

LINCOLN PARISH SHERIFF
Ruston, Louisiana

Annual Financial Statements
With Independent Auditor's Report
As of and for the Year Ended
June 30, 2009
With Supplemental Information Schedules

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

Release Date 12/2/09

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C O N T E N T S

		<u>Page No.</u>
Independent Auditor's Report		3
Required Supplemental Information (Part I)		
Management's Discussion and Analysis		6
Basic Financial Statements		
	<u>Statement</u>	<u>Page No.</u>
Government-Wide Financial Statements:		
Statement of Net Assets	A	11
Statement of Activities	B	12
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet	C	13
Reconciliation of the Governmental Funds Balance Sheet to The Financial Statement of Net Assets		14
Statement of Revenues, Expenditures, and Changes in Fund Balances	D	15
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, And Changes in Fund Balances to the Statement of Activities		16
Fiduciary - Agency Funds:		
Statement of Fiduciary Net Assets	E	17
Notes to the Financial Statements		18

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

	<u>Schedule</u>	<u>Page No.</u>
Required Supplemental Information (Part II):		
Budget Comparison Schedules - General Fund	1	30
Note to Budgetary Comparison Schedule		31
Other Supplemental Schedules (Part III):		
Fiduciary Fund Type - Agency Funds:		
Combining Schedule of Changes in Unsettled Deposits	2	34
Independent Auditor's Report Required by <i>Government Auditing Standards</i> (Part IV):		
Report on Compliance and Internal Control over Financial Reporting		38
Schedule of Audit Findings	3	40
Summary Schedule of Prior Audit Findings	4	41

Independent Auditor's Report

HONORABLE MIKE STONE
LINCOLN PARISH SHERIFF
Ruston, Louisiana

I have audited the basic financial statements of the Lincoln Parish Sheriff, a component unit of the Lincoln Parish Police Jury, as of June 30, 2009, and for the year then ended, as listed in the table of contents. These financial statements are the responsibility of the Lincoln Parish Sheriff's management. My responsibility is to express an opinion on these financial statements based on my audit.

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

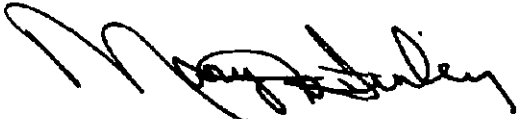
In my opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Lincoln Parish Sheriff as of June 30, 2009, and the changes in its financial position for the year then ended in conformity with U.S. generally accepted accounting principles.

Management's discussion and analysis, and supplementary information on pages 6 through 9 and 30 through 31, respectively are not a required part of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information and reviewing the source of selected information. However, I did not audit the information and express no opinion on it.

My audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the basic financial statements of the Lincoln Parish Sheriff. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

LINCOLN PARISH SHERIFF
Ruston, Louisiana
Independent Auditor's Report,
June 30, 2009

In accordance with *Government Auditing Standards*, I have also issued a report dated October 26, 2009, on the Lincoln Parish Sheriff's compliance with laws, regulations, contracts, and grants, and my consideration of the agency's internal control over financial reporting. 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.

A handwritten signature in black ink, appearing to read 'M. J. [unclear]', is written over the printed name 'M. J. [unclear]'.

West Monroe, Louisiana
October 26, 2009

REQUIRED SUPPLEMENTARY INFORMATION
PART I

LINCOLN PARISH SHERIFF
Ruston, Louisiana

Management's Discussion and Analysis
June 30, 2009

As management of the Lincoln Parish Sheriff, I offer readers of the Lincoln Parish Sheriff's financial statements this narrative overview and analysis of the financial activities of the Lincoln Parish Sheriff for the fiscal year ended June 30, 2009. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

Overview of the Financial Statements

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

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

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

The *statement of net assets* presents information on all of the Lincoln Parish Sheriff's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Lincoln Parish Sheriff is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, earned, but unused, sick leave).

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Lincoln Parish Sheriff, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related

legal requirements. All of the funds of the Lincoln Parish Sheriff can be divided into two categories: governmental funds and fiduciary (agency) funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Lincoln Parish Sheriff adopts an annual appropriated budget for the general fund and the special revenue fund. A budgetary comparison statement is provided for the major fund to demonstrate compliance with this budget.

Fiduciary funds. Fiduciary (agency) funds are used to account for resources held for the benefit of parties outside the government. Since these resources are not available to support the Lincoln Parish Sheriff's programs, Fiduciary (agency) funds are not reflected in the government-wide financial statement.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information in addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Lincoln Parish Sheriff's performance.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, assets of the Lincoln Parish Sheriff exceeded liabilities by \$4,042,642. Approximately 14% of the Lincoln Parish Sheriff's net assets reflects its investment in capital assets (e.g., equipment). These assets are not available for future spending.

An additional portion of the Lincoln Parish Sheriff's net assets represents resources that are subject to external restrictions (e.g., debt service). The balance in unrestricted net assets is affected by two factors: 1) resources expended, over time, by the Lincoln Parish Sheriff to acquire capital assets from sources other than internally generated funds (i.e., debt), and 2) required depreciation on assets.

STATEMENT OF NET ASSETS

	2009	2008
ASSETS		
Cash and cash equivalents	\$1,982,223	\$776,421
Investments	1,553,575	2,450,050
Receivables	94,171	111,715
Due from other funds	471	122
Capital assets (net of accumulated depreciation)	574,873	503,874
TOTAL ASSETS	\$4,205,313	\$3,842,182
LIABILITIES		
Accounts payable	\$15,019	\$85,467
Salaries payable	147,652	
TOTAL LIABILITIES	162,671	85,467
NET ASSETS		
Invested in capital assets	574,873	503,874
Unrestricted	3,467,769	3,252,841
TOTAL NET ASSETS	\$4,042,642	\$3,756,715

STATEMENT OF ACTIVITIES

	2009	2008
Public safety:		
Personal services and related benefits	\$4,200,278	\$3,494,572
Operating services	468,097	396,666
Materials and supplies	321,191	321,900
Travel and other charges	51,796	36,818
Intergovernmental	185,605	155,638
Depreciation expense	204,371	185,397
Total Program Expenses	<u>5,431,338</u>	<u>4,590,991</u>
Program revenues:		
Commissions on licenses and taxes	221,337	288,943
Civil and criminal fees	388,411	325,268
Court attendance	8,806	9,554
Transportation of prisoners	167,257	134,930
Operating grant	321,330	204,171
Bond forfeiture	9,280	19,085
Total program revenues	<u>1,116,421</u>	<u>981,951</u>
Net Program Expenses	<u>(4,314,917)</u>	<u>(3,609,040)</u>
General revenues:		
Taxes - ad valorem	3,952,854	3,624,627
Grants and contributions not restricted to specific programs:		
Federal sources	58,170	124,661
State sources	368,589	337,664
Local sources	55,975	39,000
Interest earned	87,772	112,057
Miscellaneous	73,165	68,708
Special item - gain on disposal of assets	4,319	14,452
Change in Net Assets	285,927	712,129
Net Assets - Beginning of year	3,756,715	3,044,586
Net Assets - End of year	<u>\$4,042,642</u>	<u>\$3,756,715</u>

Financial Analysis of the Government's Funds

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

As of June 30, 2009, combined unreserved, undesignated governmental fund balances of \$3,467,769 showed an increase of \$214,928 over June 30, 2008. The General Fund's portion of the unreserved, undesignated fund balance of \$3,532,147 shows an increase (of approximately \$260,110) from the prior year amount.

General Fund Budgetary Highlights

Differences between revenues of the original budget and the final budget were due primarily to an increase in ad valorem tax, civil and criminal fees, and other revenues. The primary difference in expenditures of the original budget and the final budget was an increase in personal services and related benefits, operating services, capital outlay, and intergovernmental expenditures and a decrease in materials and supplies.

Capital Asset and Debt Administration

Capital assets. The Lincoln Parish Sheriff's investment in capital assets for its governmental activities as of June 30, 2009, amounts to \$574,873 (net of accumulated depreciation). This investment includes furniture, vehicles and equipment. The increase in capital assets for the year was \$276,351. There were decreases of \$49,059 for the year.

Long-term debt. At the end of the fiscal year, Lincoln Parish Sheriff had no long-term debt.

Requests for Information

This financial report is designed to provide a general overview of the Lincoln Parish Sheriff's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Lincoln Parish Sheriff, 100 West Texas Avenue, Ruston, LA 71270.

October 26, 2009

BASIC FINANCIAL STATEMENTS

Statement A**LINCOLN PARISH SHERIFF
Ruston, Louisiana****STATEMENT OF NET ASSETS
June 30, 2009****ASSETS**

Cash and cash equivalents	\$1,982,223
Investments	1,553,575
Receivables	94,171
Due from other funds	471
Capital assets (net of accumulated depreciation)	<u>574,873</u>
TOTAL ASSETS	<u>\$4,205,313</u>

LIABILITIES

Accounts payable	\$15,019
Salaries payable	<u>147,652</u>
TOTAL LIABILITIES	<u>162,671</u>

NET ASSETS

Invested in capital assets	574,873
Unrestricted	<u>3,467,769</u>
TOTAL NET ASSETS	<u>\$4,042,642</u>

The accompanying notes are an integral part of this statement.

LINCOLN PARISH SHERIFF
Ruston, Louisiana

STATEMENT OF ACTIVITIES
June 30, 2009

Public Safety:	
Personal services and related benefits	\$4,200,278
Operating services	468,097
Materials and supplies	321,191
Travel and other charges	51,796
Intergovernmental	185,605
Depreciation expense	204,371
Total Program Expenses	<u>5,431,338</u>
Program revenues:	
Commissions on licenses and taxes	221,337
Civil and criminal fees	388,411
Court attendance	8,806
Transportation of prisoners	167,257
Operating grant	321,330
Bond Forfeiture	9,280
Total program revenues	<u>1,116,421</u>
Net Program Expenses	<u>(4,314,917)</u>
General revenues:	
Taxes - ad valorem	3,952,854
Grants and contributions not restricted to specific programs:	
Federal sources	58,170
State sources	368,589
Local sources	55,975
Interest earned	87,772
Miscellaneous	73,165
Special item - Gain on disposal of assets	<u>4,319</u>
Change in Net Assets	285,927
NET ASSETS	
Beginning of year	<u>3,756,715</u>
End of year	<u><u>\$4,042,642</u></u>

The accompanying notes are an integral part of this statement.

Statement C

LINCOLN PARISH SHERIFF
Ruston, Louisiana
GOVERNMENTAL FUNDS

Balance Sheet, June 30, 2009

	GENERAL FUND	OTHER GOVERNMENTAL FUND DRUG TASK FORCE	TOTAL (MEMORANDUM) ONLY
ASSETS			
Cash and cash equivalents	\$1,969,524	\$12,699	\$1,982,223
Investments	1,553,575		1,553,575
Receivables	87,614	6,557	94,171
Due from other funds	84,105		84,105
TOTAL ASSETS	<u>\$3,694,818</u>	<u>\$19,256</u>	<u>\$3,714,074</u>
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts payable	\$15,019		\$15,019
Salaries payable	147,652		147,652
Due to other funds		\$83,634	83,634
Total Liabilities	<u>162,671</u>	<u>83,634</u>	<u>246,305</u>
Fund Equity:			
Fund balance (deficit)- unreserved - undesignated	<u>3,532,147</u>	<u>(64,378)</u>	<u>3,467,769</u>
Total Fund Equity	<u>3,532,147</u>	<u>(64,378)</u>	<u>3,467,769</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$3,694,818</u>	<u>\$19,256</u>	<u>\$3,714,074</u>

The accompanying notes are an integral part of this statement.

LINCOLN PARISH SHERIFF
Ruston, Louisiana

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

For the Year Ended June 30, 2009

Total Fund Balances at June 30, 2009 - Governmental Funds (Statement C)		<u>\$3,467,769</u>
Cost of capital assets at June 30, 2009	\$1,505,098	
Less: Accumulated depreciation as of June 30, 2009	<u>(930,225)</u>	<u>574,873</u>
Net Assets at June 30, 2009 (Statement A)		<u><u>\$4,042,642</u></u>

The accompanying notes are an integral part of this statement.

LINCOLN PARISH SHERIFF
Ruston, Louisiana
GOVERNMENTAL FUND TYPE - GENERAL FUND
Statement of Revenues, Expenditures, and
Changes in Fund Balance

For the Year Ended June 30, 2009

	GENERAL FUND	OTHER GOVERNMENTAL FUND DRUG TASK FORCE	TOTAL
REVENUES			
Taxes - ad valorem	\$3,952,854		\$3,952,854
Intergovernmental revenues:			
Federal grants	31,557	\$26,613	58,170
State grants:			
State revenue sharing (net)	166,231		166,231
State supplemental pay	202,358		202,358
Other	321,330		321,330
Local grants	55,975		55,975
Fees, charges, and commissions for services:			
Commissions on licenses and taxes	221,337		221,337
Civil and criminal fees	388,411		388,411
Court attendance	8,806		8,806
Transportation of prisoners	167,257		167,257
Bond forfeiture	9,280		9,280
Use of money and property	87,772		87,772
Other	60,524	12,641	73,165
Total revenues	<u>5,673,692</u>	<u>39,254</u>	<u>5,712,946</u>
EXPENDITURES			
Public safety:			
Current:			
Personal services and related benefits	4,200,278		4,200,278
Operating services	460,703	7,394	468,097
Materials and supplies	294,651	26,540	321,191
Travel and other charges	51,484	312	51,796
Capital outlay	276,351		276,351
Intergovernmental	135,415	50,190	185,605
Total expenditures	<u>5,418,882</u>	<u>84,436</u>	<u>5,503,318</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	254,810	(45,182)	209,628
OTHER FINANCING SOURCE - sale of assets	<u>5,300</u>		<u>5,300</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCE OVER EXPENDITURES	260,110	(45,182)	214,928
FUND BALANCE (Deficit) AT BEGINNING OF YEAR	<u>3,272,037</u>	<u>(19,196)</u>	<u>3,252,841</u>
FUND BALANCE (Deficit) AT END OF YEAR	<u><u>\$3,532,147</u></u>	<u><u>(\$64,378)</u></u>	<u><u>\$3,467,769</u></u>

The accompanying notes are an integral part of this statement.

LINCOLN PARISH SHERIFF
Ruston, Louisiana

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

For the Year Ended June 30, 2009

Total net change in fund balances - governmental funds (Statement D)	\$214,928
Amounts reported for governmental activities in the Statement of Activities are different because:	
Proceeds from the disposal of assets is reported as revenue in governmental funds. However, in the Statement of Activities, any proceeds are used to determine any gain or loss on the disposal of assets. This is the gross amount of gains for the year before applying proceeds from the disposal.	(981)
Capital outlays are reported in governmental funds as expenditures. However, in the statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeds capital outlay in the period.	<u>71,980</u>
Change in net assets of governmental activities (Statement B)	<u><u>\$285,927</u></u>

The accompanying notes are an integral part of this statement.

LINCOLN PARISH SHERIFF
Ruston, Louisiana
Statement of Fiduciary Net Assets - Agency Funds

June 30, 2009

	TAX COLLECTOR FUND	CIVIL FUND	CRIMINAL FUND	TOTAL
ASSETS				
Cash and equivalents	<u>\$230,566</u>	<u>\$65,373</u>	<u>\$234,403</u>	<u>\$530,342</u>
LIABILITIES				
Due to other funds			\$471	\$471
Due to others	\$117		223	340
Unsettled deposits due to others	230,449	\$65,373	233,709	529,531
TOTAL	<u>\$230,566</u>	<u>\$65,373</u>	<u>\$234,403</u>	<u>\$530,342</u>

The accompanying notes are an integral part of this statement.

LINCOLN PARISH SHERIFF
Ruston, Louisiana

Notes to the Financial Statements
As of and For the Year Ended June 30, 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the sheriff serves a four year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The sheriff also administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, serving subpoenas, et cetera. As the ex-officio tax collector of the parish, the sheriff is responsible for the collection and distribution of ad valorem property taxes, parish occupational licenses, state revenue sharing funds, and fines, costs, and bond forfeitures imposed by the district court.

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

The accompanying financial statements of the Lincoln Parish Sheriff have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, issued in June 1999.

A. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Lincoln Parish Police Jury is the financial reporting entity for Lincoln Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Lincoln Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial responsibility. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

LINCOLN PARISH SHERIFF

Ruston, Louisiana

Notes to the Financial Statements (Continued)

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

Because the police jury maintains the sheriff's office and provides funds for various operations of the parish jail, the sheriff was determined to be a component unit of the Lincoln Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the sheriff and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the Lincoln Parish financial reporting entity.

B. BASIC FINANCIAL STATEMENTS - GOVERNMENT-WIDE STATEMENTS

The sheriff's basic financial statements include both government-wide (reporting the sheriff as a whole) and fund financial statements (reporting the sheriff's major fund). Both government-wide and fund financial statements categorize primary activities as either governmental or business type. All activities of the sheriff are classified as governmental.

The Statement of Net Assets (Statement A) and the Statement of Activities (Statement B) display information about the reporting government as a whole. These statements include all the financial activities of the sheriff, except for fiduciary funds. Fiduciary funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

In the Statement of Net Assets, governmental activities are presented on a consolidated basis and are presented on a full accrual, economic resource basis, which recognizes all long-term

LINCOLN PARISH SHERIFF

Ruston, Louisiana

Notes to the Financial Statements (Continued)

assets and receivables as well as long-term obligations. Net assets are reported in three parts; invested in capital assets, net of any related debt; restricted net assets; and unrestricted net assets.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

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

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

C. BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS

The financial transactions of the sheriff are reported in individual funds in the fund financial statements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Fund financial statements report detailed information about the sheriff. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

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

LINCOLN PARISH SHERIFF

Ruston, Louisiana

Notes to the Financial Statements (Continued)

Fiduciary funds are used to account for assets held for others. The sheriff's current operations require the use of only governmental and fiduciary funds. The governmental and fiduciary fund types used by the sheriff are described as follows:

Governmental Fund Types

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

Special Revenue Fund - The Drug Task Force Special Revenue Fund consists of federal grants from the United States Department of Justice passed through the Louisiana Commission on Law Enforcement and Administration of Criminal Justice, and local matching grants. The purpose of the fund is to increase the apprehension, prosecution, adjudication, detention, rehabilitation, eradication, and treatment of persons who violate state and local laws relating to the production, possession, and transfer of controlled substances.

Fiduciary Fund Type - Agency Funds

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

D. BASIS OF ACCOUNTING

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

1. Accrual:

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

LINCOLN PARISH SHERIFF

Ruston, Louisiana

Notes to the Financial Statements (Continued)

2. Modified Accrual:

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

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

Revenues

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

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

Interest income on time deposits is recorded when the time deposits have matured and the income is available.

LINCOLN PARISH SHERIFF
Ruston, Louisiana
Notes to the Financial Statements (Continued)

Substantially all other revenues are recognized when received by the sheriff.

Based on the above criteria, intergovernmental revenue and fees, charges, and commissions for services are treated as susceptible to accrual.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

E. CASH AND CASH EQUIVALENTS

Under state law, the sheriff may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The sheriff may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2009, the sheriff has cash and cash equivalents (book balances) totaling \$2,512,565 as follows:

Demand deposits	\$1,858,773
Time Deposits	646,367
Petty cash	<u>7,425</u>
Total	<u>\$2,512,565</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash and cash equivalents (bank balances) at June 30, 2009, are secured as follows:

Bank balances	<u>\$2,640,563</u>
Federal deposit insurance	\$925,036
Pledged securities	<u>3,191,631</u>
Total	<u>\$4,116,667</u>

Because the pledged securities are held by a custodial bank in the name of the fiscal agent bank rather than in the name of the sheriff, they are considered uncollateralized (Category 3) under the provisions of GASB Codification C20.106; however, Louisiana Revised Statute

LINCOLN PARISH SHERIFF

Ruston, Louisiana

Notes to the Financial Statements (Continued)

39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the sheriff that the fiscal agent has failed to pay deposited funds upon demand. Further, LRS 39:1224 states that securities held by a third party shall be deemed to be held in the sheriff's name.

F. INVESTMENTS

Under state law, the sheriff may invest funds in obligations of the United States, in federally insured investments, investment grade (A-1/P-1) commercial paper of domestic corporations or in time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. Investments are grouped into three categories of credit risk:

1. Insured or registered, or for which the securities held by the sheriff or its agent in the sheriff's name.
2. Uninsured and unregistered, with securities held by the bank's trust department or agent in the sheriff's name.
3. Uninsured and unregistered, with securities held by the bank, or by its trust department or agent but not in the sheriff's name.

At year-end, the sheriff's investment balances are in United State government securities totaling \$1,553,575, which is also fair market value. There is an unrealized gain of \$2,664.

G. LEVIED TAXES

As provided by Louisiana Revised Statute 33:9001, a law enforcement district has been created for the purpose of providing financing to the office of the sheriff of Lincoln Parish. Louisiana Revised Statute 33:9003 requires the district to levy a tax on the assessed valuation of all property appearing on the 1977 and subsequent tax rolls in an amount that would produce for the district in the initial year the same revenue as that estimated to be produced by the sheriff's commission on ad valorem taxes for the fiscal year 1976-77. For the 2008 tax roll, the district levied 12.85 mills.

Louisiana Revised Statute 33:9003 also provides for the district to impose an additional millage when approved by a majority of the voters in the district. On July 18, 1992, an ad valorem tax of 8.50 mills was passed by a majority of the district voters. The additional millage, which expired with the 2001 tax roll, was renewed by voters for ten years beginning with the 2002 tax roll.

LINCOLN PARISH SHERIFF
Ruston, Louisiana
Notes to the Financial Statements (Continued)

H. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The sheriff maintains a threshold level of \$1,000 or more for capitalizing capital assets.

Capital assets are recorded in the GWFS, but are not reported in the FFS. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes by the sheriff, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Furniture and fixtures	5 - 10 years
Vehicles	5 - 15 years
Equipment	5 - 20 years

I. VACATION AND SICK LEAVE

After one year of service, all employees are granted 10 days of vacation leave each year. After 10 years of cumulative full time employment, one additional day of vacation per year shall be granted until the number of vacation days reaches the maximum of 15 days. Employees will be allowed 10 days of sick leave each year. Any unused vacation is converted to sick time. Sick time is accrued with no limit. At termination or retirement, sick time is forfeited.

J. RISK MANAGEMENT

The sheriff is exposed to various risk of loss related to law enforcement liability; torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. To handle risk of loss, the sheriff maintains commercial insurance covering; automobile liability; general liability; commercial crime; law enforcement; public officials liability; and worker's compensation and employer's liability. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts.

LINCOLN PARISH SHERIFF
Ruston, Louisiana
Notes to the Financial Statements (Continued)

2. RECEIVABLES

The receivables of \$94,171 at June 30, 2009, are as follows:

Intergovernmental - federal and state grants	\$41,535
Fees, charges & commissions	29,181
Ad valorem tax	3,369
Other	20,086
Total	<u>\$94,171</u>

3. CHANGES IN CAPITAL ASSETS

A summary of changes in office furnishings and equipment for the year ended June 30, 2009, follows:

Adjusted balance at June 30, 2008	\$1,277,806
Additions	276,351
Deletions	<u>(49,059)</u>
Balance at June 30, 2009	1,505,098
Less accumulated depreciation	<u>(930,225)</u>
Net Capital Assets	<u>\$574,873</u>

4. PENSION PLAN

Substantially all employees of the Lincoln 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 18 years or older at the time of original employment, who earn not less than \$400 per month if employed after September 4, 1979 and before January 1, 1991; \$550 if employed between January 1, 1991 and December 31, 1999; and \$800 if employed after January 1, 2000 are required to participate in the System. Employees are eligible to retire at or after age 55 with at least 12 years of credited service and receive a benefit, payable monthly for life, equal to 3.33 percent of their final-average salary for each year of credited service. The retirement benefit cannot exceed 100 per cent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination as indicated previously. Employees who terminate with at least 20 years of credited service are also eligible to elect early benefits between ages 50 and 55 with reduced benefits equal to the

LINCOLN PARISH SHERIFF

Ruston, Louisiana

Notes to the Financial Statements (Continued)

actuarial equivalent of the benefit to which they would otherwise be entitled at age 55. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Sheriffs Pension and Relief Fund, 6554 Florida Blvd., Suite 215, Baton Rouge, Louisiana 70806, or by calling (800) 586-9049.

Plan members are required by state statute to contribute 10 percent of their annual covered salary and the Lincoln Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 11 percent of annual covered payroll. Contributions to the System also include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and funds as required and available from insurance premium taxes. The contribution requirements of plan members and the Lincoln Parish Sheriff are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Lincoln Parish Sheriff's contributions to the System for the years ended June 30, 2009, 2008, and 2007 were \$313,414, \$285,144, and \$263,555, respectively, equal to the required contributions for each year.

5. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The Lincoln Parish Sheriff provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the sheriff's employees become eligible for these benefits if they reach normal retirement age while working for the sheriff. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee and by the sheriff. The sheriff recognizes the cost of providing these benefits (sheriff's portion of premiums) as an expenditure when paid during the year, which was \$537,365 for the year ended June 30, 2009. Of that amount, \$80,467 was for retiree benefits.

6. CHANGES IN AGENCY FUND BALANCES

A summary of changes in agency fund balances due to taxing bodies and others for the year ended June 30, 2009, follows:

LINCOLN PARISH SHERIFF
Ruston, Louisiana
Notes to the Financial Statements (Continued)

	Tax Collector Fund	Civil Fund	Criminal Fund	Total
Balance at June 30, 2008	\$158,159	\$59,946	\$157,776	\$375,881
Additions	28,212,409	956,134	1,398,936	30,567,479
Reductions	<u>(28,140,119)</u>	<u>(950,707)</u>	<u>(1,323,003)</u>	<u>(30,413,829)</u>
Balance at June 30, 2009	<u>\$230,449</u>	<u>\$65,373</u>	<u>\$233,709</u>	<u>\$529,531</u>

7. LITIGATION AND CLAIMS

At June 30, 2009, the Lincoln Parish Sheriff is involved in several lawsuits which are fully covered by the sheriff's liability insurance.

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

The Lincoln Parish Sheriff's office is located in the parish courthouse. The cost of maintaining and operating the courthouse, as required by Louisiana Revised Statute 33:4715, is paid by the Lincoln Parish Police Jury.

9. FUND DEFICIT

At year end the Multi-Jurisdictional Task Force has a deficit fund balance of \$64,378. Sales of special asset forfeitures are expected to generate sufficient revenues to alleviate this deficit. Transfers will be made from the General Fund if necessary.

REQUIRED SUPPLEMENTARY INFORMATION
PART II

LINCOLN PARISH SHERIFF
Ruston, Louisiana

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

For the Year Ended June 30, 2009

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
Taxes - ad valorem	\$3,704,250	\$3,952,000	\$3,952,854	\$854
Intergovernmental revenues:				
Federal grants	84,765	81,325	31,557	(49,768)
State grants:				
State revenue sharing (net)	150,000	150,000	166,231	16,231
State supplemental pay	214,200	202,400	202,358	(42)
Other	337,400	327,700	321,330	(6,370)
Local grants	47,000	62,000	55,975	(6,025)
Fees, charges, and commissions for services:				
Commissions on licenses and taxes	279,000	254,000	221,337	(32,663)
Civil and criminal fees	307,000	388,000	388,411	411
Court attendance	9,500	9,700	8,806	(894)
Transportation of prisoners	82,500	80,800	167,257	86,457
Bond forfeitures	15,000	8,000	9,280	1,280
Use of money and property	116,000	91,700	87,772	(3,928)
Other revenue	14,500	48,000	60,524	12,524
Total revenues	<u>5,361,115</u>	<u>5,655,625</u>	<u>5,673,692</u>	<u>18,067</u>
EXPENDITURES				
Public safety:				
Current:				
Personal services and benefits	4,010,768	4,095,138	4,200,278	(105,140)
Operating services	395,300	468,535	460,703	7,832
Materials and supplies	354,350	299,500	294,651	4,849
Travel and other charges	40,000	50,000	51,484	(1,484)
Capital outlay	225,000	351,000	276,351	74,649
Intergovernmental	105,000	139,000	135,415	3,585
Total expenditures	<u>5,130,418</u>	<u>5,403,173</u>	<u>5,418,882</u>	<u>(15,709)</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>230,697</u>	<u>252,452</u>	<u>254,810</u>	<u>2,358</u>
OTHER FINANCING SOURCE-Sale of assets			<u>5,300</u>	<u>5,300</u>
EXCESS OF REVENUES AND OTHER SOURCE OVER EXPENDITURES	<u>230,697</u>	<u>252,452</u>	<u>260,110</u>	<u>7,658</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>2,976,105</u>	<u>2,976,105</u>	<u>3,272,037</u>	<u>295,932</u>
FUND BALANCES AT END OF YEAR	<u><u>\$3,206,802</u></u>	<u><u>\$3,228,557</u></u>	<u><u>\$3,532,147</u></u>	<u><u>\$303,590</u></u>

LINCOLN PARISH SHERIFF
Ruston, Louisiana

NOTE TO BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2009

A proposed budget, prepared on the modified accrual basis of accounting, is published in the official journal at least ten days prior to the public hearing. A public hearing is held at the Lincoln Parish Sheriff's office during the month of June for comments from taxpayers. The budget is then legally adopted by the sheriff and amended during the year, as necessary. The budget is established and controlled by the sheriff at the object level of expenditure. Appropriations lapse at year-end and must be reappropriated for the following year to be expended.

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying budgetary comparison schedule include the original adopted budget amounts and all subsequent amendments.

OTHER SUPPLEMENTARY INFORMATION

PART III

LINCOLN PARISH SHERIFF
Ruston, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
As of and For the Year Ended June 30, 2009

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, occupational licenses, and fees. The Tax Collector Fund is used to collect and distribute these taxes, licenses, and fees 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.

CRIMINAL FUND

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

LINCOLN PARISH SHERIFF
Ruston, Louisiana
FIDUCIARY FUND TYPE - AGENCY FUNDS

Combining Schedule of Changes in Unsettled
Balances Due to Taxing Bodies and Others
For the Year Ended June 30, 2009

	TAX COLLECTOR FUND	CIVIL FUND	CRIMINAL FUND	TOTAL
UNSETTLED BALANCES DUE TO TAXING BODIES AND OTHERS, JUNE 30, 2008	<u>\$158,159</u>	<u>\$59,946</u>	<u>\$157,776</u>	<u>\$375,881</u>
ADDITIONS				
Deposits:				
Sheriff's sales		\$418,372		\$418,372
Fines, bond forfeitures, and costs			\$1,395,986	1,395,986
Garnishments		399,793		399,793
Other deposits		137,969	2,950	140,919
Taxes, fees, etc. paid to tax collector:				
Ad valorem taxes	\$26,853,930			26,853,930
Prior year taxes	12,719			12,719
State revenue sharing	870,470			870,470
Insurance licenses	105,775			105,775
Interest on:				
Now account	8,403			8,403
Delinquent taxes	41,146			41,146
Prior year taxes	8,955			8,955
Tax notices, etc.	93,785			93,785
Redemptions	91,099			91,099
Collection for others	126,127			126,127
Total additions	<u>28,212,409</u>	<u>956,134</u>	<u>1,398,936</u>	<u>30,567,479</u>
Total	<u>28,370,568</u>	<u>1,016,080</u>	<u>1,556,712</u>	<u>30,943,360</u>

(Continued)

LINCOLN PARISH SHERIFF
Ruston, Louisiana
FIDUCIARY FUND TYPE - AGENCY FUNDS
Combining Schedule of Changes in Unsettled
Balances Due to Taxing Bodies and Others
For the Year Ended June 30, 2009

	TAX COLLECTOR FUND	CIVIL FUND	CRIMINAL FUND	TOTAL
REDUCTIONS				
Deposits, taxes, fees, etc. settled to:				
Louisiana Tax Commission	\$4,565			\$4,565
Louisiana Forestry Commission	18,517			18,517
Sheriff's General Fund	4,289,872	\$190,166	\$272,818	4,752,856
Other Sheriffs		2,772		2,772
Police jury	6,106,923		360,511	6,467,434
School board	13,241,404			13,241,404
Assessor	758,826			758,826
Municipalities			14,613	14,613
Law enforcement agencies			6,803	6,803
District Attorney			189,460	189,460
Clerk of Court	3,416	19,673	37,897	60,986
Indigent defender board			140,804	140,804
City of Ruston	1,415,621			1,415,621
Coroner			4,484	4,484
Litigants		711,865		711,865
Attorneys, appraisers, etc.		20,273		20,273
Pension funds	692,080			692,080
Northwest Crime Lab			55,755	55,755
Judicial clerk			131,920	131,920
Fire Protection Service District No. 1	552,795			552,795
Squire Creek CDD	842,293			842,293
Victim's restitution			21,305	21,305
Other settlements		5,958	86,633	92,591
Redemptions	87,683			87,683
Refunds	126,124			126,124
Total reductions	<u>28,140,119</u>	<u>950,707</u>	<u>1,323,003</u>	<u>30,413,829</u>
UNSETTLED BALANCES DUE TO TAXING BODIES AND OTHERS, June 30, 2009	<u><u>\$230,449</u></u>	<u><u>\$65,373</u></u>	<u><u>\$233,709</u></u>	<u><u>\$529,531</u></u>

(Concluded)

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

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

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

MARY JO FINLEY, CPA, INC.

A PROFESSIONAL CORPORATION

116 Professional Drive - West Monroe, LA 71291

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

**Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed
in Accordance *Government Auditing Standards***

LINCOLN PARISH SHERIFF
Ruston, Louisiana

I have audited the basic financial statements of the Lincoln Parish Sheriff, a component unit of the Lincoln Parish Police Jury, as of and for the year ended June 30, 2009 and have issued my report thereon dated October 26, 2009. I conducted my audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Lincoln 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 basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Lincoln Parish Sheriff's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Lincoln Parish 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 entity'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 Lincoln Parish Sheriff's financial statements that is more than inconsequential will not be prevented or detected by the Lincoln 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 Lincoln Parish Sheriff's internal control.

LINCOLN PARISH SHERIFF

Ruston, Louisiana

Independent Auditor's Report on Compliance

And Internal Control Over Financial Reporting, etc.

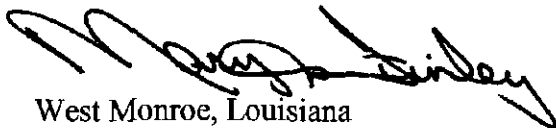
June 30, 2009

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Lincoln Parish Sheriff's basic financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Lincoln Parish Sheriff, management, and the Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



West Monroe, Louisiana

October 26, 2009

**LINCOLN PARISH SHERIFF
Ruston, Louisiana**

**Schedule of Audit Findings
For the Year Ended June 30, 2009**

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of the Lincoln Parish Sheriff.
2. No instances of noncompliance material to the financial statements of the Lincoln Parish Sheriff were disclosed during the audit.
3. No significant deficiencies relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

**LINCOLN PARISH SHERIFF
Ruston, Louisiana**

**Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2009**

There were no audit findings reported in the audit for the year ended June 30, 2008.