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WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

Annual Financial Report

As of and for the Year Ended
June 30, 2008

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

Release Date 1/28/09

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

Annual Financial Report
As of and for the Year Ended June 30, 2008

TABLE OF CONTENTS

	<u>Statement</u>	<u>Page No.</u>
Independent Auditor's Report		1
Required Supplemental Information (Part A)		
Management's Discussion and Analysis (MD&A)		4
Basic Financial Statements		
Government-Wide Financial Statements (GWFS)		
Governmental Activities		
Statement of Net Assets	A	13
Statement of Activities	B	14
Fund Financial Statements (FFS)		
Governmental Funds		
Balance Sheet	C	16
Reconciliation of the Governmental Fund's Balance Sheet to the Statement of Net Assets		17
Statement of Revenues, Expenditures, and Changes in Fund Balance	D	18
Reconciliation of the Governmental Fund's Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities		20
Fiduciary Fund -- Agency Funds		
Combining Statement of Assets and Liabilities	E	21
Notes to the Basic Financial Statement		22

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

Annual Financial Report
As of and for the Year Ended June 30, 2008

TABLE OF CONTENTS

	<u>Schedule</u>	<u>Page No.</u>
Required Supplemental Information (Part B)		
Budgetary Comparison Schedule		37
General Fund – Cash Basis	1	38
Notes to Budgetary Comparison Schedule		39
 Supplemental Information		
Fiduciary Fund Type – Agency Funds		41
Combining Schedule of Changes in Balances Due Taxing Bodies and Others	2	42
 Other Report Required by <i>Government Auditing Standards</i>		
Report on Internal Control over Financial Reporting on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Audit Standards</i>		44
Summary Status of Prior Year Findings		46

LUFFEY, HUFFMAN, RAGSDALE & SOIGNIER

(A PROFESSIONAL ACCOUNTING CORPORATION)
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

**West Carroll Parish Sheriff
Oak Grove, Louisiana**

We have audited the accompanying financial statements of the governmental activities, the major fund (General Fund), and the aggregate remaining fund information of the West Carroll Parish Sheriff, as of and for the year ended June 30, 2008, which collectively comprise the Sheriff's basic financial statements as listed in the "Table of Contents." These financial statements are the responsibility of the management of the West Carroll Parish Sheriff. 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, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Louisiana Governmental Audit Guide*, issued by the Louisiana Society of Certified Public Accountants and the Louisiana Legislative Auditor. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund (General Fund), and the aggregate remaining fund information of the West Carroll Parish Sheriff, as of June 30, 2008, and the 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, 2008, on our consideration of the West Carroll Parish Sheriff's internal control over financial reporting and on our tests of his compliance with certain provisions of laws, regulations, grant agreements, and other matters. The purpose of that report is to describe the

**West Carroll Parish Sheriff
Oak Grove, Louisiana**

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 "Management's Discussion and Analysis" presented on pages 4 through 10 and the "Budgetary Comparison Schedule" presented on page 38 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 West Carroll Parish Sheriff's basic financial statements. The Agency Funds Combining Schedule of Changes in Balances Due Taxing Bodies and Others labeled as "Supplemental Information" in the "Table of Contents" is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Huffman, Huffman, Royal, & Squires

(A Professional Accounting Corporation)

December 30, 2008

**REQUIRED SUPPLEMENTAL INFORMATION
(PART A)**

WEST CARROLL PARISH SHERIFF
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2008

Management's discussion and analysis of the West Carroll Parish Sheriff's financial performance provides an overall review of the Sheriff's financial activities for the fiscal year ended June 30, 2008. The intent of this discussion and analysis is to look at the Sheriff's financial performance as a whole. The reader should read this discussion in conjunction with the Notes to the Basic Financial Statements and the financial statements, which are all included in this report, to enhance their understanding of the West Carroll Parish Sheriff's financial performance.

Financial Highlights

- Fund balance decreased slightly
- Total revenues increased for the year
- Expenditures increased in proportion to the increase in revenues
- Federal Grants more than doubled
- Work Release Program was cancelled in December 2006

Using this Annual Financial Report (AFR)

This AFR consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the West Carroll Parish Sheriff as a whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Assets and the Statement of Activities provide information about the activities of the Sheriff as a whole and present a longer-term view of the Sheriff's finances. Also included in the financial statements are the Fund Financial Statements, which report on governmental activities of the Sheriff. These statements provide more detail than the Government-wide Financial Statements about the services that were financed in the short-term as well as what remains for future spending in the Sheriff's General Fund. The General Fund is the West Carroll Parish Sheriff's only significant fund.

Reporting the Sheriff as a Whole

Statement of Net Assets and the Statement of Activities

The Statement of Net Assets and the Statement of Activities report information about the Sheriff as a whole and his activities in a way to try to inform the reader as to how the Sheriff did financially during the 2007-08 fiscal year. In short, is the Sheriff better off financially or is he worse off financially than he was this time last year? These statements report all assets and liabilities of the Sheriff on the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the Sheriff's net assets and the change in those assets. This change in net assets is important because it tells the reader that, for the Sheriff as a whole, the financial position of the Sheriff improved or declined. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors affecting the Sheriff include the parish's property tax base, the continued housing of State prisoners in the parish jail, and the state and federal government's continued funding of grants.

The Statement of Net Assets and the Statement of Activities report the governmental activities of the Sheriff. Most of the Sheriff's programs and services are reported here including salaries and related benefits, operating services, statutory charges, and materials and supplies.

Reporting the Sheriff's Most Significant Fund (General Fund)

Fund Financial Statements

The analysis of the Sheriff's General Fund, which is the Sheriff's only major fund, begins on page 8. Fund Financial Statements provide detailed information about the Sheriff's major fund (General Fund). The Sheriff uses one fund to account for his general operating financial transactions.

Governmental Funds

Most of the Sheriff's activities are reported as a governmental fund (General Fund), which focuses on how money flows into and out of this fund and the balance left at year-end available for spending in future periods. This fund is reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund's statements provide a detailed short-term view of the Sheriff's general government operations and the basic services he provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance protective and investigative programs. The relationship (or difference) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

The Sheriff as Trustee

Reporting the Sheriff's Fiduciary Responsibilities

The Sheriff is the trustee, or fiduciary, for the Sheriff's Fund, the Tax Collector Fund, and the Work Release Program. The Sheriff's Fund, Tax Collector Fund, and Work Release Program account for assets held by the Sheriff as an agent for deposits held pending court action (Sheriff's Fund), for various taxing bodies (Tax Collector), and for the inmates' personal needs (Work Release Program). All of the Sheriff's fiduciary activities are reported in a separate Combining Schedule of Changes in Balances Due to Taxing Bodies and Others (Schedule 1) on page 42. These activities have been excluded from the Sheriff's other financial statements because the Sheriff cannot use these assets to finance his operations. The Sheriff is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

The Sheriff as a Whole

The Sheriff's net assets decreased by \$18,924 from \$74,809 at June 30, 2007 to \$55,885 at June 30, 2008. Of the \$55,885 of net assets at June 30, 2008, the unrestricted net assets reflected a balance of \$23,280. The following analysis focuses on the net assets (Table 1) and change in net assets (Table 2) of the Sheriff's governmental activities.

Table 1
Governmental Activities
Net Assets

	June 30,	
	<u>2008</u>	<u>2007</u>
Assets		
Current and other assets	\$ 39,655	\$ 53,756
Capital assets, net	32,605	55,675
Total assets	<u>72,260</u>	<u>109,431</u>
Liabilities		
Current and other liabilities	11,101	22,163
Long-term liabilities	<u>5,274</u>	<u>12,459</u>
Total liabilities	<u>16,375</u>	<u>34,622</u>
Net assets		
Invested in capital assets, net of debt	32,605	48,465
Unrestricted	<u>23,280</u>	<u>26,344</u>
Total net assets	<u>\$ 55,885</u>	<u>\$ 74,809</u>

The balance of \$23,280 in the unrestricted assets represents the accumulated results of all past years' operations. It means that if the Sheriff had to pay off all of his bills today including all of his noncapital liabilities (compensated absences for example), he would have enough funds to pay them off and still have \$23,280.

The results of this year's operations for the Sheriff as a whole are reported in the Statement of Activities on page 14. Table 2 reports the information from the Statement of Activities in a different format so that total revenue for the year can be more easily identifiable.

Table 2
Governmental Activities
Changes in Net Assets

	Year Ended	
	June 30,	
	<u>2008</u>	<u>2007</u>
Revenues		
Program revenues		
Federal grants	\$ 26,653	\$ 11,503
General revenues		
Ad valorem taxes	518,441	459,513
State revenues	99,452	94,442
Fee, charges, and commissions for services	294,553	294,394
Use of money and property - interest earnings	2,496	2,685
Other general revenues	7,945	3,900
Total revenues	<u>949,540</u>	<u>866,437</u>
Functions/Program Expenses		
Public safety		
Personal services and related benefits	727,422	666,459
Operating services	88,771	77,293
Statutory charges	69,991	58,835
Materials and supplies	41,900	42,955
Travel and other charges	3,063	956
Depreciation expense	37,317	36,698
Total expense	<u>968,464</u>	<u>883,196</u>
 Increase (decrease) in net assets	 <u>\$ (18,924)</u>	 <u>\$ (16,759)</u>

Governmental Activities

As reported in the Statement of Activities on page 14, the net cost of governmental activities this year was \$941,811. The taxpayers in the parish provided \$518,441 in ad valorem taxes to help meet the total cost of governmental activities. Ad valorem tax revenue was up in 2007-08 by \$58,928 or 12.8 percent due mainly to an increase in the assessed value of a gas company's inventory which was offset to some extent by the decrease in the value of personal property in the parish. The Sheriff collected \$294,553 from fees and commissions during the year to help meet the total cost of governmental activities which increased slightly from the prior year.

Table 3 presents the total cost of each of the Sheriff's four largest functions – personal services and related benefits, operating services, statutory charges and materials and supplies, as well as each function's net cost (total cost less revenues generated by the activities). Net cost shows the financial burden that was placed on the Sheriff's taxpayers by each of these functions. Providing

this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

Table 3
Governmental Activities
Years Ended June 30, 2008 and 2007

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Personal services and related benefits	\$ 727,422	\$ 666,459	\$ 700,769	\$ 609,551
Operating services	88,771	77,293	88,771	72,598
Statutory charges	69,991	58,835	69,991	58,835
Material and supplies	41,900	42,955	41,900	42,955
Subtotal	<u>928,084</u>	<u>845,542</u>	<u>901,431</u>	<u>783,939</u>
All others	40,380	37,654	40,380	37,654
Total	<u>\$ 968,464</u>	<u>\$ 883,196</u>	<u>\$ 941,811</u>	<u>\$ 821,593</u>

The Sheriff's Funds

The Sheriff uses the General Fund to help him control and manage money to provide police protection to the citizens of West Carroll Parish. By accounting for money of the General Fund in a separate fund helps the reader to determine whether the Sheriff is being accountable for the resources taxpayers and others provide to him and it may also give the reader more insight into the Sheriff's overall financial health.

The Sheriff's General Fund, which is the only Governmental Fund, had a fund balance of \$29,553 at June 30, 2008. This is a decrease of \$2,040 over the previous year's fund balance. The primary reason for this increase was the close monitoring of ongoing revenues and expenses and holding expenses to available revenue. Overall, revenues and expenses increased proportionately from the prior year.

General Fund Budgetary Highlights

The Sheriff, in accordance with state law, must adopt a budget on the General Fund no later than fifteen days prior to the beginning of the fiscal year. In accordance with state law, the Sheriff may have variances of 5 percent of total revenues or expenditures in a fund before he is legally required to amend the budget. The Sheriff adopted his 2007-08 budget on March 13, 2007, and revised the budget on February 13, 2008. The original estimated revenues increased by 10.5% or \$92,700 from \$879,600 to \$972,300 in the final amended budget. The change in budgeted revenues was attributable to the Sheriff receiving more in ad valorem tax revenue and less for Federal grants than originally anticipated. The estimated expenditures increased from the original budget to the final budget by \$91,610 primarily attributable to increases in personal services and related benefits.

Capital Assets

Capital assets of the Sheriff used in performance of general operations of the Sheriff's office are recorded in the Fund Financial Statements as expenditures when purchased. The amount represents the original cost of the assets. Depreciation of capital assets is not recognized in the Fund Financial Statements as explained in the Notes to the Basic Financial Statements. In the Government-wide Financial Statements, the capital assets are recorded as assets at their original cost at the time of purchase or fair market value, if seized by the courts. Capital assets purchased by grantors and donated to the Sheriff are recorded as capital assets at their actual cost. Depreciation of capital assets has been recognized in the Government-wide Financial Statements.

At June 30, 2007, as reported on the Statement of Net Assets, the Sheriff had \$32,605 invested in a building and furniture and equipment, net of depreciation. Net capital assets decreased by \$23,070 or 41.4 percent during the current fiscal year. The net decrease in capital assets was primarily attributable to depreciation. The Sheriff removed \$21,232 of capital assets from the inventory during the year. Approximately half of the assets removed were vehicles and half were computers and cameras and a phone system. For more detail of capital assets, see Note 6 of the Notes to the Basic Financial Statements. Table 4 presents capital assets, net of depreciation, at June 30, 2008 and 2007.

Table 4
Governmental Activities
Capital Assets, Net of Depreciation
June 30, 2008 and June 30, 2007

	<u>June 30,</u>	
	<u>2008</u>	<u>2007</u>
Furniture and equipment	\$ <u>32,605</u>	\$ <u>55,675</u>

For the Future

The West Carroll Parish Sheriff continues to operate with a small fund balance from year to year. However, this year the Sheriff maintained his financial position by decreasing fund balance by only \$2,040. The Sheriff is placing on the November 2008 ballot a 11.27 mill ad valorem tax proposition. The revenue from the tax will be used to help fund the operations of the Sheriff's office.

The Sheriff has plans to increase his revenue in the future by expanding his current jail facilities. Expanding the jail facilities would allow the jail to hold more Louisiana Department of Corrections inmates, which in turn would bring additional revenue to the Sheriff's office.

The Sheriff is optimistic that he will secure additional funding for operating his office and reduce his expenditures so that he can continue the level of services he is currently providing to the citizens of West Carroll Parish.

Contacting the Sheriff's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Sheriff's finances and to show the Sheriff's accountability for the money he receives. If you have questions about this report or need additional financial information contact Jerry Philley, Sheriff of West Carroll Parish, P.O. Box 744, Oak Grove, LA 71263 or call at (318) 428-2331 or E-mail to wcpso@yahoo.com.

BASIC FINANCIAL STATEMENTS

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

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

STATEMENT OF NET ASSETS
GOVERNMENTAL ACTIVITIES

June 30, 2008

ASSETS

Cash and cash equivalents (note 3)	\$ 1,973
Receivables (note 4)	37,682
Capital assets, net (note 5)	<u>32,605</u>
Total assets	<u>72,260</u>

LIABILITIES

Accounts payable and accrued expenses	10,102
Long-term liabilities:	
Due within one year (note 10)	1,000
Due in more than one year (note 10)	<u>5,273</u>
Total liabilities	<u>16,375</u>

NET ASSETS

Invested in capital assets	32,605
Unrestricted	<u>23,280</u>
Total net assets	<u>\$ 55,885</u>

See accompanying notes to the basic financial statements.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

STATEMENT OF ACTIVITIES
GOVERNMENTAL ACTIVITIES

For the Year Ended June 30, 2008

	<u>EXPENSES</u>	<u>PROGRAM REVENUES</u>		<u>NET (EXPENSE)</u> <u>REVENUE AND</u> <u>CHANGES IN</u> <u>NET ASSETS</u>
		<u>OPERATING</u> <u>GRANTS</u>	<u>CAPITAL</u> <u>GRANTS</u>	
FUNCTIONS/PROGRAMS				
Current:				
Public safety				
Personal services and related benefits	\$ 727,422	\$ 11,306	\$ 15,347	\$ (700,769)
Operating services	88,771	-	-	(88,771)
Statutory charges	69,991	-	-	(69,991)
Materials and supplies	41,900	-	-	(41,900)
Travel and other charges	3,063	-	-	(3,063)
Depreciation expense	37,317	-	-	(37,317)
Total Governmental Activities	\$ 968,464	\$ 11,306	\$ 15,347	(941,811)
GENERAL REVENUES				
Ad valorem taxes				518,441
Intergovernmental revenues:				
State of Louisiana				
Commission on state revenue sharing				46,572
State supplemental pay				51,840
Other				1,040
Fees, charges, and commissions for services				
Commissions on licenses, etc.				25,257
Civil and criminal fees				96,548
Court attendance				4,148
Transporting prisoners				5,199
Feeding and keeping prisoners				159,950
Tax notices, etc.				3,451
Use of money and property - interest earnings				2,496
Officer witness fees				700
Gain on sale of assets				7,237
Miscellaneous				8
Total general revenues				922,887
CHANGES IN NET ASSETS				(18,924)
NET ASSETS AT BEGINNING OF YEAR				74,809
NET ASSETS AT END OF YEAR				\$ 55,885

See accompanying notes to the basic financial statements.

FUND FINANCIAL STATEMENT (FFS)

**WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana**

**GOVERNMENTAL FUNDS - GENERAL FUND
BALANCE SHEET**

June 30, 2008

ASSETS

Cash and cash equivalents (note 3)	\$ 1,973
Receivables (note 4)	37,682
Total assets	<u>\$ 39,655</u>

LIABILITIES AND FUND BALANCE**Liabilities**

Accounts payable and accrued expenses	\$ 10,102
Total liabilities	<u>10,102</u>

Fund balance

Fund balance - unreserved - undesignated	29,553
Total fund balances	<u>29,553</u>

Total liabilities and fund balance	<u>\$ 39,655</u>
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See accompanying notes to the basic financial statements.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

**Reconciliation of the Governmental Fund's
Balance Sheet to the Statement of Net Assets
Fiscal Year Ended June 30, 2008**

Total fund balance - Governmental Funds \$ 29,553

The cost of capital assets (a building and furniture and equipment) purchased is reported as an expenditure in the Governmental Funds. The Statement of Net Assets includes those capital assets among the assets of the Sheriff as a whole. The cost of those capital assets is allocated over their estimated useful lives (as depreciation expense) in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in the Governmental Funds.

Cost of capital assets	\$ 422,101	
Accumulated depreciation	<u>(389,496)</u>	32,605

Long term liabilities applicable to the Sheriff's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long term - are reported in the Statement of Net Assets. At June 30, 2008, the Sheriff had a balance in compensated absences of \$6,273.

(6,273)

NET ASSETS

\$ 55,885

See accompanying notes to the basic financial statements.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

GOVERNMENTAL FUNDS - GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE

For the Year Ended June 30, 2008

REVENUES	
Ad valorem taxes	\$ 518,441
Intergovernmental revenues	
State of Louisiana	
Commission of state revenue sharing	46,572
State supplemental pay	51,840
Other	1,040
Federal grants (note 15)	26,653
Fees, charges, and commissions for services:	
Commissions on licenses, etc.	25,257
Civil and criminal fees	96,548
Court attendance	4,148
Transporting prisoners	5,199
Feeding and keeping prisoners	159,950
Tax notices, etc.	3,451
Use of money and property - interest earnings	2,496
Officer witness fees	700
Miscellaneous	8
Total revenues	<u>942,303</u>

(Continued)

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

GOVERNMENTAL FUNDS - GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE (CONCLUDED)

For the Year Ended June 30, 2008

EXPENDITURES

Current

Public safety

Personal services and related benefits	\$ 726,397
Operating services	95,981
Statutory charges	69,991
Materials and supplies	41,900
Travel and other charges	3,063
Capital outlay	<u>21,781</u>
Total expenditures	<u>959,113</u>

EXCESS OF EXPENDITURES OVER REVENUES (16,810)

OTHER FINANCING SOURCES

Sale of assets	<u>14,770</u>
Total other financing sources	<u>14,770</u>

NET CHANGE IN FUND BALANCE (2,040)

FUND BALANCE AT BEGINNING OF YEAR 31,593

FUND BALANCE AT END OF YEAR \$ 29,553

See accompanying notes to the basic financial statements.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

**Reconciliation of the Governmental Fund's
Statement of Revenues, Expenditures, and Changes in
Fund Balances to the Statement of Activities
Fiscal Year Ended June 30, 2008**

Net change in fund balance - Governmental Funds \$ (2,040)

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

Capital outlays are reported in Governmental Funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceed depreciation in the period and the amount proceeds from sale of assets exceeded the gain from the sales of fixed assets:

Capital Outlays	\$ 21,781	
Depreciation	<u>(37,317)</u>	(15,536)

Capital assets nor depreciation are reported in Governmental Funds. Capital assets and accumulated depreciation are reported in the Statement of Net Assets. When an asset is disposed of that is not fully depreciated, it results in a loss on the disposal of the assets in the Statement of Activities unless sales proceeds are received which are in excess of carrying value. During the fiscal year, the Sheriff had a disposal which resulted in a gain on the sale.

Gain on sale of assets	7,237	
Proceeds from sale of assets	<u>(14,770)</u>	(7,533)

Principal payments on capital leases are reported as decreases in liabilities in the Statement of Activities; however in the Government Funds, these items are reported as expenses. This year, capital leases decreased by \$7,210. 7,210

In the Statement of Activities, certain operating expenses - compensated absences (vacation time) - 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 (essentially, the amounts actually paid). This year, vacation time earned (\$11,970) exceeded the amounts used (\$10,945) by \$1,025. (1,025)

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ (18,924)

See accompanying notes to the basic financial statements.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

FIDUCIARY FUNDS - AGENCY FUNDS
COMBINING STATEMENT OF ASSETS AND LIABILITIES

June 30, 2008

	<u>SHERIFF'S FUND</u>	<u>TAX COLLECTOR FUND</u>	<u>WORK RELEASE PROGRAM</u>	<u>TOTAL</u>
ASSETS				
Cash and cash equivalents (note 4)	\$ 75	\$ 411,401	\$ 43	\$ 411,519
Total assets	<u>\$ 75</u>	<u>\$ 411,401</u>	<u>\$ 43</u>	<u>\$ 411,519</u>
LIABILITIES				
Due to taxing bodies and others	\$ 75	\$ 411,401	\$ 43	\$ 411,519
Total liabilities	<u>\$ 75</u>	<u>\$ 411,401</u>	<u>\$ 43</u>	<u>\$ 411,519</u>

See accompanying notes to the basic financial statements.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

Notes to the Basic Financial Statements
For the Year Ended June 30, 2008

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 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, and fines, costs, and bond forfeitures imposed by the district court.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying basic financial statements of the West Carroll Parish Sheriff (the Sheriff) have been prepared in conformity with governmental 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. The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, issued in June 1999.

B. REPORTING ENTITY

Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and the component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Codification Section 2100, the Sheriff includes all funds, activities, et cetera, that are controlled by the Sheriff as an independently elected parish official. As an independently elected parish official, the Sheriff is solely responsible for the operations of his office, which include the hiring and

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

Notes to the Basic Financial Statements
For the Year Ended June 30, 2008

retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. Other than certain operating expenditures of the Sheriff's office that are paid by the parish police jury as required by Louisiana law, the Sheriff is financially independent. Accordingly, the Sheriff is a separate governmental reporting entity. Certain units of local government over which the Sheriff exercises no oversight responsibility, such as the parish police jury, parish school board, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the Sheriff.

C. FUND ACCOUNTING

The Sheriff uses funds to maintain his financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid the Sheriff 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 Fund – General Fund

The Governmental Fund – General Fund accounts for all or most of the Sheriff's general activities. This fund focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the Governmental Fund according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the Sheriff. The following describes the Sheriff's governmental fund:

General Fund

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

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

Notes to the Basic Financial Statements
For the Year Ended June 30, 2008

Fiduciary Fund

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

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Fund Financial Statements (FFS)

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

The amounts reflected in the General Fund, Statements C and D, 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 certain compensated absences which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The Governmental Fund uses the following practices in recording revenues and expenditures:

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

Notes to the Basic Financial Statements
For the Year Ended June 30, 2008

Revenues

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally 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 interest-bearing demand deposits and time deposits are recorded at the end of each month when credited by the bank.

Expenditures

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

Other Financing Sources

Proceeds from the sale of fixed assets are accounted for as other financing sources and are recognized when received.

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 of the financial activities of the Sheriff. Information contained in these statements reflect 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 from State and Federal grants. Program revenues reduce the cost of the function to be financed from the Sheriff's general revenues.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

Notes to the Basic Financial Statements
For the Year Ended June 30, 2008

E. BUDGET PRACTICES

The Sheriff adopts an annual cash budget on the General Fund prior to the beginning of each fiscal year. In accordance with Louisiana Revised Statutes 39:1301-1314 the Sheriff amends the budget when actual revenues are not meeting anticipated revenues by 5 percent or more and when actual expenditures are exceeding budgeted expenditures by 5 percent or more.

F. ENCUMBRANCES

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not used by the Sheriff in his accounting practices.

G. CASH AND CASH EQUIVALENTS

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

H. CAPITAL ASSETS

Capital assets, which include a building and furniture and equipment, are capitalized at historical cost, where the actual cost is known; or estimated fair market value of the asset on the date the asset is turned over to the Sheriff by the courts. Capital assets provided by another parish Sheriff through a grant and capital assets turned over to the Sheriff by the courts as a result of drug seizures are recorded as capital assets. Capital assets provided by the parish police jury through grants are recorded as capital assets at actual cost. The capital assets are depreciated over their estimated useful lives. The Sheriff considers assets with an initial individual cost of more than \$100 and an estimated useful life of 2 years or more as a capital asset.

Capital assets are recorded in the Statement of Net Assets and depreciation expense is recorded in the Statement of Activities. Estimated useful life is the Sheriff's estimate of how long the asset is expected to meet service demands. Capital assets have not been assigned a salvage value because the Sheriff feels that the salvage value is immaterial.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

Notes to the Basic Financial Statements
For the Year Ended June 30, 2008

Straight-line depreciation is used on all capital assets based on the following estimated useful lives.

Building	5 years
Furniture and equipment	2 to 10 years

I. COMPENSATED ABSENCES

Full-time deputies of the Sheriff's office earn from 40 to 104 hours of annual leave each year depending on length of service with the Sheriff's office. Annual leave is earned each month. A maximum of 40 hours can be accumulated and carried forward into a new calendar year. Upon termination of employment, unused annual leave is paid to deputies at the deputies' current rates of pay.

Annual leave that has been claimed by deputies as of the end of the fiscal year is recorded as an expenditure in the year claimed. Annual leave accrued as of the end of the fiscal year is valued using deputies' current rates of pay and the total is included in the Statement of Net Assets as a long-term liability. The Sheriff and the deputies are not required to contribute to the retirement system for annual leave payments. Accrued annual leave will be paid from future years' resources.

Full-time deputies earn 80 hours of sick leave each year. Sick leave may not be accumulated and carried forward to a new calendar year. Upon termination of employment, unused sick leave is not paid to employees. At June 30, 2008, there are no accumulated and vested benefits relating to sick leave that require accrual or disclosure to conform with GASB Codification Section C60.

J. ESTIMATES

The preparation of the financial statements in conformity with governmental 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 estimates.

K. RISK MANAGEMENT

The Sheriff carries insurance policies with no deductibles for liability, workman's compensation, and auto. The liability and auto insurance carry an aggregate limit of \$900,000. Property coverage for the Sheriff is carried by the West Carroll Parish Police Jury.

**WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana**

**Notes to the Basic Financial Statements
For the Year Ended June 30, 2008**

Note 2 - LEVIED TAXES

The following is a summary of authorized and levied ad valorem taxes for the year ended June 30, 2008:

Authorized Millage	11.27
Levied Millage	11.27

The following are the top five principal taxpayers and their related ad valorem tax revenue for the Sheriff:

Tax Payer	Assessed Value	% of Total Assessed Valuation	Ad valorem Tax Revenue for Sheriff
Trunkline Gas Company	\$ 19,276,780	31.6%	\$ 217,249
Memphis, Light, Gas, Wate	\$ 1,679,060	2.8%	\$ 18,923
Entergy Louisiana	\$ 1,747,220	2.9%	\$ 19,691
Centennial Pipeline	\$ 1,476,710	2.4%	\$ 16,643
Southern Natural Gas	\$ 1,321,540	2.2%	\$ 14,894

Note 3 - 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, 2008, the Sheriff has cash and interest-bearing deposits (book balances) totaling \$413,492, as follows:

	Government-wide Statement of Net Assets	Fiduciary Funds Statement of Assets and Liabilities	Total
Petty Cash	\$ 500	\$ -	\$ 500
Interest-bearing deposits	1,473	411,476	412,949
Noninterest-bearing deposits	-	43	43
Total	\$ 1,973	\$ 411,519	\$ 413,492

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

Notes to the Basic Financial Statements
For the Year Ended June 30, 2008

Custodial credit risk – deposits. These deposits are stated at cost, which approximates market. Under state law, these deposits (or 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 pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Cash and cash equivalents (bank balances other than these backed by the U.S. government) at June 30, 2008, are secured, as follows:

Bank balances	\$ <u>498,442</u>
Federal deposit insurance	228,989
Pledged securities	<u>269,453</u>
Total	\$ <u>498,442</u>

Credit risk. Under state law, the Sheriff may invest funds in obligations of the United States, in federally-insured investments, or in time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. The Sheriff's cash balances are not exposed to credit risk.

Concentration of credit risk. The Sheriff does not limit the amount that may be invested in securities of any one issuer. Applicable state statutes do not place limits on credit concentration.

Interest rate risk. The Sheriff manages its exposure to declines in fair values by limiting the maturity of its investments to no longer than one year.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

Notes to the Basic Financial Statements
For the Year Ended June 30, 2008

Note 4 - RECEIVABLES

The General Fund receivables of \$37,682 at June 30, 2008, are as follows:

<u>Class of Receivable</u>	<u>Amount</u>
Revenues:	
Feeding and keeping prisoners	\$ 12,970
Federal grants	11,306
State supplemental pay	4,250
Civil and criminal fees	3,285
Commissions on licenses, etc.	2,561
Reimbursements	1,529
Other	1,105
Court attendance	442
Transporting prisoners	234
Total	\$ 37,682

Note 5 - CAPITAL ASSETS

A summary of changes in capital assets (building and furniture and equipment) and depreciation follows:

	Balance June 30, 2007	Additions	Deletions	Balance June 30, 2008
Governmental Activities				
Capital assets, being depreciated				
Building	\$ 1,335	\$ -	\$ -	\$ 1,335
Furniture and equipment	420,217	21,781	(21,232)	420,766
Total capital assets, being depreciated	421,552	21,781	(21,232)	422,101
Less accumulated depreciation				
Building	(1,335)	-	-	(1,335)
Furniture and equipment	(364,543)	(37,317)	13,699	(388,161)
Total	(365,878)	(37,317)	13,699	(389,496)
Governmental activities capital assets, net	\$ 55,674	\$ (15,536)	\$ (7,533)	\$ 32,605

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

Notes to the Basic Financial Statements
For the Year Ended June 30, 2008

Note 6 - PENSION PLAN

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

All sheriffs and all deputies who are found to be physically fit, who earn at least \$400 per month, and who were 18 or older 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 2.50 percent for each year if total services is at least 12 but less than 15 years, 2.75 percent for each year if total services is at least 15 but less than 20 years, and 3 percent for each year if total services is at least 20 years. In any case, the retirement benefit cannot exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination as indicated previously. Employees who terminate with at least 20 years of credited service are also eligible to elect early benefits between ages 50 and 55 with reduced benefits equal to the actuarial equivalent of the benefit to which they would otherwise be entitled at age 55. The System also provides death and disability benefits. Benefits are established or amended by state statute.

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

Funding Policy: Plan members were required by state statute to contribute 10.0 percent of their annual covered salary during the 2007-08 fiscal year. The West Carroll Parish Sheriff was required to contribute at an actuarially determined rate. The rate for the 2007-08 fiscal year was 11.0 percent of the 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 West Carroll Parish Sheriff are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The West Carroll Parish Sheriff's contributions to the System for

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

Notes to the Basic Financial Statements
For the Year Ended June 30, 2008

the years ending June 30, 2008, 2007, and 2006, were \$57,991, \$50,992, and \$57,304 respectively, equal to the required contributions for each year.

Note 7 - OTHER POSTEMPLOYMENT BENEFITS

As required by Louisiana Revised Statutes, the Sheriff provides certain continuing health care and life insurance benefits for certain retired employees through the Sheriff's group insurance plan. Retired employees are eligible for these benefits if they reached normal retirement age, as defined by the retirement system (see Note 7), while working for the Sheriff. The Sheriff recognizes the cost of providing these benefits (the Sheriff's portion of premiums) as expenditures when the monthly premiums are due. The cost of retiree benefits totaled \$10,963 during the 2007-08 fiscal year. Three employees received benefits under this plan.

Note 8 - DEFERRED COMPENSATION PLAN

The Sheriff offers a deferred compensation plan to employees of his office under the provisions of Internal Revenue Service Code 457 (Deferred Compensation Plan). The deferred compensation plan is strictly on a voluntary basis with only employee contributions being made to the Plan. At June 30, 2008, the Plan had assets with an approximate market value of \$6,574. The assets in the Plan are held in trust solely for the benefit of participants and their beneficiaries. Therefore, in accordance with GASB Statement No. 31, they are not reported in the Sheriff's financial statements.

Note 9 - COMPENSATED ABSENCES

At June 30, 2008, employees of the Sheriff have accumulated and vested \$6,273 of employee leave benefits, which were computed in accordance with GASB Codification Section C60. The leave benefits have been recorded in the Government-wide Financial Statements' Statement of Net Assets as a long-term liability and in the Statement of Activities as an expense.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

Notes to the Basic Financial Statements
For the Year Ended June 30, 2008

Note 10 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the year ended June 30, 2008:

	Compensated Absences	Capital Lease	Total
Long-term obligations at June 30, 2007	\$ 5,248	\$ 7,210	\$ 12,458
Additions	11,970	-	11,970
Deductions	(10,945)	(7,210)	(18,155)
Long-term obligations at June 1, 2008	<u>\$ 6,273</u>	<u>\$ -</u>	<u>\$ 6,273</u>
Amounts due within one year	<u>\$ 1,000</u>	<u>\$ -</u>	<u>\$ 1,000</u>

Note 11 - 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, 2008, follows:

	Sheriff's Fund	Tax Collector Fund	Work Release Program	Total
Balance June 30, 2007	\$ 659	\$ 429,584	\$ 180	\$ 430,423
Additions	361,397	3,791,864	-	4,153,261
Deductions	(361,981)	(3,810,047)	(137)	(4,172,165)
Balance June 30, 2008	<u>\$ 75</u>	<u>\$ 411,401</u>	<u>\$ 43</u>	<u>\$ 411,519</u>

Note 12 - TAXES PAID UNDER PROTEST

The unsettled balances due to taxing bodies and others in the Agency Funds at June 30, 2008, as reflected on Statement E, include \$235,044 of taxes paid under protest, plus interest earned to date on the investment of these funds, totaling \$95,548. These funds are held pending resolution of the protest and are accounted for in the Tax Collector Agency Fund.

**WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana**

**Notes to the Basic Financial Statements
For the Year Ended June 30, 2008**

Note 13 - LITIGATION AND CLAIMS

At June 30, 2008, the Sheriff was involved in one lawsuit. In the opinion of the Sheriff's legal counsel, the suit will not result in a loss to the Sheriff in excess of his insurance coverage. The Sheriff's legal counsel was not aware of any unasserted claims or assessments.

Note 14 - ON-BEHALF PAYMENTS

The Sheriff's office is located in the parish courthouse. Expenditures for operation and maintenance of the parish courthouse, as required by statute, are paid by the West Carroll Parish Police Jury. These expenditures are not included in the accompanying Basic Financial Statements.

Certain employees of the West Carroll Parish Sheriff receive supplemental pay from the state of Louisiana. In accordance with GASB Statement No. 24, the Sheriff recorded revenues and expenditures for these payments in the General Fund. Revenues and expenditures under this arrangement totaled \$51,840.

Note 15 - FEDERAL FINANCIAL ASSISTANCE

The Sheriff participated in the following Federal financial assistance programs during the year ended June 30, 2008:

<u>Federal Grantor/ Pass-Through Grantor/ Program Name</u>	<u>CFDA Number</u>	<u>Expenditures</u>
Department of Homeland Security		
Passed through the Louisiana Governor's Office of Homeland Security		
State Homeland Security Program	97.067	\$ 15,347
 Department of Justice		
Passed through the Franklin Parish Sheriff		
Drug Control and System Improvement: Formula Grant Fund - Task Force Grant	16.579	<u>11,306</u>
Total		<u>\$ 26,653</u>

**WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana**

**Notes to the Basic Financial Statements
For the Year Ended June 30, 2008**

Note 16 - SHORT TERM BANK LOANS

The Sheriff made various bank loans during the year totaling \$230,000 from a local bank to help his cash flow until his ad valorem taxes were collected. The Sheriff was authorized by the Louisiana State Bond Commission to borrow up to \$250,000. The loans were repaid by June 30, 2008, at an interest rate of 5.5 percent. Interest paid on these loans amounted to \$4,493.

**REQUIRED SUPPLEMENTAL
INFORMATION
(PART B)**

**WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana**

BUDGETARY COMPARISON SCHEDULE

For the Year Ended June 30, 2008

General Fund - with Legally Adopted Budget

The General Fund accounts for all activities of the Sheriff's office, except for the collection of fines, criminal and civil fees, and ad valorem taxes for others, which are accounted for in the Fiduciary – Agency Funds. The General Fund is the only fund legally required to adopt an annual budget.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

GENERAL FUND
Budgetary Comparison Schedule (Cash Basis)

For the Year Ended June 30, 2008

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>		
BUDGETARY FUND BALANCE (Deficit)				
AT BEGINNING OF YEAR	\$ 17,018	\$ 31,593	\$ 16,561	\$ (15,032)
RESOURCES (Inflows)				
Ad valorem taxes	461,000	520,000	518,441	(1,559)
Intergovernmental revenues				
Grants-Federal and Local	40,000	41,000	26,195	(14,805)
State grants				
Commission on state revenue sharing	45,000	47,500	46,572	(928)
State supplemental pay	45,000	61,500	54,790	(6,710)
Fees, charges, and commissions for services				
Commissions on licenses, etc.	27,000	28,000	25,286	(2,714)
Civil and criminal fees	77,500	75,800	99,887	24,087
Court attendance	4,000	4,500	4,012	(488)
Transporting prisoners	4,800	5,000	5,244	244
Feeding and keeping prisoners	162,100	160,000	159,907	(93)
Tax notices, etc.	8,000	9,500	3,536	(5,964)
Use of money and property - interest earnings	1,200	3,000	1,391	(1,609)
Miscellaneous	-	-	8	8
Other sources:				
Proceeds from sale of assets	4,000	16,500	14,770	(1,730)
Total resources	<u>879,600</u>	<u>972,300</u>	<u>960,039</u>	<u>(12,261)</u>
Amounts available for appropriations	896,618	1,003,893	976,600	(27,293)
CHARGES TO APPROPRIATIONS (Outflows)				
Current:				
Public safety:				
Personal services and related benefits	676,858	746,018	737,005	9,013
Operating services	78,800	85,700	93,987	(8,287)
Materials and supplies	44,000	42,200	42,248	(48)
Statutory charges	61,000	59,000	69,478	(10,478)
Travel and other charges	1,500	14,350	3,063	11,287
Capital outlay	16,500	23,000	21,781	1,219
Total charges to appropriations	<u>878,658</u>	<u>970,268</u>	<u>967,562</u>	<u>2,706</u>
BUDGETARY FUND BALANCE				
AT END OF YEAR	<u>\$ 17,960</u>	<u>\$ 33,625</u>	<u>\$ 9,038</u>	<u>\$ (24,587)</u>

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

NOTES TO BUDGETARY COMPARISON SCHEDULE

For the Year Ended June 30, 2008

Budget and Budgetary Accounting

The Sheriff utilizes the following procedures in establishing the budgetary data reflected in the financial statements.

The proposed budget for the fiscal year ended June 30, 2008, was made available for public inspection on March 13, 2007. The proposed 2007-08 budget, prepared on the cash basis of accounting, was published in the official journal 14 days prior to the public hearing for comments from taxpayers, which was held at the West Carroll Parish Sheriff's office on March 13, 2007. The budget was legally adopted and amended, as necessary, by the Sheriff.

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.

A system of encumbrance accounting is not used. However, formal integration of the budget into the accounting records is employed as a management control device. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. The following summary reconciles General Fund operations for the year from the budgetary basis (cash) to the GAAP basis of reporting.

Revenues	
Resources (Inflows) on budgetary basis - cash	\$ 945,269
Receivables, net	(2,965)
Expenditures	
Total charges to appropriations (Outflows) on budgetary basis - cash	(967,562)
Payables, net	8,448
Other financing sources	
Proceeds from sale of assets	<u>14,770</u>
Net change in fund balance on GAAP basis	(2,040)
Fund balance - June 30, 2007, GAAP basis	31,593
Fund balance - June 30, 2008, GAAP basis	<u>\$ 29,553</u>

SUPPLEMENTAL INFORMATION

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

FIDUCIARY FUND TYPE
AGENCY FUNDS

As of and for the Year
Ended June 30, 2008

Fiduciary Funds

Fiduciary Funds account for assets held by the Sheriff in a trust or agency capacity.

SHERIFF'S FUND

The Sheriff's Fund accounts for funds held in civil suits, sheriff's sales, and garnishments.

TAX COLLECTOR FUND

Article V, Section 27 of the Louisiana Constitution of 1974 provides that the Sheriff will serve as the collector of state and parish taxes and fees. The Tax Collector Fund accounts for the collection and distribution of these taxes and fees to the appropriate taxing bodies. It also accounts for collections of bonds, fines, and costs and payments of these collections to the recipients in accordance with applicable laws.

WORK RELEASE PROGRAM

The Sheriff allows inmates to participate in a work release program. The inmates work in local business for wages. The wages are paid directly to the West Carroll Sheriff who deposits the wages in the Work Release Program Fund. The Sheriff receives one-half of the wages earned by the inmates for administrative expenses. The balance of the wages is accounted for in the inmates' individual accounts. The inmates direct the Sheriff as to how to spend the funds in their individual accounts. The work release program was terminated in December 2006.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

AGENCY FUNDS
COMBINING SCHEDULE OF CHANGES IN BALANCES
DUE TO TAXING BODIES AND OTHERS

For the Year Ended June 30, 2008

	<u>SHERIFF'S FUND</u>	<u>TAX COLLECTOR FUND</u>	<u>WORK RELEASE PROGRAM</u>	<u>TOTAL</u>
BALANCES AT BEGINNING OF YEAR	\$ 659	\$ 429,584	\$ 180	\$ 430,423
ADDITIONS				
Deposits				
Suits, seizures, and sales	361,195	276,807	-	638,002
Interest earnings	202	6,114	-	6,316
Taxes, fees, etc., paid to tax collector	-	3,508,943	-	3,508,943
Total additions	<u>361,397</u>	<u>3,791,864</u>	<u>-</u>	<u>4,153,261</u>
Total	<u>362,056</u>	<u>4,221,448</u>	<u>180</u>	<u>4,583,684</u>
REDUCTIONS				
Taxes, fees, etc., distributed to taxing bodies and others	-	3,810,047	-	3,810,047
Deposits settled to:				
Sheriff's General Fund	47,217	-	-	47,217
Clerk of Court	12,161	-	-	12,161
Litigants	291,563	-	-	291,563
Attorneys, appraisers, etc.	1,800	-	-	1,800
Inmates	-	-	137	137
Other settlements	9,240	-	-	9,240
Total reductions	<u>361,981</u>	<u>3,810,047</u>	<u>137</u>	<u>4,172,165</u>
BALANCES AT END OF YEAR	<u>\$ 75</u>	<u>\$ 411,401</u>	<u>\$ 43</u>	<u>\$ 411,519</u>

See accompanying notes to the basic financial statements.

**OTHER REPORT REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

LUFFEY, HUFFMAN, RAGSDALE & SOIGNIER

(A PROFESSIONAL ACCOUNTING CORPORATION)
CERTIFIED PUBLIC ACCOUNTANTS

John L. Luffey, MBA, CPA (1963-2002)
Francis I. Huffman, CPA
Philip A. Ragsdale, CPA
David Ray Soignier, CPA, MBA

John Herman, CPA
Lynn Andries, CPA
Esther Atteberry, CPA
Sandra Harrington, CPA

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

**West Carroll Parish Sheriff
Oak Grove, Louisiana**

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the West Carroll Parish Sheriff, as of and for the year ended June 30, 2008, which collectively comprise the West Carroll Parish Sheriff's Basic Financial Statements and have issued our report thereon dated December 30, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Louisiana Governmental Audit Guide*, issued by the Louisiana Society of Certified Public Accountants and the Louisiana Legislative Auditor.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the West Carroll 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 West Carroll Parish Sheriff's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the West Carroll 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 West Carroll Parish Sheriff's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the West Carroll Parish Sheriff's financial statements that is more than inconsequential will not be prevented or detected by the West Carroll Parish Sheriff's internal control.

West Carroll Parish Sheriff
Oak Grove, Louisiana

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 West Carroll Parish Sheriff's internal control.

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

Compliance and Other Matters

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

This report is intended solely for the information and use of management of the West Carroll Parish Sheriff, Federal awarding agencies and pass-through entities, and other entities granting funds to the West Carroll Parish Sheriff and the Legislative Auditor for the State of Louisiana 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.

Huffman, Huffman, Reynolds & Simpson

(A Professional Accounting Corporation)

December 30, 2008

**WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana**

**SUMMARY STATUS OF PRIOR YEAR FINDINGS
JUNE 30, 2008**

The following is a summary of the status of prior year findings included in the Luffey, Huffman, & Monroe (APAC) audit report dated December 27, 2007, covering the examination of the West Carroll Parish Sheriff as of and for the year ended June 30, 2007.

Finding –

07-01 Financial Statements Audit

Finding:

Because of the size of the West Carroll Parish Sheriff's operations and the limited resources available, the Sheriff does not employ a staff with the qualifications and training to prepare financial statements, including the related notes, in accordance with generally accepted accounting principles (GAAP).

Status:

The West Carroll Parish Sheriff has evaluated the cost and benefits of employing someone directly or under contract to prepare financial statements in accordance with generally accepted accounting principles and has determined that it is in the best interest of the Sheriff to leave this function to its independent auditors. The financial statements and related notes were reviewed and fully understood by management of the Sheriff prior to accepting responsibility for their contents.