITH SUPPLEMENTAL INFORMATION SCHEDULES

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December 30, 2010

INDEPENDENT AUDITOR'S REPORT

The Honorable Wayne A. Melancon
Acadia Parish Sheriff
Crowley, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Acadia Parish Sheriff, as of and for the year ended June 30, 2010, which collectively comprise the Acadia Parish Sheriff's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Acadia Parish Sheriff's management. Our responsibility is to express opinions on these financial statements based on our audit.

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. 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.

The Sheriff has not implemented GASB Statement #45, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions*, effective for the fiscal year ended June 30, 2010 and, accordingly, we were not able to determine the amount of the unfunded OPEB commitment to be disclosed in the notes and required supplementary information in the government-wide financial statements or the Net OPEB Obligation which is required to be recorded as a long-term liability in the Statement of Net Assets for the Sheriff. In addition, the change in the Net OPEB Obligation would be recorded as an expense in the applicable Statement of Activities and Statement of Revenues, Expenses and Changes in Fund Net Assets. The amount by which this departure would affect the liabilities, net assets and expenses of the Sheriff's activities is not reasonably determinable.

In our opinion, except for the effects of not implementing and adopting the requirements of GASB #45 as described above, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Acadia Parish Sheriff, as of June 30, 2010, 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 our report dated December 30, 2010, on our consideration of the Acadia Parish Sheriff's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and 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 and 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 considered in assessing the results of our audit.

The Honorable Wayne A. Melancon
Acadia Parish Sheriff
Crowley, Louisiana
December 30, 2010

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The Management's Discussion and Analysis on pages 4 through 9 and the required supplementary budgetary information on pages 35 and 36 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 consisted principally of inquiries of management regarding the methods of 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 Acadia Parish Sheriff's basic financial statements. The accompanying supplemental schedules listed in the table of contents are presented for purposes of additional analysis and are 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.

Broadhurst, Hamilton & Company

Certified Public Accountants

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited)

Management's Discussion and Analysis (Unaudited)

Within this section of the Acadia Parish Sheriff's (the Sheriff) annual financial report, the Sheriff's management is please to provide this narrative discussion and analysis of the financial activities of the Sheriff for the fiscal year ended June 30, 2010. The Sheriff's financial performance is discussed and analyzed within the context of the accompanying financial statement and disclosures following this section.

FINANCIAL HIGHLIGHTS

The Sheriff's assets exceeded its liabilities by \$5,559,844 (net assets) for the fiscal year reported. Total net assets are comprised of the following:

- Capital assets of \$382,837 that includes property and equipment, net of accumulated depreciation. There is no outstanding debt related to the purchase of capital assets.
- Unrestricted net assets of \$5,115,799 which represents the portion available to maintain the Sheriff's continuing obligations to citizens and creditors.
- Restricted net assets of \$61,208 which represent amounts in the bond sinking fund to be used for payment of the bi-annual interest and principal payments for the long-term bonds.

The Sheriff's governmental funds report total ending fund balance of \$5,801,045 this year. This compares to the prior year ending fund balance of \$4,698,056, showing an increase of \$1,102,989 or the current year. At the end of the current fiscal year, the unreserved fund balance for the General Fund was \$5,709,444 or 71.52% of the total General Fund expenditures and 63.18% of total General Fund revenues including transfers. The 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 financial statements. The financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. The Sheriff also includes in this report additional information to supplement the 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.

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 function on revenues provided by the Sheriff's 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 12 and 13 of this report.

Management's Discussion and Analysis (Unaudited)

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 financial statements, fund financial statements focus on the Sheriff's most significant funds rather than the Sheriff as a whole.

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 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 15-19 of this report.

Fiduciary funds are reported in the fund financial statements and report taxes collected for other taxing bodies, deposits held pending court action and the individual prison inmate accounts. The Sheriff only reports agency funds. The basic fiduciary fund financial statement is presented on page 20 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 statement and accompanying notes, this report also presents certain required supplementary information concerning the Sheriff's budget presentations. Budgetary comparison statements are included as "required supplemental information" for the general fund. *This statement is a schedule demonstrating compliance with the Sheriff's adopted and final revised budget.* Required supplemental information can be found on pages 35-36 of this report. In addition, more detailed nonmajor fund (special revenue fund) information and details of the individual agency funds are presented as supplementary information presented on pages 38 thru 41 of this report.

Management's Discussion and Analysis (Unaudited)

FINANCIAL ANALYSIS OF THE SHERIFF AS A WHOLE

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

SUMMARY OF NET ASSETS
AS OF JUNE 30, 2010

	<u>Governmental Activities</u>	<u>Percentage of Total</u>
ASSETS		
Cash and cash equivalents	\$ 4,612,383	55.60%
LAMP Investments	2,156,207	25.99%
Other receivables	1,142,093	13.77%
Prepaid items	2,518	.03%
Capital assets, net	<u>382,837</u>	<u>4.61%</u>
TOTAL ASSETS	<u>\$ 8,296,038</u>	<u>100.00%</u>
LIABILITIES		
Current liabilities:		
Accounts and other accrued payables	\$ 2,044,557	74.72%
LSA Grant payable	10,000	.37%
Bonds payable - current portion	75,000	2.73%
Long-term liabilities:		
Compensated absences	129,038	4.72%
Estimated medical liabilities	57,599	2.11%
Bonds payable	<u>420,000</u>	<u>15.35%</u>
TOTAL LIABILITIES	<u>\$ 2,736,194</u>	<u>100.00%</u>
NET ASSETS		
Invested in capital assets	\$ 382,837	
Restricted for debt service	61,208	
Unrestricted	<u>5,115,799</u>	
TOTAL NET ASSETS	<u>\$ 5,559,844</u>	

The Sheriff continues to maintain operations with long-term debt attributable only to the purchase of the Acadia Parish Detention Center (APDC). This is an indication of the Sheriff's ability to pay his obligations as they become due. The Sheriff reported positive balances in net assets for the governmental activities. Net assets increased by \$1,231,645 for governmental activities in fiscal 2010. The sheriff is addressing rising expenditures by assessing all spending and determining which expenditures may be cut in order to improve the financial strength while continuing to provide exceptional law enforcement to which the residents of Acadia parish have become accustomed. During this time of record high fuel costs, the cost of patrolling the parish is being kept under control by implementing fuel rationing by not allowing the patrol cars to idle while parked and also limiting the patrol mileage to only the amount that needs to be driven. These are examples of some of the measures being taken in order to continue to serve the Acadia parish area with the exceptional law enforcement provided by the Acadia Parish Sheriff.

Comparative data for government-wide information is presented to assist analysis in future years. The following table provides a summary of the Sheriff's changes in net assets:

ACADIA PARISH SHERIFF
Crowley, Louisiana

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Management's Discussion and Analysis (Unaudited)

	<u>June 30, 2010</u>		<u>June 30, 2009</u>	
	<u>Governmental Activities</u>	<u>Percentage of Total</u>	<u>Governmental Activities</u>	<u>Percentage of Total</u>
REVENUES:				
Program:				
Charges for services/fines	\$ 2,226,120	24.33%	\$ 2,416,286	25.22%
Operating and capital grants	1,187,839	12.98%	1,302,247	13.59%
General:				
Sales taxes	3,196,385	34.93%	3,441,668	35.93%
Property taxes	2,154,182	23.54%	1,949,971	20.35%
Interest	18,794	0.20%	10,684	0.11%
Miscellaneous	368,232	4.02%	459,680	4.80%
TOTAL REVENUES	\$ 9,151,552	100.00%	\$ 9,580,536	100.00%
PROGRAM EXPENDITURES:				
Public safety	\$ (7,919,907)	100.00%	\$ (7,873,251)	100.00%
TOTAL EXPENDITURES	\$ (7,919,907)	100.00%	\$ (7,873,251)	100.00%
CHANGE IN NET ASSETS	\$ 1,231,645		\$ 1,707,285	
BEGINNING NET ASSETS	4,328,199		2,620,914	
ENDING NET ASSETS	\$ 5,559,844		\$ 4,328,199	

Governmental Revenues - The Sheriff is heavily reliant on parish-wide property and sales tax revenues to support its operations. Property taxes provided 23.54% and sales taxes provided 34.93% of the Sheriff's total revenues. Because of the Sheriff's healthy financial position, the Sheriff has been able to earn \$18,794 in interest earnings to support governmental activities. Also, note that program revenues cover only 37.31% of governmental operating revenues. This means that the government's taxpayers and the Sheriff's other general revenues fund 62.69% of its operations.

Governmental Functional Expenses - The total function of the Sheriff's office is public safety-law enforcement activities. Of the total costs, depreciation of the office equipment and vehicles was \$97,039 or 1.23% of total expenses.

Major governmental Fund - The General Fund is the Sheriff's primary operating fund and the largest source of day-to-day service delivery. The General Fund's 2009 fund balance increased by \$1,063,216. Several factors contributed to this fund increase.

From a revenue standpoint, property tax collections increased \$204,211 or 10.47%, sales tax collections decreased (\$245,283 or (7.13)%), operating and capital grant revenues decreased (\$114,408) or (8.79)% and charges for services and fees decreased (\$190,166) or (7.87)%. The remaining change in revenues was spread throughout various revenue categories and amounted to a net decrease of (\$83,338) or (17.72)%. Expenditures reflect an increase of \$46,656 from 2009, or about 0.59%.

Non-major Governmental Funds - The non-major fund that the Sheriff's office maintains is the Grant Fund. The primary revenue stream in the Grant Fund is federal grants for narcotics investigations. The Grant Fund is used to account for grant monies received for specific equipment purchases and deputies' overtime pay related to criminal patrol.

The non-major Special Revenue Fund's revenues decreased by (\$112,849) from 2009, while the expenditures decreased by (\$177,503). The net effect, after other financing sources effects, was a fund balance increase of \$39,773 for 2010 versus the 2009 net decrease of (\$24,881).

Management's Discussion and Analysis (Unaudited)

BUDGETARY HIGHLIGHTS

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. Total governmental funds reported ending fund balances of \$5,801,045. The total ending fund balances of governmental funds showed an increase of \$1,102,989.

General Fund - The General Fund's original and final revenue budgets were less than the actual amounts reported in fiscal year 2010. The final amended budget reported revenues decreasing (1.29)% over the original budget and the actual was 7.19% above the final budget revenue. Some of the reasons for the increase in revenues include:

- An increase in revenues for feeding and keeping prisoners
- An increase in total fees, fines, commissions and charges for services
- An increase in revenues from sales and ad valorem taxes
- An increase in other miscellaneous revenue sources

The final expenditure budget reported a decrease of only (2.39)% over the original budget amounts. The actual expenditures were less than the final budget by (2.51)%.

Although the overall decrease in the amended budget was small, some of the reasons for the changes in the expenditure budget to actual included:

- A decrease in liability insurance
- A decrease in personnel costs
- A decrease in automobile maintenance costs
- A decrease in group hospitalization coverage
- An increase in equipment purchases
- A decrease in office expenditures
- An increase in prisoner feeding and maintenance

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets - The Sheriff's investment in capital assets, net of accumulated depreciation as of June 30, 2010 and 2009, was \$382,837 and \$315,548, respectively. The following table provides a summary of capital asset activity:

	Governmental Activities	
	2010	2009
<u>Depreciable assets:</u>		
Office Equipment, Furniture & Vehicles	\$ 2,044,168	\$ 1,884,551
APDC	<u>1,000,000</u>	<u>1,000,000</u>
Total Depreciable Assets	\$ 3,044,168	\$ 2,884,551
Less: Accumulated Depreciation	<u>2,661,331</u>	<u>2,569,003</u>
Book value - Depreciable Assets	<u>\$ 382,837</u>	<u>\$ 315,548</u>

At June 30, 2010, the depreciable capital assets for governmental activities were 87.42% depreciated versus 89.06% in the prior year. This comparison indicates that the Sheriff is replacing its assets at a rate that is faster than the overall rate of depreciation. If the rate of replacement continues at this rate, the capital assets will continue to have a positive book value in the coming years. This percentage is a positive indicator. During the years ending June 30, 2010 and 2009, the Sheriff purchased \$108,891 and \$208,997, respectively, of new assets. In addition, during the years ending June 30, 2010 and 2009, the Sheriff disposed of assets totaling \$9,409 and \$2,995, respectively.

Management's Discussion and Analysis (Unaudited)

Debt Outstanding - At year end, the Sheriff's long-term debt is due and payable to employees for uncompensated absences and for the outstanding bonds payable issued for the purchase of the Acadia Parish Detention Center (APDC).

As of October 1, 2005, the Series 2000 Detention Center bonds, dated December 1, 2000 and bearing an interest rate of 8.85% were called and reissued as the Series 2005 Detention Center Refunding Bonds bearing a reduced interest rate of 4%. This reduction in interest was done to aid the sheriff in reducing debt servicing expenditures and thereby increasing unrestricted funds available to the sheriff for law enforcement activities within the parish.

CONTACTING THE SHERIFF'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Sheriff's finances, compliance with governmental financial reporting 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 Wayne Melancon, Sheriff, 1037 Capitol Avenue, Crowley, LA 70526.

BASIC FINANCIAL STATEMENTS

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

ACADIA PARISH SHERIFF
Crowley, Louisiana

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STATEMENT OF NET ASSETS
AS OF JUNE 30, 2010

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents	\$ 4,612,383
LAMP Investments	2,156,207
Other receivables (Net of allowances)	1,142,093
Prepaid items	2,518
Capital assets, net of accumulated depreciation	<u>382,837</u>
TOTAL ASSETS	\$ <u>8,296,038</u>
LIABILITIES	
Current Liabilities:	
Trade accounts payable	\$ 2,044,557
LSA Grant payable	10,000
Bonds payable - current portion	75,000
Long-term liabilities:	
Compensated absences	129,038
Estimated medical liabilities	57,599
Bonds payable	<u>420,000</u>
TOTAL LIABILITIES	\$ <u>2,736,194</u>
NET ASSETS	
Invested in capital assets	\$ 382,837
Restricted for debt service	61,208
Unrestricted	<u>5,115,799</u>
TOTAL NET ASSETS	\$ <u>5,559,844</u>

The accompanying notes are an integral part of this statement.

STATEMENT A

ACADIA PARISH SHERIFF
Crowley, Louisiana

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010

		Program Revenues			Net (Expenses) Revenues and Changes in Net Assets
Activities	Expenses	Fees, Fines, Commissions and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Public safety	\$ 7,919,907	\$ 2,226,120	\$ 1,187,839	\$ -	\$ (4,505,948)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes					\$ 2,154,182
Sales taxes, levied for general purposes					3,196,385
Grants and contributions not restricted to specific programs					18,794
Interest earnings					368,232
Miscellaneous					
Total General Revenues					\$ 5,737,593
Changes in Net Assets					\$ 1,231,645
NET ASSETS - BEGINNING OF YEAR					4,328,199
NET ASSETS - END OF YEAR					\$ 5,559,844

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS (FFS)

BALANCE SHEET - GOVERNMENTAL FUNDS
AS OF JUNE 30, 2010

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and cash equivalents	\$ 2,849,585	\$ 40,393	\$ 2,889,978
LAMP Investments	2,156,207	-	2,156,207
Receivables	1,122,425	-	1,122,425
Interfund receivables	-	-	-
Prepaid expenses	2,519	-	2,519
TOTAL ASSETS	<u>\$ 6,130,736</u>	<u>\$ 40,393</u>	<u>\$ 6,171,129</u>
LIABILITIES & FUND BALANCES			
Liabilities:			
Due to other taxing bodies	\$ -	\$ 10,000	\$ 10,000
Trade accounts payable	297,535	-	297,535
Estimated medical payments	57,599	-	57,599
Accrued interest payable	4,950	-	4,950
Interfund payables	-	-	-
Held for other agencies	-	-	-
Total liabilities	<u>\$ 360,084</u>	<u>\$ 10,000</u>	<u>\$ 370,084</u>
Fund Balance:			
Reserved	\$ 61,208	\$ -	\$ 61,208
Unreserved - undesignated	5,709,444	30,393	5,739,837
Total fund balance	<u>\$ 5,770,652</u>	<u>\$ 30,393</u>	<u>\$ 5,801,045</u>
TOTAL LIABILITIES & FUND BALANCES	<u>\$ 6,130,736</u>	<u>\$ 40,393</u>	<u>\$ 6,171,129</u>

The accompanying notes are an integral part of this statement.

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
AS OF JUNE 30, 2010

Total Fund Balances for Governmental Funds as of June 30, 2010 **\$ 5,801,045**

**Amounts 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.

Cost of Capital Assets	\$ 3,044,168	
Less: Accumulated Depreciation	<u>(2,661,331)</u>	382,837

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

Compensated absences payable	\$ (129,038)	
Bonds payable	<u>(495,000)</u>	<u>(624,038)</u>

Total Net Assets of Governmental Activities as of June 30, 2010 **\$ 5,559,844**

The accompanying notes are an integral part of this statement.

STATEMENT D

ACADIA PARISH SHERIFF
Crowley, Louisiana

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STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	<u>General Fund</u>	<u>Nonmajor Funds</u>	<u>Total</u>
<u>REVENUES:</u>			
Fees, Fines, Commissions and Charges for Services:			
Commissions - Fines & bonds	\$ 50,508	\$ -	\$ 50,508
Civil & criminal fees	231,911	-	231,911
Court attendance	17,272	-	17,272
Community service reimbursements	32,906	-	32,906
Bond fees	38,618	-	38,618
Transportation of prisoners	34,957	-	34,957
Feeding & keeping of prisoners	1,641,125	-	1,641,125
Tax notices, etc.	31,964	-	31,964
Other fees charges & commissions	146,859	-	146,859
Fines and forfeitures	-	-	-
Total Fees, Fines Commissions And Charges for services	<u>\$ 2,226,120</u>	<u>\$ -</u>	<u>\$ 2,226,120</u>
Operating Grants and Contributions:			
Federal grants	\$ -	\$ 105,249	\$ 105,249
State grants	287,628	-	287,628
State supplemental pay	468,103	-	468,103
State revenue sharing	<u>326,859</u>	<u>-</u>	<u>326,859</u>
Total Operating Grants and Contributions	<u>\$ 1,082,590</u>	<u>\$ 105,249</u>	<u>\$ 1,187,839</u>
Revenue from Taxes:			
Sales taxes	\$ 3,196,386	\$ -	\$ 3,196,386
Ad valorem taxes	<u>2,154,182</u>	<u>-</u>	<u>2,154,182</u>
Total Revenue from taxes	<u>\$ 5,350,568</u>	<u>\$ -</u>	<u>\$ 5,350,568</u>
Miscellaneous:			
Interest income	\$ 18,794	\$ -	\$ 18,794
Other income	<u>358,823</u>	<u>-</u>	<u>358,823</u>
Total Miscellaneous	<u>\$ 377,617</u>	<u>\$ -</u>	<u>\$ 377,617</u>
TOTAL REVENUES	<u>\$ 9,036,895</u>	<u>\$ 105,249</u>	<u>\$ 9,142,144</u>
<u>EXPENDITURES:</u>			
Personnel Salaries:			
Sheriff	\$ 142,914	\$ -	\$ 142,914
Deputies	4,078,697	9,324	4,088,021
Employee Related Benefits:			
Pension fund	387,129	-	387,129
Unemployment insurance	1,023	-	1,023
Medicare	66,135	-	66,135
Fringe benefits - Federal funds	-	-	-

The accompanying notes are an integral part of this statement.

STATEMENT E

(Continued)

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STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

EXPENDITURES (CONT.)	General Fund	Nonmajor Funds	Total
Operating Services:			
Liability insurance	272,841	-	272,841
Hospitalization	1,245,589	-	1,245,589
Telephone	94,028	-	94,028
Operating and Maintenance:			
Boat expense	242	-	242
Computer expenditures	32,242	-	32,242
Office expenditures	257,222	-	257,222
Dues and subscriptions	20,767	-	20,767
Prisoner feeding and maintenance	618,303	-	618,303
Prisoner transportation	1,868	-	1,868
Professional services	40,121	-	40,121
Other direct cost - Federal grants	-	37,000	37,000
Deputy:			
Uniforms	30,857	-	30,857
Equipment and supplies	15,621	23	15,644
Training	31,794	-	31,794
Automobile:			
Repair and maintenance	107,303	-	107,303
Fuel and oil	203,203	-	203,203
Criminal investigations	42,367	-	42,367
Juvenile programs	17,329	-	17,329
Radio maintenance	4,561	-	4,561
Canine maintenance	1,774	-	1,774
Travel expenditures	4,582	19,129	23,711
Debt Service:			
Bond principle retirement	75,000	-	75,000
Interest expense	20,550	-	20,550
Capital outlay	169,027	-	169,027
TOTAL EXPENDITURES	\$ 7,983,089	\$ 65,476	\$ 8,048,565
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 1,053,806	\$ 39,773	\$ 1,093,579
OTHER FINANCING SOURCES (USES):			
Sale of assets and seized property	\$ 9,410	\$ -	\$ 9,410
Bond issuance proceeds	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	\$ 9,410	\$ -	\$ 9,410
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ 1,063,216	\$ 39,773	\$ 1,102,989
FUND BALANCES, BEGINNING OF YEAR	4,707,436	(9,380)	4,698,056
FUND BALANCES, END OF YEAR	\$ 5,770,652	\$ 30,393	\$ 5,801,045

The accompanying notes are an integral part of this statement.

**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, 2010**

**Total Net Changes in Fund Balances as of June 30, 2010 per Statement
of Revenues, Expenditures and Changes in Fund Balances** **\$ 1,102,989**

**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. This is the amount by which depreciation exceeds capital outlay in the current period.

67,289

In the statement of activities, certain operating expenses - compensated advances - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (amounts actually paid).

(13,633)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets

75,000

Total Changes in Net Assets as of June 30, 2010 **\$ 1,231,645**

The accompanying notes are an integral part of this statement.

STATEMENT F

FIDUCIARY FUND TYPE - AGENCY FUNDS
STATEMENT OF FIDUCIARY NET ASSETS
AS OF JUNE 30, 2010

	<u>Tax Collector Fund</u>	<u>Bond Fund</u>	<u>Prisoner's Fund</u>	<u>Civil Fund</u>	<u>Total</u>
ASSETS					
Cash and cash equivalents	\$ 1,534,893	\$ 90,278	\$ 29,300	\$ 67,934	\$ 1,722,405
Other assets	-	-	-	19,668	19,668
TOTAL ASSETS	<u>\$ 1,534,893</u>	<u>\$ 90,278</u>	<u>\$ 29,300</u>	<u>\$ 87,602</u>	<u>\$ 1,742,073</u>
LIABILITIES					
Due to other taxing bodies	\$ 1,534,893	\$ -	\$ -	\$ 87,602	\$ 1,622,495
Due to others pending court action	-	90,278	-	-	90,278
Due to prisoners	-	-	29,300	-	29,300
TOTAL LIABILITIES	<u>\$ 1,534,893</u>	<u>\$ 90,278</u>	<u>\$ 29,300</u>	<u>\$ 87,602</u>	<u>\$ 1,742,073</u>
NET ASSETS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

STATEMENT G

NOTES TO FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2010

INTRODUCTION

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the Sheriff serves a four-year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The Sheriff also 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, parish occupational licenses, state revenue sharing funds, sporting licenses, and fines, costs, and bond forfeitures imposed by the district court.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the Acadia Parish Sheriff have been prepared in conformity with accounting principles generally accepted 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.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. Certain of the significant changes in the Statement include the following:

A Management Discussion and Analysis (MD&A) section providing an analysis of the Sheriff's overall financial position and results of operations.

Financial statements prepared using full accrual accounting for all of the Sheriff's activities.

These and other changes are reflected in the accompanying financial statements (including notes to financial statements).

B. REPORTING ENTITY

For financial reporting purposes, the Sheriff includes all funds and activities that are controlled by the Sheriff as an independently elected parish official. The Sheriff is solely responsible for the operations of his office, which includes the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. The Acadia Parish Police Jury maintains and operates the building in which the Sheriff's office is located and provides funds for some equipment and furniture of the Sheriff's office. Because the Sheriff is fiscally dependent on the police jury, the Sheriff was determined to be a component unit of the Acadia Parish Police Jury. The accompanying financial statements present information only on the funds maintained by the Acadia Parish Sheriff.

(Continued)

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2010

C. BASIS OF ACCOUNTING/MEASUREMENT FOCUS

Government - Wide Financial Statements (GWFS)

The Statement of Net Assets (Statement A) and the Statement of Activities (Statement B) display information about the Sheriff as a whole. These statements include all the financial activities of the Sheriff. These statements present all funds of the reporting entity, which are all considered to be governmental activities. Fiduciary fund activities of the Sheriff are not included in these statements. All the Sheriff's assets and liabilities, including capital assets as well as long-term liabilities, are included in the accompanying Statement of Net Assets. Certain eliminations have been made as prescribed by GASB Statement 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Assets have been eliminated.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Fund Financial Statements (FFS)

Governmental Fund Financial Statements include an aggregated Balance Sheet and an aggregated Statement of Revenues, Expenditures and changes in Fund Balances for all major governmental funds and non-major funds. An accompanying reconciling schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net assets and changes in net assets presented in the Government-Wide financial statements. A fund is considered major if it is the primary operation fund of the Sheriff or its total assets, liabilities, revenues, or expenditures of the individual governmental fund is at least 10 percent of the corresponding total for all governmental funds.

The Sheriff used 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 defined as a separate fiscal and accounting entity with a self-balancing set of accounts. Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. The emphasis of fund financial statements is on major funds, each displayed in a separate column.

The amounts reflected in the governmental funds financial statements are accounted for using a current financial resources measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are generally included on the Balance Sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting revenues are

(Continued)

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2010

recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. This approach is then reconciled, through adjustment, to a government-wide view of the Sheriff's operations. The Sheriff reports the following governmental funds:

General Fund:

The general fund, as provided by Louisiana Revised Statute 33:1422 is the principal fund and is used to account for the operations of the Sheriff's office. The Sheriff's primary sources of revenue are a parish wide sales tax and a parish wide ad valorem tax levied by the law enforcement district. Other sources of revenue include commissions on state revenue sharing, state supplemental pay for deputies, civil and criminal fees, fees for court attendance, feeding and maintenance of prisoners, various other reimbursements, fees, grants and commissions. General operating expenditures are paid from this fund.

Fiduciary Fund Financial Statements:

Fiduciary Fund Financial Statements include a Statement of 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 actions. These funds, which are custodial in nature (assets equal liabilities); do not involve measurement of results of operations. Consequently, the agency funds have no measurement focus, but use the modified accrual basis of accounting.

Special Revenue Funds:

Special revenue funds are used to account for the proceeds of specific revenue sources such as federal grants. Those revenues are legally restricted by grant agreements to expenditures for specified purposes. Per criteria for FFS above, these funds are presented as nonmajor funds in the governmental fund financial statements.

D. BUDGET PRACTICES

The proposed budget for the fiscal year ended June 30, 2010, was made available for public inspection on May 29, 2009. The proposed budget, prepared on the modified accrual basis of accounting, was published in the official journal 15 days prior to the public hearing, which was held at the Acadia Parish Sheriff's Office on June 16, 2009, for comments from taxpayers at which time the budget was legally adopted. According to the minutes, an amended budget was made available for public inspection on May 27, 2010 in the official journal 15 days prior to the public hearing held at the Acadia Parish Sheriff's Office on June 11, 2010, at which the amended budget was legally adopted.

All expenditure appropriations lapse at year-end. Unexpended appropriations and any excess of revenues over expenditures are carried forward to the subsequent year as beginning fund balance.

Neither encumbrance accounting nor formal integration of the budget into the accounting records is employed as a management control device. However, periodic comparisons of budget and actual amounts are made. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

E. CASH AND CASH EQUIVALENTS

The cash amount included in the accompanying financial statements consist of demand deposits, interest bearing demand deposits, money markets and time deposits. Cash equivalents include financial instruments with original maturities of 90 days or less. Under state law, the Sheriff may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts or time

(Continued)

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2010**

deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. Tax collections must be deposited in a bank domiciled in the parish where the funds are collected.

F. RESERVE FOR UNCOLLECTIBLE RECEIVABLES

Since the Sheriff is required to provide civil department services for pauper cases, the sheriff has decided to establish a reasonable reserve for uncollectible receivables to cover both the pauper cases and other uncollectible receivables. As time passes, the Sheriff adjusts this reserve based on historical performance.

G. INVESTMENTS

Under Louisiana Revised Statute (R.S.) 33:2955, the Sheriff may invest in United States securities, government backed securities or certificates and time deposits as indicated in Note E above. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Under this definition the Sheriff does not have any investments.

H. COMPENSATED ABSENCES

The Sheriff's office has the following policy relating to vacation and sick leave:

Full-time deputies of the sheriff's office earn four to ten days of vacation leave each calendar year, depending on length of service. Vacation leave must be taken in the year earned and cannot be accumulated. However, unused vacation leave is paid upon termination of employment. Full-time deputies with a minimum of one year of service will receive ten paid sick days at the beginning of each calendar year. These full time deputies will then receive an additional day of paid sick leave for every year of completed full time service. If an employee does not use all sick days granted to them in a calendar year, the unused days will be rolled over to the next year. No payment will be made for unused sick leave at an employee's termination or retirement.

The Sheriff's recognition and measurement criteria for compensated absences follows:

GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

- a. The employees' rights to receive compensation are attributable to services already rendered.
- b. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payment at termination or retirement.

GASB Statement No. 16 provides that a liability for sick leave should be accrued using one of the following termination approaches:

- a. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.
- b. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible

(Continued)

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2010

to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments.

Only the current portion of the liability for compensated absences should be reported in the fund. The current portion is the amount left unpaid at the end of the reporting period that normally would be liquidated with expendable available financial resources. The remainder of the liability should be reported in the general long-term obligations account group.

I. 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 \$2,500 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, are depreciated using the straight-line method over the following useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Equipment and furniture	5-20
Vehicles	5

J. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

K. PREPAID ITEMS

Prepaid items consist of insurance paid in the current year that will benefit future periods.

L. RESTRICTED NET ASSETS

For government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either:

1. Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; and
2. Imposed by law through constitutional provisions or enabling legislation.

M. 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.

N. 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

(Continued)

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2010

reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as transfers.

O. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require 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 amounts.

NOTE 2: LEVIED TAXES

The Sheriff was authorized an ad valorem tax millage of 7.74 mills and levied taxes of 7.74 mills for 2010. Ad valorem taxes are recorded in the year the taxes are assessed. The taxes are normally collected in December of the current year and January and February of the ensuing year. Property taxes are recorded as receivables and revenues in the year assessed.

Total assessed value were \$26,318,665 in 2010 and \$25,018,298 in 2009. Louisiana state law exempts the first \$75,000 of the assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption amounted to \$6,026,669 and \$6,016,451 of the assessed values for 2010 and 2009, respectively.

NOTE 3: CASH AND CASH EQUIVALENTS

At June 30, 2010, the Sheriff has cash and cash equivalents in interest bearing and non-interest bearing accounts (book balance) totaling \$4,632,051 as follows:

Demand deposits	\$ 4,611,483
Petty cash	<u>900</u>
Total Cash and Cash Equivalents	<u>\$ 4,612,383</u>

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

At June 30, 2010, the Sheriff has \$5,351,913 in deposits (collected bank balances). These deposits are secured from risk by \$1,500,000 of federal deposit insurance and \$22,725,534 of pledged securities held by the custodial banks in the name of the fiscal agent banks (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 of the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Sheriff that the fiscal agent has failed to pay deposited funds upon demand. Further, LRS 39:1224 states that securities held by a third party shall be deemed to be held in the Sheriff's name.

There is restricted cash of \$61,208 in the bond sinking fund which is to be used only for the retirement of the long-term bonds payable.

(Continued)

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2010

NOTE 4: LAMP INVESTMENT POOLS

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 LA - R.S. 33:2955.

GASB Statement No. 40 Deposit and Risk Disclosure, requires disclosure of credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk for all public entity investments.

LAMP is a 2a7-like investment pool. The following facts are relevant for 2a7 like investment pools:

- ** **Credit Risk:** LAMP is rated AAAM by Standards and Poor's.
- ** **Custodial Credit Risk:** LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools are not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool.
- ** **Concentration of Credit Risk:** Pooled investments are excluded from the five percent disclosure requirement.
- ** **Interest Rate Risk:** 2a7-like investment pools are excluded from this disclosure requirement, per paragraph 15 of the GASB 40 statement.
- ** **Foreign Currency Risk:** Not applicable to 2a7-like pools.

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, 2010, the Sheriff has investments in LAMP Funds in the amount of \$2,156,207.

NOTE 5: RECEIVABLES

The receivables of the Acadia Parish Sheriff as of June 30, 2010, are as follows:

<u>Class of Receivable</u>	<u>General Fund</u>
Fees, charges, and commissions	\$ 334,359
Less: Allowance for Uncollectible Receivables	<u>85,643</u>
Net Fees, Charges, and Commissions	\$ 248,716
Ad Valorem taxes	19,324
Sales taxes	578,325
Prisoner maintenance	179,299
Due from deputies	19,827
Due from LSA Grant	-
Reimbursements	83,142
State/Parish appropriations	<u>13,460</u>
Net Receivables	<u>\$ 1,142,093</u>

(Continued)

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2010

NOTE 6: PENSION PLAN

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

All sheriffs and all deputies who are found to be physically fit, who earn at least \$800 per month, 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 12 years of credited service and receive a benefit, payable monthly for life, equal to a percentage of their final-average salary for each year of credited service. The percentage factor to be used for each year of service is 2.5% for each year if total service is at least 12 but less than 15 years, 2.75% for each year if total service is at least 15 but less than 20 years, and 3% for each year if total service is at least 20 years (Act 1117 of 1995 increased the accrual rate by 0.25% for all service rendered on or after January 1, 1980.) In any case, the retirement benefit cannot exceed 100% of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination as indicated previously. Employees who terminate with at least 20 years of credited service are also eligible to elect early benefits between ages 50 and 55 with reduced benefits equal to the actuarial equivalent of the benefit to which they would otherwise be entitled at age 55. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Sheriffs Pension and Relief Fund, 1225 Nicholson Drive, Baton Rouge, LA 70802, or by calling (225) 219-0500.

Funding Policy. Plan members are required by state statute to contribute 10.0% of their annual covered salary and the Acadia Parish Sheriff is required to contribute at an actuarially determined rate. The current year rate was 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 Acadia Parish Sheriff are established and may be amended by state statute. As provided by R.S. 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 Acadia Parish Sheriff's contributions to the System for the years ending June 30, 2010, 2009, and 2008, were \$386,785, \$335,082 and \$344,277, respectively.

NOTE 7: TAXES PAID UNDER PROTEST

The unsettled balances due to taxing bodies and others in the agency funds at June 30, 2010 as reflected in Statement G, include \$1,111,063 of taxes paid under protest, plus interest earned to date on the investment of these funds, totaling \$194,356. These funds are held pending resolution of the protest and are accounted for in the Tax Collector Agency Fund.

(Continued)

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2010

NOTE 8: CAPITAL ASSETS

A summary of changes in office furnishings, equipment and vehicles follows:

<u>Governmental Activities</u>	<u>Balance 07/01/2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 06/30/2010</u>
Depreciable assets:				
Equipment, furniture and vehicles	\$ 1,884,551	\$ 169,027	\$ 9,410	\$ 2,044,168
APDC	<u>1,000,000</u>	<u>-</u>	<u>-</u>	<u>1,000,000</u>
Total Depreciable Assets	\$ 2,884,551	\$ 169,027	\$ 9,410	\$ 3,044,168
Accumulated Depreciation:	<u>2,569,003</u>	<u>101,738</u>	<u>9,410</u>	<u>2,661,331</u>
Capital Assets, net	<u>\$ 315,548</u>	<u>\$ 67,289</u>	<u>\$ -</u>	<u>\$ 382,837</u>

Depreciation expense in the amount of \$88,568 was charged to public safety.

NOTE 9: DEFERRED COMPENSATION PLAN

Certain employees of the Acadia Parish Sheriff participate in the Louisiana Public Employees Deferred Compensation Plan adopted under the provisions of the Internal Revenue code Section 457. Complete disclosures relating to the Plan are included in the separately issued audit report for the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397.

NOTE 10: EXPENDITURES OF THE SHERIFF'S OFFICE PAID BY THE ACADIA PARISH POLICE JURY

Certain operating expenditures of the Sheriff's office are paid by the Acadia Parish Police Jury and are not included in the accompanying financial statements. The Sheriff's office is located at 1037 Capitol Avenue, Crowley, Louisiana. The cost of maintaining and operating the parish courthouse is paid for by the Acadia Parish Police Jury.

NOTE 11: RESTRICTED NET ASSETS/FUND BALANCE RESERVE

The following schedule summarizes restricted net assets and the reserves at June 30, 2010:

	<u>Fund Balance Reserve</u>		<u>Restricted Net Assets</u>
	<u>General Fund</u>	<u>Nonmajor Funds</u>	
Reserved Bond for Debt Payment	<u>\$ 61,208</u>	<u>\$ -</u>	<u>\$ 61,208</u>

NOTE 12: LITIGATION AND CLAIMS

At June 30, 2010, 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

(Continued)

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2010

"remote," as defined by the Governmental Accounting Standards Board. All of the current claims have been classified as remote.

NOTE 13: RISK MANAGEMENT

Liability and Property Insurance

The Sheriff's office is exposed to various risks related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Louisiana law provides that the Sheriff may join with other sheriffs to form an interlocal risk management agency for the development and administration of an interlocal risk management program. The Acadia Parish Sheriff has joined together with other sheriffs to form the Louisiana Sheriff's Risk Management Program, a public entity risk pool currently operating as a common risk management and insurance program for Louisiana sheriffs. The Sheriff pays an annual premium to the pool for its general and professional liability insurance coverage.

The agreement for formation of the Louisiana Sheriff's Risk Management Program, administered by the Louisiana Sheriff's Association, provides for the pool to be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$3,000,000 for each insured event. The Sheriff estimates the range of contingent losses, if any, to be borne by the government will not exceed the available insurance coverage.

The Louisiana Sheriff's Risk Management Program has published its own financial report which can be obtained from the Louisiana Sheriff's Association, 1175 Nicholson Drive, Baton Rouge, La 70804.

In addition to the above, the Sheriff has obtained commercial insurance for all the aforementioned risks and settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There have been no significant reductions in insurance coverage during this year.

Group Self-Insurance Health Plan

The Sheriff provides health insurance coverage to its employees and their families through a partially self-insured plan. The Sheriff is liable for the first \$50,000 in claims per insured per year. The Sheriff is additionally liable for the next \$40,000 in aggregate claims that exceed the \$50,000 per insured per year. The sheriff has purchased coverage from an insurance company for all costs above this limit per participant and in aggregate. As of June 30, 2010, pending claims amount to \$57,599.

	<u>Beginning of Fiscal Year Liability</u>	<u>Current-Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at Fiscal Year End</u>
Year Ended June 30, 2010	\$ <u>56,336</u>	\$ <u>504,951</u>	\$ <u>503,688</u>	\$ <u>57,599</u>

Postretirement Health Care and Life Insurance Benefits

The Sheriff provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the Sheriff's employees become eligible for those benefits if they reach normal retirement age while working for the Sheriff, and they have at least fifteen (15) years of service. Those benefits for retirees and similar benefits for active employees are provided as described above in the Group Self-Insurance Health Plan. The Sheriff's costs of providing retiree health care and life insurance benefits are recognized as expenditures when payments are made. The cost of retiree health care and life insurance benefits is not kept separate from active employees, therefore the cost of such benefits is not available at this time.

(Continued)

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2010

In June 2004, The Governmental Accounting Standards Board issued Statement No. 45, "Accounting and Financial Reporting by Employers for Post-employment Benefit Plans Other Than Pension Plans." The Sheriff was required to implement this standard for the year ending June 30, 2010. As noted in the Independent Auditors' Report, the Sheriff has not implemented GASB #45 and as such the financial statements omit the disclosures and required supplemental information which are required under generally accepted accounting principles.

NOTE 14: FEDERAL FINANCIAL ASSISTANCE

The Acadia Parish Sheriff participates in various grant programs funded by state and federal governments. The following schedule provides selected information on various grant expenditures for the year ended June 30, 2010.

<u>FEDERAL GRANTOR/ PROGRAM OR CLUSTER TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>FEDERAL EXPENDITURES</u>
Homeland Security	L07-8-001	\$ 65,134
Narcotics	B06-8-003	23
Victim Assistance Program	C04-8-011	319
Total Expenditures of Federal Awards		\$ 65,476

NOTE 15: LONG TERM DEBT

The Revenue Bonds are collateralized by the revenue of the Acadia Parish Detention Center (APDC) and the other lawfully available funds available as established by the bond ordinance. The ordinance provides that the revenue of the APDC is to be used first to pay operating and maintenance expenses of the APDC and second to establish and maintain the APDC Bond Sinking Fund. Remaining revenues may then be used for any lawful purpose. It is also provided that the Issuer may use other lawfully available funds to supplement the cost of operating and maintaining the APDC.

Components of Restricted Cash

Current Maturities of Revenue Bonds	\$ 56,258
Revenue Bond's Accrued Interest Payable	4,950
Total Restricted Cash	\$ 61,208

At June 30, 2010, bonds payable consisted of the following issue:

Series 2005 Detention Center Refunding Bonds, dated October 1, 2004, interest is due in semi-annual installments commencing April 1, 2005 and shall mature serially on October 1 of each year through, October 1, 2015, bearing rates of 4.00%

\$ 495,000

<u>Outstanding Bonds Payable</u>	<u>Balance 07/01/2009</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance 06/30/2010</u>
Series 2004 Bonds	\$ 570,000	\$ -	\$ 75,000	\$ 495,000
Total Bonds Payable	\$ 570,000	\$ -	\$ 75,000	\$ 495,000

(Continued)

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2010

Annual requirements to retire debt obligations are as detailed below:

<u>Interest Payment Dates</u>	<u>Interest Only Payment Dates</u>	<u>Principle</u>	<u>Interest</u>
October 1, 2010		\$ 75,000	\$ 9,900
	April 1, 2011		8,400
October 1, 2011		80,000	8,400
	April 1, 2012		6,800
October 1, 2012		80,000	6,800
	April 1, 2013		5,200
October 1, 2013		85,000	5,200
April 1, 2013 thru October 1, 2015		175,000	10,600
Totals		\$ 495,000	\$ 55,300

NOTE 16: LEASES

Operating Leases

The sheriff is obligated under certain leases accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations, and therefore the results of the lease agreements are not reflected in the general fixed assets account group.

The Sheriff has operating leases of the following nature:

- The sheriff has seven (7) leases with Xerox for copiers. The copiers have total monthly lease payments of \$873. These leases are generally renewed at the end of each lease period.

The future minimum annual commitments under these non-cancelable operating leases are as follows:

<u>Fiscal Year</u>	
2010-2011	\$ 10,474
2011-2012	10,474
2012-2013	10,474
2013-2014	10,474
Total Future Minimum Lease Commitments	\$ 41,896

(Concluded)

REQUIRED SUPPLEMENTARY INFORMATION

ACADIA PARISH SHERIFF
Crowley, Louisiana

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GENERAL FUND BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES:				
Fees, Fines, Commissions and Charges for Services:				
Commissions - Fines & bonds	\$ 36,880	\$ 49,291	\$ 50,508	\$ 1,217
Civil & criminal fees	245,399	229,947	231,911	1,964
Court attendance	3,876	12,118	17,272	5,154
Community service reimbursements	26,325	26,325	32,906	6,581
Bond fees	35,639	32,409	38,618	6,209
Transportation of prisoners	40,421	31,990	34,957	2,967
Feeding & keeping of prisoners	1,691,293	1,548,615	1,641,125	92,510
Tax notices, etc.	2,048	3,104	31,964	28,860
Video poker commissions	146,653	167,083	146,859	(20,224)
Fines and forfeitures	6,945	-	-	-
Total Fees, Fines Commissions And Charges for services	\$ 2,235,479	\$ 2,100,882	\$ 2,226,120	\$ 125,238
Operating Grants and Contributions:				
Federal grants	\$ -	\$ -	\$ -	\$ -
State grants	209,459	264,622	287,628	23,006
State supplemental pay	385,525	415,191	468,103	52,912
State revenue sharing	328,825	327,842	326,859	(983)
Total Operating Grants and Contributions	\$ 923,809	\$ 1,007,655	\$ 1,082,590	\$ 74,935
Revenue from Taxes:				
Sales taxes	\$ 3,140,652	\$ 2,928,741	\$ 3,196,386	\$ 267,645
Ad valorem taxes	1,895,874	2,093,557	2,154,182	60,625
Total Revenue from taxes	\$ 5,036,526	\$ 5,022,298	\$ 5,350,568	\$ 328,270
Miscellaneous:				
Interest income	\$ 6,440	\$ 15,658	\$ 18,794	\$ 3,136
Other income	338,928	284,128	358,823	74,695
Total Miscellaneous	\$ 345,368	\$ 299,786	\$ 377,617	\$ 77,831
TOTAL REVENUES	\$ 8,541,182	\$ 8,430,621	\$ 9,036,895	\$ 606,274
EXPENDITURES:				
Personnel Salaries:				
Sheriff	\$ 123,318	\$ 144,220	\$ 142,914	\$ 1,306
Deputies	4,054,113	4,089,768	4,078,697	11,071
Employee Related Benefits:				
Pension fund	334,259	386,711	387,129	(418)
Unemployment insurance	5,573	566	1,023	(457)
Medicare	64,199	66,855	66,135	720
Workmens compensation	-	-	-	-
Operating Services:				
Liability insurance	330,036	296,734	272,841	23,893
Hospitalization	1,698,160	1,440,544	1,245,589	194,955
Telephone	88,763	96,798	94,028	2,770
Operating & Maintenance:				
Boat expense	-	595	242	353
Computer expenditures	27,661	32,054	32,242	(188)
Office expenditures	206,734	383,929	257,222	126,707
Dues & subscriptions	27,801	23,591	20,767	2,824
Prisoner feeding and maintenance	633,682	607,656	618,303	(10,647)
Prisoner transportation	1,398	1,133	1,868	(735)
Professional services	41,447	47,041	40,121	6,920
Deputy:				
Uniforms	45,220	34,057	30,857	3,200
Equipment and supplies	18,480	10,645	15,621	(4,976)
Training	54,201	35,743	31,794	3,949
Automobile:				
Repair and maintenance	106,286	122,172	107,303	14,869
Fuel and oil	225,000	201,891	203,203	(1,312)

The accompanying notes are an integral part of this statement.

SCHEDULE 1

(Continued)

ACADIA PARISH SHERIFF
Crowley, Louisiana

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GENERAL FUND BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES (CONT.)				
Sheriff's allowance	-	-	-	-
Criminal investigations	51,595	40,575	42,367	(1,792)
Juvenile programs	14,064	16,058	17,329	(1,271)
Radio maintenance	4,548	8,189	4,561	3,628
Canine maintenance	4,059	1,469	1,774	(305)
Equipment purchases	-	-	-	-
Rentals	-	-	-	-
Travel expenditures	1,619	2,759	4,582	(1,823)
Debt Service:				
Bond principle retirement	-	-	75,000	(75,000)
Interest expense	21,300	20,550	20,550	-
Capital outlay	205,242	75,938	169,027	(93,089)
TOTAL EXPENDITURES	\$ 8,388,758	\$ 8,188,241	\$ 7,983,089	\$ 205,152
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 152,424	\$ 242,380	\$ 1,053,806	\$ 811,426
OTHER FINANCING SOURCES (USES):				
Sale of assets and seized property	\$ -	\$ -	\$ 9,410	\$ 9,410
Bond issuance proceeds	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	\$ -	\$ -	\$ 9,410	\$ 9,410
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ 152,424	\$ 242,380	\$ 1,063,216	\$ 820,836
FUND BALANCES, BEGINNING OF YEAR	4,707,436	4,707,436	4,707,436	-
FUND BALANCES, END OF YEAR	\$ 4,859,860	\$ 4,949,816	\$ 5,770,652	\$ 820,836

The accompanying notes are an integral part of this statement.

SCHEDULE 1

(Concluded)

OTHER SUPPLEMENTAL INFORMATION

SUPPLEMENTAL INFORMATION SCHEDULES
FOR THE YEAR ENDED JUNE 30, 2010

GOVERNMENTAL FUND TYPE - GENERAL FUND:

The general fund is the main operating fund of the Sheriff. This fund is used to account for all financial resources not accounted for in other funds.

GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUND:

GRANT FUND - The Grant Fund accounts for income related to federal grant monies for specific capital purchases and projects and for grant monies paid to cover overtime paid to deputies for increased patrols during holiday seasons.

FIDUCIARY FUND TYPE - AGENCY FUNDS:

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

CIVIL FUND - The Civil Fund accounts for the collection of funds in 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.

BOND FUND - The Bond Fund is a depository for cash bonds, fines and court costs which are posted in criminal and traffic cases and the collection of a \$30 bond fee charge levied for the processing of cash bonds. Bond fee charges are transferred to the Sheriff's General Fund and cash bonds are held until cases are heard in court and then either refunded to defendants or distributed as directed by the court.

PRISONERS' FUND - The Prisoners' Fund accounts for funds that belong to the inmates and use them to purchase personal items to be used by the inmates.

GOVERNMENTAL FUND TYPE - NONMAJOR SPECIAL REVENUE FUND
COMBINING BALANCE SHEET
AS OF JUNE 30, 2010

	<u>GRANT FUND</u>
<u>ASSETS</u>	
Cash and cash equivalents	\$ 40,393
TOTAL ASSETS	\$ 40,393
<u>LIABILITIES AND FUND EQUITY</u>	
Liabilities:	
Accounts payable	\$ -
Loan payable	10,000
Total Liabilities	\$ 10,000
Fund Equity:	
Fund balance	30,393
TOTAL LIABILITIES AND FUND EQUITY	\$ 40,393

The accompanying notes are an integral part of this statement.

GOVERNMENTAL FUND TYPE - NONMAJOR SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2010

	<u>GRANT FUND</u>
<u>REVENUES:</u>	
Federal grants	\$ 105,249
TOTAL REVENUES	\$ 105,249
<u>EXPENDITURES:</u>	
Public safety:	
Current	
Deputy salaries	\$ 9,324
Fringe benefits	-
Other direct costs	37,000
Materials and supplies	23
Travel expenditures	19,129
Capital outlay	-
TOTAL EXPENDITURES	\$ 65,476
EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 39,773
FUND BALANCES, BEGINNING OF YEAR	(9,380)
FUND BALANCES, END OF YEAR	\$ 30,393

The accompanying notes are an integral part of this statement.

FIDUCIARY FUND TYPE - AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Tax Collector</u>	<u>Bond Fund</u>	<u>Prisoners' Fund</u>	<u>Civil Fund</u>	<u>Total</u>
BALANCES AT BEGINNING OF YEAR	<u>\$ 2,535,551</u>	<u>\$ 214,032</u>	<u>\$ 9,670</u>	<u>\$ 32,928</u>	<u>\$ 2,792,181</u>
<u>ADDITIONS:</u>					
Deposits:					
Sheriff's sales	\$ -	\$ -	\$ -	\$ 952,973	\$ 952,973
Bonds	-	1,293,665	-	-	1,293,665
Advance deposits (suits)	-	-	-	39,650	39,650
Garnishments	-	-	-	181,707	181,707
Sequestration	-	-	-	713	713
Other deposits	-	-	201,559	-	201,559
Taxes, fees, etc., paid to tax collector	21,561,775	-	-	-	21,561,775
Interest earned	64,611	-	-	-	64,611
Total additions	<u>\$ 21,626,386</u>	<u>\$ 1,293,665</u>	<u>\$ 201,559</u>	<u>\$ 1,175,043</u>	<u>\$ 24,296,653</u>
Total Beginning Balance and Additions	<u>\$ 24,161,937</u>	<u>\$ 1,507,697</u>	<u>\$ 211,229</u>	<u>\$ 1,207,971</u>	<u>\$ 27,088,834</u>
<u>REDUCTIONS:</u>					
Taxes, fees, etc., distributed to taxing bodies and others	\$ 22,627,044	\$ -	\$ -	\$ -	\$ 22,627,044
Deposits settled to:					
Sheriff's general fund	-	183,825	-	208,984	392,809
Policy Jury	-	342,589	-	-	342,589
District Attorneys	-	202,640	-	-	202,640
Clerk of Court	-	81,932	-	57,184	139,116
Indigent Defender Board	-	186,928	-	-	186,928
Litigants	-	61,852	-	661,229	723,081
Attorneys, appraisers, etc.	-	-	-	129,287	129,287
Other settlements	-	330,102	181,929	36,423	548,454
Other reductions:					
Refunds	-	27,551	-	27,262	54,813
NSF checks	-	-	-	-	-
Total Reductions	<u>\$ 22,627,044</u>	<u>\$ 1,417,419</u>	<u>\$ 181,929</u>	<u>\$ 1,120,369</u>	<u>\$ 25,346,761</u>
BALANCES AT END OF YEAR	<u>\$ 1,534,893</u>	<u>\$ 90,278</u>	<u>\$ 29,300</u>	<u>\$ 87,602</u>	<u>\$ 1,742,073</u>

The accompanying notes are an integral part of this statement.

INTERNAL CONTROL AND COMPLIANCE

BROADHURST, HAMILTON & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

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December 30, 2010

**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 Wayne A. Melancon
Acadia Parish Sheriff
Crowley, Louisiana

We have audited the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Acadia Parish Sheriff, as of and for the year ended June 30, 2010, which collectively comprise the Acadia Parish Sheriff's basic financial statements and have issued our report thereon dated December 30, 2010. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Acadia 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 Acadia Parish Sheriff's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Acadia Parish Sheriff's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses, and therefore there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying Schedule of Findings that we consider to be material weaknesses.

A deficiency in internal control 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 and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings as Items 2010-01 and 2010-02 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Acadia 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 one instance of noncompliance or other matters that are required to be reported under *Governmental Auditing Standards* and is described in the accompanying Schedule of Findings as Item 2010-03.

(Continued)

The Acadia Parish Sheriff's response to the findings identified in our audit are described in the accompanying Schedule of Findings and Management's Corrective Action Plan. We did not audit the Acadia Parish Sheriff's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the audit committee, management, Louisiana Legislative Auditor, Louisiana Commission on Law Enforcement and Administration on Criminal Justice 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. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Broadhurst, Hamilton & Company

Certified Public Accountants

SCHEDULE OF CURRENT YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2010

Part I - Summary of Auditor's Results

A. Financial Statements

1. Auditor's Report

A *qualified opinion* has been issued on the Acadia Parish Sheriff's financial statements as of and for the year ended June 30, 2010. The opinion was modified for the failure to implement GASB Statement #45 as of June 30, 2010. Because of this failure the financial statements omitted disclosures and required supplementary information which are required under generally accepted accounting principles.

2. Internal Control Deficiencies – Financial Reporting

Two significant deficiencies in internal control over financial reporting were disclosed during the audit of the financial statements and are shown as items 2010-01 and 2010-02 in Part 2 and are considered material weaknesses.

3. Material Noncompliance – Financial Reporting

Nothing came to our attention that would require disclosure under Government Auditing Standards other than the disclosures omitted by the failure to implement GASB Statement #45 as discussed above and shown as item 2010-3.

B. Federal Awards

This section is not applicable for the year ended June 30, 2010.

Part II - Financial Statement Findings Relating to an Audit in Accordance with Government Auditing Standards

2010-01: Inadequate Segregation of Accounting Functions

Finding:

There was not an adequate segregation of duties, specifically in the areas of cash receipts, processing of incoming mail, preparation of deposits and recording of collection transactions.

Cause of Condition:

Certain personnel performed accounting duties in the areas of cash receipts, incoming mail processing, preparation of deposits and recording of collection transactions that under internal control standards are considered incompatible activities.

Effect of Condition:

These conditions create risks to the safeguarding of cash balances.

Recommendation:

Management should employ a better segregation of duties in the cash area. Whenever possible, personnel should not be allowed to handle incompatible functions in the collection and processing of cash transactions. Whenever incompatible duties exist because of personnel limitations, additional safe guards must be employed to counteract and safeguard assets.

(Continued)

SCHEDULE OF CURRENT YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2010

2010-02: Inadequate Controls over Financial Statement Preparation

Finding:

The Sheriff does not have an accountant with the qualifications and training to properly apply generally accepted accounting principles (GAAP) in recording the Sheriff's financial transactions or preparing its financial statements, including the related footnotes.

2010-03: Failure to Implement GASB Statement No. 45, Financial Reporting for Post-Employment Benefits Other Than Pension Plans

Finding:

The effective date for implementation of GASB Statement No. 45 parallel's GASB Statement No. 34. Since the Sheriff is a Phase 3 entity, the required implementation date for the Sheriff was June 30, 2010.

Generally, the statement requires the Sheriff to calculate the amount of the annual post employment benefit costs, such as healthcare benefits and other types of post employment benefits, such as life insurance. Once determined, the cost will be presented in notes to the financial statements.

The method of calculation will be determined by the number of plan members. For plans with more than 200 members, an actuarial valuation should be performed at least biennially and for plans with fewer than 200 members, an actuarial valuation should be performed at least triennially. For plans with less than 100 members, the reporting entity has the option to calculate the liability by an alternative measurement method, in lieu of an actuarial valuation.

Effect of Condition:

Failure to properly and timely implement GASB Statement No. 45 resulted in the qualification of the Sheriff's Audited Financial Statements for the year ending June 30, 2010.

Recommendation:

Management should immediately take the steps necessary to implement GASB Statement No. 45 as quickly as possible. The first step in this process should be the employment of a qualified entity to perform the actuarial valuation required for the proper implementation of GASB Statement No. 45.

Section III - Federal Award Findings and Questioned Costs

This section is not applicable for the year ended June 30, 2010

**MANAGEMENT'S CORRECTIVE ACTION PLAN FOR CURRENT YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2010**

Finding 2010-01: Inadequate Segregation of Accounting Functions

The following response was provided by Mr. Ralph LaCombe, Chief Financial Officer for the Acadia Parish Sheriff.

Based upon the size of the Acadia Parish Sheriff's operation and the cost vs benefit of hiring additional personnel, it will be extremely difficult to achieve complete segregation of duties within all of the accounting functions of the Acadia Parish Sheriff's Office. We have elected to separate and/or rotate conflicting duties among available personnel whenever possible. Management will remain constantly aware of the problems that the lack of segregation of accounting functions can cause and the constant review of personnel assignments will be a priority.

Finding 2010-02: Inadequate Controls over Financial Statement Preparation

Mr. Ralph LaCombe, Chief Financial Officer, has evaluated the cost vs benefit of the Acadia Parish Sheriff's Finance and Accounting Department obtaining the necessary qualifications and training to establish internal controls over the preparation of financial statements in accordance with GAAP. Mr. LaCombe has determined that it is in the best interest of the Acadia Parish Sheriff to continue to out source this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their content and presentation. No additional plan is considered necessary.

Finding 2010-03: Failure to Implement GASB Statement No. 45, Financial Reporting for Post-Employment Benefits Other Than Pension Plans

The following response was provided by Mr. Ralph LaCombe, Chief Financial Officer for the Acadia Parish Sheriff.

Our failure to comply with the effective date for implementation of GASB Statement No. 45 was caused by a misunderstanding of how to calculate plan members. We believed we were under the 100 member limit that would allow for the option to calculate the liability by an alternative measurement method, in lieu of an actuarial valuation. We had arranged for a qualified firm to perform this alternate computation. When we realized that we did not qualify for the alternate method we were not able to employ a qualified firm in time for the actuarial computations to be completed for the due date of the June 30, 2010 audit.

We are in the process of soliciting bids from qualified firms to have the actuarial valuations performed as quickly as possible.

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2010

Prior Year Findings

Internal Control Over Financial Reporting

2009-01: Separation of Duties

Finding:

Due to the small number of accounting personnel, the Sheriff did not have adequate segregation of functions within the accounting system.

Status Follow Up:

Unresolved. The Sheriff and the Chief Financial Officer are aware of the problems regarding the lack of separation of duties and try whenever feasible to separate conflicting duties. Constant review of personnel assignments by management is considered a priority and is implemented on a continuous basis. See current year finding 2010-01.

2009-02: Inadequate Controls over Financial Statement Preparation

Finding:

The Sheriff does not have an accountant with the qualifications and training to properly apply generally accepted accounting principles (GAAP) in recording the Sheriff's financial transactions or preparing its financial statements, including the related footnotes.

Status Follow Up:

Unresolved. The Sheriff and the Chief Financial Officer still believe it is in the best interest of the Acadia Parish Sheriff to continue to out source this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their content and presentation. See current year finding 2010-02.

Compliance Findings

There were no findings that were required to be reported at June 30, 2009.

Management Letter Items

There were no findings that were required to be reported at June 30, 2009.