

RECEIVED  
NOV 15 2006

06 NOV 15 AM 8:35

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

**Annual Financial Report  
and Independent Auditor's Reports  
As of June 30, 2006 and for the Year  
Ended June 30, 2006  
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 11-22-06

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

**Annual Financial Report  
and Independent Auditor's Reports  
As of June 30, 2006, and for the Year  
Ended June 30, 2006  
With Supplemental Information Schedules**

**TABLE OF CONTENTS**

	<u>Statement</u>	<u>Page No.</u>
Independent Auditor's Report on the Financial Statements		4
<b>Required Supplemental Information (Part A)</b> Management's Discussion and Analysis (MD&A)		9
<b>Basic Financial Statements:</b>		
Government-Wide Financial Statements (GWFS):		
Governmental Activities:		
Statement of Net Assets	A	20
Statement of Activities	B	21
Fund Financial Statements (FFS):		
Governmental Funds		
Balance Sheet	C	24
Reconciliation of the Governmental Fund's Balance Sheet to the Statement of Net Assets		25
Statement of Revenues, Expenditures, and Changes in Fund Balance	D	26
Reconciliation of the Governmental Fund's Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities		29
Fiduciary Fund – Agency Funds:		
Combining Statement of Assets and Liabilities	E	31
Notes to the Basic Financial Statement		33

**THIS PAGE LEFT BLANK INTENTIONALLY**

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

Annual Financial Report  
and Independent Auditor's Reports  
As of June 30, 2006, and for the Year  
Ended June 30, 2006  
With Supplemental Information Schedules

**TABLE OF CONTENTS (continued)**

**Statement Page No.**

**Required Supplemental Information (Part B)**

Budgetary Comparison Schedule		49
General Fund – Cash Basis	F	50
Notes to Budgetary Comparison Schedule		51

**Schedule Page No.**

**Supplemental Information:**

Fiduciary Fund Type – Agency Funds		55
Combining Schedule of Changes in Balances Due Taxing Bodies and Others	1	57
Corrective Action Taken on Prior Year Finding	2	61

**Exhibit Page No.**

**Other Report Required by *Government***  
***Auditing Standards:***

Independent Auditor's Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Government Audit Standards	A	64
--	---	----

**RICHARD B. GARRETT**  
Certified Public Accountant  
1537 Frenchman's Bend Road  
Monroe, Louisiana 71203

**Independent Auditor's Report  
on the Financial Statements**

**HONORABLE ROY "CHIP" GUNTER III**  
WEST CARROLL PARISH SHERIFF  
Oak Grove, Louisiana

I 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, 2006, 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. My responsibility is to express opinions on these financial statements based on my audit.

I conducted my 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 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 opinions.

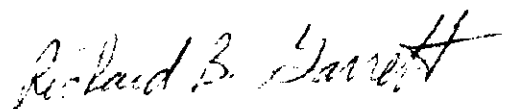
In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the of the governmental activities, the major fund (General Fund), and the aggregate remaining fund information of the West Carroll Parish Sheriff, as of June 30, 2006, 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.

**HONORABLE ROY "CHIP" GUNTER III**  
**WEST CARROLL PARISH SHERIFF**  
Oak Grove, Louisiana  
Audit Report, June 30, 2006

In accordance with *Government Auditing Standards*, I have also issued my report dated November 1, 2006, on my consideration of the West Carroll Parish Sheriff's internal control over financial reporting and on my tests of his compliance with certain provisions of laws, regulations, grant agreements, and other matters. The purpose of that report is to describe the scope of my 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 my audit.

The "Management's Discussion and Analysis" presented on pages 9 through 15 and the "Budgetary Comparison Schedule" presented on page 50 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. I have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the required supplementary information. However, I did not audit the information and express no opinion on it.

My 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 presented in the financial section of the "Table of Contents" labeled as "Supplemental Information" 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 my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



**RICHARD B. GARRETT**

Monroe, Louisiana  
November 1, 2006

**THIS PAGE LEFT BLANK INTENTIONALLY**

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

As of June 30, 2006 and for the Year  
Ended June 30, 2006

**REQUIRED SUPPLEMENTAL INFORMATION**  
**(PART A)**



**THIS PAGE LEFT BLANK INTENTIONALLY**

**WEST CARROLL PARISH SHERIFF**  
**Management's Discussion and Analysis**  
**Fiscal Year Ended June 30, 2006**

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, 2006. 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**

- Eliminated prior year deficit fund balance
- Ad valorem tax revenue increased substantially for the year
- Expenditures in 2005-06 decreased
- Three new vehicles purchased through grants help substantially reduce vehicle maintenance
- One-half cent sales tax proposition failed

**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 2005-06 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 13. 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 57. 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 increased by \$37,330 from \$54,238 at June 30, 2005 to \$91,568 at June 30, 2006. Of the \$91,568 of net assets at June 30, 2006, the unrestricted net assets reflected a balance of \$9,641. 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, 2006 and June 30, 2005**

	<b>Year Ended</b>	
	<b>June 30,</b>	
	<b>2006</b>	<b>2005</b>
<b>Assets</b>		
Current and other assets	<b>\$47,485</b>	\$40,873
Capital assets, net	<b>81,927</b>	75,674
Total assets	<b>129,412</b>	116,547
<b>Liabilities</b>		
Current and other liabilities	<b>31,909</b>	56,355
Long-term liabilities	<b>5,935</b>	5,954
Total liabilities	<b>37,844</b>	62,309
<b>Net assets</b>		
Invested in capital assets, net of debt	<b>81,927</b>	75,674
Unrestricted (Deficit)	<b>9,641</b>	(21,436)
Total net assets	<b>\$91,568</b>	\$54,238

The balance of \$9,641 in the unrestricted-undesignated 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 \$9,641.

The results of this year's operations for the Sheriff as a whole are reported in the Statement of Activities on page 21. 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**  
**Fiscal Years Ended June 30, 2006 and 2005**

	Year Ended June 30,	
	2006	2005
<b>Revenues:</b>		
Program revenues:		
State grants and entitlements	47,233	37,347
Federal grants	61,255	100,046
General revenues:		
Ad valorem taxes	463,623	431,343
State grant – commission on state revenue sharing	44,304	44,193
Fee, charges, and commissions for services	280,823	276,813
Use of money and property – interest earnings	2,136	817
Other general revenues	<u>6,855</u>	<u>3,180</u>
Total revenues	<u>906,229</u>	<u>893,739</u>
<b>Functions/Program Expenses:</b>		
Public safety:		
Personal services and related benefits	648,162	647,568
Operating services	77,599	75,043
Statutory charges	52,270	54,790
Materials and supplies	49,560	44,523
Travel and other charges	1,279	1,691
Depreciation expense	<u>40,029</u>	<u>51,208</u>
Total expenses	<u>868,899</u>	<u>874,823</u>
Increase in net assets	<u>\$37,330</u>	<u>\$18,916</u>

**Governmental Activities**

As reported in the Statement of Activities on page 21, the cost of governmental activities this year was \$760,411. The taxpayers in the parish provided \$463,623 in ad valorem

taxes to help meet the total cost of governmental activities. Ad valorem tax revenue was up in 2005-06 by \$32,280 or 7.5 percent due mainly to an increase in the assessed value of a gas company's inventory and to some extent to the increase in the value of personal property in the parish. The Sheriff collected \$280,823 from fees and commissions during the year to help meet the total cost of governmental activities. Revenue from fees and commissions increased from \$276,813 in 2004-05 to \$280,823 in 2005-06. The majority of the increase was due to the settlement of a large civil suit.

The cost of governmental activities exceeding restricted state and Federal grants must be paid by the citizens of West Carroll Parish and unrestricted state grants. The following presentation shows the portion of governmental activities that was paid by the citizens of West Carroll Parish and unrestricted state grants compared to the 2004-05 fiscal 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**  
**Year Ended June 30, 2006**  
**Governmental Activities**  
**(With Comparative Total for June 30, 2005)**

	<b>Total Cost Of Services</b>		<b>Net Cost of Services</b>	
	<b>2006</b>	<b>2005</b>	<b>2006</b>	<b>2005</b>
Personal services and related benefits	<b>\$648,162</b>	\$647,568	<b>\$586,314</b>	\$592,548
Operating services	<b>77,599</b>	75,043	<b>33,945</b>	22,897
Statutory charges	<b>52,270</b>	54,790	<b>52,270</b>	54,790
Material and supplies	<b>49,560</b>	44,523	<b>46,574</b>	14,864
Subtotal	<b>827,591</b>	821,924	<b>719,103</b>	685,099
All others	<b>41,308</b>	52,899	<b>41,308</b>	52,331
Total	<b>\$868,899</b>	\$874,823	<b>\$760,411</b>	\$737,430

### **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 \$15,576 at June 30, 2006. This is an increase of \$31,058 over the previous year's fund balance deficit. The primary reason for eliminating the 2004-05 fund balance deficit was that revenues increased substantially in 2005-06 while expenditures decreased some. The largest increase in revenue was ad valorem taxes which increased by \$32,280. The increase was due to an increase in the assessed value of property in the parish and not to an increase in the millage rate. Another large increase in revenue was from the Work Release Program. The Sheriff receives part of the inmates' wages for handling the program. This was the first full year of operating the program. Revenues from the Work Release Program increased in 2005-06 by \$11,188. The Sheriff closely monitored the expenditures in the General Fund in 2005-06 resulting in a decreased in expenditures of \$6,905 or .8%.

### **General Fund Budgetary Highlights**

The Sheriff, in accordance with state law, must adopt a budget on the General Fund 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 2005-06 budget on April 14, 2005, and revised the budget on January 11, 2006. The original estimated revenues increased by 2.5% or \$21,840 from \$858,000 to \$879,840 in the final amended budget. The change in budgeted revenues was attributable to the Sheriff receiving more in ad valorem tax revenue and State supplemental pay than originally anticipated. The estimated expenditures increased from the original budget to the final budget by \$540.

### **Capital Assets and Debt Administration**

#### **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, 2006, as reported on the Statement of Net Assets, the Sheriff had \$81,927 invested in a building and furniture and equipment, net of depreciation. Net capital assets increased by \$6,253 or 8.3 percent during the current fiscal year. The net increase in capital assets was due to the Sheriff receiving a computer operating system, 2 four wheelers, a radio repeater, and other law enforcement equipment from the Department of Homeland Security valued at \$43,680. The Sheriff removed \$44,668 of capital assets

from the inventory during the year. The largest of the capital assets removed was a 1997 automobile valued at \$13,925 and a computer operating system valued at \$22,139. The equipment removed from capital assets was fully depreciated. 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, 2006.

**Table 4**  
**Capital Assets at Year-end**  
**Net of Depreciation**  
**Governmental Activities**  
**June 30, 2006 and June 30, 2005**

	Year Ended June 30,	
	2006	2005
Furniture and equipment	<u>\$81,927</u>	<u>\$75,674</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 improved his financial position by eliminating a \$15,482 deficit fund balance. The Sheriff is placing on the November 2006 ballot a 10.87 mill ad valorem tax proposition. The revenue from the tax will be used to replace worn out vehicles and to employ two additional deputies.

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 Roy "Chip" Gunter III, 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](mailto:wcpso@yahoo.com).



**THIS PAGE LEFT BLANK INTENTIONALLY**

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

As of June 30, 2006 and for the Year  
Ended June 30, 2006

**BASIC FINANCIAL STATEMENTS**

**THIS PAGE LEFT BLANK INTENTIONALLY**

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

As of June 30, 2006 and for the Year  
Ended June 30, 2006

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

**Statement A**

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

**STATEMENT OF NET ASSETS  
GOVERNMENTAL ACTIVITIES**

**For the Year Ended June 30, 2006**

**ASSETS:**

Cash and cash equivalents (note 4)	\$3,177
Receivables (note 5)	44,308
Capital assets, net (note 6):	
Furniture and equipment	81,927
<b>Total assets</b>	<u>129,412</u>

**LIABILITIES:**

Accounts payable	24,814
Withholdings payable	7,095
Long-term liabilities:	
Due within one year (note 11)	1,000
Due in more than one year (note 11)	4,935
<b>Total liabilities</b>	<u>37,844</u>

**NET ASSETS:**

Invested in capital assets	81,927
Unrestricted	9,641
<b>Total net assets</b>	<u>\$91,568</u>

See accompanying notes to the basic financial statements.

**Statement B**

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

**STATEMENT OF ACTIVITIES  
GOVERNMENTAL ACTIVITIES**

**For the Year Ended June 30, 2006**

	<u>EXPENSES</u>	<u>PROGRAM REVENUES</u>		<u>NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS</u>
		<u>OPERATING GRANTS</u>	<u>CAPITAL GRANTS</u>	
<b>FUNCTIONS/PROGRAMS:</b>				
Current:				
Public safety:				
Personal services and related benefits	\$648,162	\$61,848	\$ -	(\$586,314)
Operating services	77,599	-	43,654	(33,945)
Statutory charges	52,270	-	-	(52,270)
Materials and supplies	49,560	2,986	-	(46,574)
Travel and other charges	1,279	-	-	(1,279)
Depreciation expense	40,029	-	-	(40,029)
Total Governmental Activities	<u>\$868,899</u>	<u>\$64,834</u>	<u>\$43,654</u>	<u>(760,411)</u>
<b>GENERAL REVENUES:</b>				
Ad valorem taxes				463,623
Intergovernmental revenues:				
State grants:				
Commission on state revenue sharing				44,304
Fees, charges, and commissions for services:				
Commissions on licenses, etc.				30,582
Work Release Program				15,165
Civil and criminal fees				71,474
Court attendance				4,892
Transporting prisoners				4,861
Feeding and keeping prisoners				147,657
Tax notices, etc.				6,392
Use of money and property - interest earnings				2,136
Officer witness fees				351
Proceeds from sale of assets				4,009
Miscellaneous				2,495
Total general revenues				<u>797,741</u>
<b>CHANGES IN NET ASSETS</b>				37,330
<b>NET ASSETS AT BEGINNING OF YEAR</b>				<u>54,238</u>
<b>NET ASSETS AT END OF YEAR</b>				<u>\$91,568</u>

See accompanying notes to the basic financial statements.

**THIS PAGE LEFT BLANK INTENTIONALLY**

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

As of June 30, 2006 and for the Year  
Ended June 30, 2006

**FUND FINANCIAL STATEMENT (FFS)**



**Statement C**

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

**GOVERNMENTAL FUNDS - GENERAL FUND  
BALANCE SHEET**

**June 30, 2006**

**ASSETS**

Cash and cash equivalents (note 4)	\$3,177
Receivables (note 5)	44,308
Total assets	<u>47,485</u>

**LIABILITIES AND FUND BALANCE**

**Liabilities:**

Accounts payable	24,814
Withholdings payable	7,095
Total liabilities	<u>31,909</u>

**Fund balance:**

Fund balance - unreserved - undesignated	<u>15,576</u>
Total liabilities and fund balance	<u>\$47,485</u>

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, 2006**

Total fund balance – Governmental Funds	\$15,576
---	----------

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	\$425,299	
Accumulated depreciation	<u>(343,372)</u>	81,927

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, 2006, the Sheriff had a balance in compensated absences of \$5,935.

	<u>(5,935)</u>
--	----------------

<b>NET ASSETS</b>	<b><u>\$91,568</u></b>
-------------------	------------------------

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, 2006**

**REVENUES**

Ad valorem taxes	\$483,623
Intergovernmental revenues:	
Local grants:	
North Delta Training Grant	1,096
State grants:	
Commission of state revenue sharing	44,304
State supplemental pay	46,137
Federal grants (note 16):	
Louisiana Commission on Law Enforcement - Task Force Grant	15,711
K-9 Narcotics Unit	341
Department of Homeland Security: State Homeland Security Program:	
Direct	18,463
Passed through West Carroll Parish Police Jury	1,571
Fees, charges, and commissions for services:	
Commissions on licenses, etc.	30,582
Work Release Program	15,165
Civil and criminal fees	71,474
Court attendance	4,692
Transporting prisoners	4,861
Feeding and keeping prisoners	147,657
Tax notices, etc.	6,392
Use of money and property - interest earnings	2,136
Officer witness fees	351
Miscellaneous	2,495
Total revenues	<u>877,051</u>

See accompanying notes to the basic financial statements.

**Statement D**

**EXPENDITURES**

Current:

Public safety:

Personal services and related benefits	\$648,181
Operating services	77,599
Statutory charges	52,270
Materials and supplies	49,560
Travel and other charges	1,279
Capital outlay	<u>21,113</u>
Total expenditures	<u>850,002</u>

**EXCESS OF REVENUES OVER EXPENDITURES** 27,049

**OTHER FINANCING SOURCES**

Sale of assets	<u>4,009</u>
----------------	--------------

**NET CHANGE IN FUND BALANCE** 31,058

**FUND BALANCE (Deficit) AT BEGINNING OF YEAR** (15,482)

**FUND BALANCE AT END OF YEAR** \$15,576

**THIS PAGE LEFT BLANK INTENTIONALLY**

**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, 2006**

Total net change in fund balance – Governmental Funds \$31,058

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:

Capital Outlays	\$46,282	
Depreciation	<u>(40,029)</u>	6,253

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 used (\$17,770) exceeded the  
amounts earned (\$17,751) by \$19.

19

**CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES \$37,330**

See accompanying notes to the basic financial statements

**THIS PAGE LEFT BLANK INTENTIONALLY**

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

**FIDUCIARY FUNDS - AGENCY FUNDS**  
**COMBINING STATEMENT OF ASSETS AND LIABILITIES**

June 30, 2006

	<u>SHERIFF'S FUND</u>	<u>TAX COLLECTOR FUND</u>	<u>WORK RELEASE PROGRAM</u>	<u>TOTAL</u>
<b>ASSETS</b>				
Cash and cash equivalents (note 4)	<u>\$253</u>	<u>\$309,442</u>	<u>\$8,280</u>	<u>\$317,975</u>
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ -	\$308	\$308
Due to taxing bodies and others	<u>253</u>	<u>309,442</u>	<u>7,972</u>	<u>317,667</u>
Total liabilities	<u>\$253</u>	<u>\$309,442</u>	<u>\$8,280</u>	<u>\$317,975</u>

See accompanying notes to the basic financial statements.



**THIS PAGE LEFT BLANK INTENTIONALLY**

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

Notes to the Basic Financial Statements  
As of June 30, 2006 and for the Year  
Ended June 30, 2006

**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.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF PRESENTATION**

The accompanying basic financial statements of the West Carroll Parish 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.

## **WEST CARROLL PARISH SHERIFF**

Oak Grove, Louisiana

Notes to the Basic Financial Statements (Continued)

### **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 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 parish 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:

## **WEST CARROLL PARISH SHERIFF**

Oak Grove, Louisiana

Notes to the Basic Financial Statements (Continued)

### **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.

### **Fiduciary**

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

## **WEST CARROLL PARISH SHERIFF**

Oak Grove, Louisiana

Notes to the Basic Financial Statements (Continued)

with expendable available financial resources. The Governmental Fund uses the following practices in recording revenues and expenditures.

### **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*.

## **WEST CARROLL PARISH SHERIFF**

Oak Grove, Louisiana

Notes to the Basic Financial Statements (Continued)

**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.

### **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; estimated historical cost based on the cost of like items when the actual cost is not known (assets acquired prior to 1976); 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.

**WEST CARROLL PARISH SHERIFF**

Oak Grove, Louisiana

Notes to the Basic Financial Statements (Continued)

Of the \$425,299 of capital assets reported on the balance sheet, approximately 97.1 per cent, or \$412,932, are valued at historical cost, 2.6 per cent, or \$11,118, are valued at estimated historical cost based on the cost of like items, and .3 per cent, or \$1,249, are valued at their estimated fair market value on the date the asset is turned over to the sheriff by the courts.

Capital assets are recorded in the Statement of Net Assets and 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. 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 24 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 nor the deputies are 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, 2006, 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

**WEST CARROLL PARISH SHERIFF**

Oak Grove, Louisiana

## Notes to the Basic Financial Statements (Continued)

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 \$500,000. Property coverage for the Sheriff is carried by the West Carroll Parish Police Jury.

**2. EXCESS OF EXPENDITURES OVER APPROPRIATIONS**

The General Fund had actual expenditures over budgeted appropriations for the year ended June 30, 2006 as follows:

Original budget	\$857,358
Final budget	857,898
Actual	872,823
Unfavorable variance	14,925

**3. LEVIED TAXES**

The following is a summary of authorized and levied ad valorem taxes for the year ended June 30, 2006:

Authorized Millage	10.87
Levied Millage	10.87

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	\$15,624,270	27.4%	\$169,836
Entergy Louisiana, Inc.	1,649,410	2.9%	18,278
Centennial Pipeline, LLC	1,544,750	2.7%	16,791
Southern Natural Gas	1,091,200	1.9%	11,861
Bellsouth	1,079,520	1.9%	11,734



**WEST CARROLL PARISH SHERIFF**  
Oak Grove, Louisiana  
Notes to the Basic Financial Statements (Continued)

**4. CASH AND CASH EQUIVALENTS**

At June 30, 2006, as reported in the Statement of Net Assets (Statement A) and in the Agency Funds' Combining Statement of Assets and Liabilities (Statement E), the sheriff has cash and cash equivalents (book balances) totaling \$321,152 as follows:

Interest bearing demand deposits	\$14,555
Time deposits	306,097
Petty cash	<u>500</u>
Total	<u>\$321,152</u>

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

At June 30, 2006, the sheriff has \$394,317 in deposits (collected bank balances). These deposits are secured from risk by \$134,921 of federal deposit insurance and \$259,396 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Sheriff that the fiscal agent has failed to pay deposited funds upon demand.

**WEST CARROLL PARISH SHERIFF**  
 Oak Grove, Louisiana  
 Notes to the Basic Financial Statements (Continued)

**5. RECEIVABLES**

The General Fund receivables of \$44,308 at June 30, 2006, are as follows:

<u>Class of Receivable</u>	<u>Amount</u>
Revenues:	
Federal grants	\$16,807
State supplemental pay	3,900
Commissions on licenses, etc.	3,874
Civil and criminal fees	6,813
Court attendance	374
Transporting prisoners	526
Feeding and keeping prisoners	10,589
Other	323
Refund	<u>1,102</u>
Total	<u>\$44,308</u>

**6. CAPITAL ASSETS**

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

	<u>Balance June 30, 2005,</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2006</u>
<b>Governmental Activities:</b>				
<b>Capital assets, being depreciated:</b>				
Building	\$1,336	\$ -	\$ -	\$1,336
Furniture and equipment	<u>422,349</u>	<u>46,282</u>	<u>(44,668)</u>	<u>423,963</u>
Total capital assets, being depreciated	423,685	46,282	(44,668)	425,299
Less accumulated depreciation:				
Furniture and equipment	<u>(348,011)</u>	<u>(40,029)</u>	<u>44,668</u>	<u>(343,372)</u>
Governmental activities capital assets, net	<u>\$75,674</u>	<u>\$6,253</u>	<u>\$ -</u>	<u>\$81,927</u>

## **WEST CARROLL PARISH SHERIFF**

Oak Grove, Louisiana

Notes to the Basic Financial Statements (Continued)

### **7. 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 2005-06 fiscal year. The West Carroll Parish Sheriff was required to contribute at an actuarially determined rate. The rate for the 2005-06 fiscal year was 10.75 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 the years ending June 30, 2006, 2005, and 2004, were \$57,060, \$48,335, and \$39,452, respectively, equal to the required contributions for each year.

**WEST CARROLL PARISH SHERIFF**  
 Oak Grove, Louisiana  
 Notes to the Basic Financial Statements (Continued)

**8. 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 \$8,650 during the 2005-06 fiscal year. Three employees received benefits under this plan.

**9. 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, 2006, the Plan had assets with an approximate market value of \$13,223. 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.

**10. COMPENSATED ABSENCES**

At June 30, 2006, employees of the sheriff have accumulated and vested \$5,935 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.

**11. CHANGES IN GENERAL LONG-TERM OBLIGATIONS**

The following is a summary of the long-term obligation (compensated absences) transactions for the year ended June 30, 2006:

Long-term obligations at July 1, 2005	\$5,954
Additions	17,751
Deductions	<u>(17,770)</u>
Long-term obligations at June 30, 2006	<u>\$5,935</u>
Amounts due within one year	<u>\$1,000</u>

**WEST CARROLL PARISH SHERIFF**

Oak Grove, Louisiana

Notes to the Basic Financial Statements (Continued)

**12. 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, 2006, follows:

	<u>Sheriff's Fund</u>	<u>Tax Collector Fund</u>	<u>Work Release Program</u>	<u>Total</u>
Balance June 30, 2005	\$173	\$299,392	\$1,857	\$301,422
Additions	111,793	3,476,108	31,887	3,619,788
Deductions	<u>(111,713)</u>	<u>(3,466,058)</u>	<u>(25,772)</u>	<u>(3,603,543)</u>
Balance June 30, 2006	<u>\$253</u>	<u>\$309,442</u>	<u>\$7,972</u>	<u>\$317,667</u>

**13. TAXES PAID UNDER PROTEST**

The unsettled balances due to taxing bodies and others in the Agency Funds at June 30, 2006, as reflected on Statement F, include \$235,044 of taxes paid under protest, plus interest earned to date on the investment of these funds, totaling \$71,053. These funds are held pending resolution of the protest and are accounted for in the Tax Collector Agency Fund.

**14. LITIGATION AND CLAIMS**

At June 30, 2006, 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.

**15. 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.

The Department of Homeland Security passed through the Louisiana Homeland Security to the West Carroll Parish Police Jury a grant to provide law enforcement supplies totaling \$3,161 and a computer totaling \$22,008 to the West Carroll Parish Sheriff's office. The computer has been recorded at historical cost as a capital asset in the Government-wide Financial Statements' Statement of Net Assets. The expenditures for the computer and the law enforcement supplies and the related grant

**WEST CARROLL PARISH SHERIFF**  
 Oak Grove, Louisiana  
 Notes to the Basic Financial Statements (Concluded)

revenue have not been included in the Government-wide Financial Statements' Statement of Activities nor in the Fund Financial Statements' General Fund.

**16. FEDERAL FINANCIAL ASSISTANCE**

The sheriff participated in the following Federal financial assistance programs during the year ended June 30, 2006:

<u>Federal Grantor/ Pass-Through Grantor/ Program Name</u>	<u>CFDA Number</u>	<u>Expenditures</u>
<b>Department of Homeland Security:</b>		
<b>Passed through the Louisiana</b>		
<b>Homeland Security</b>		
State Homeland Security Program	97.004	\$5,773
Law Enforcement Terrorism Prevention Program	97.067	12,690
<b>Passed through the Louisiana</b>		
<b>Homeland Security through the</b>		
<b>West Carroll Parish Police Jury</b>		
State Homeland Security Program	97.004	\$1,571
<b>Bureau of Justice Assistance,</b>		
<b>Department of Justice:</b>		
<b>Passed through the Louisiana</b>		
<b>Commission on Law Enforcement:</b>		
K-9 Narcotics Unit	16.579	341
<b>Passed through the Franklin</b>		
<b>Parish Sheriff:</b>		
Drug Control and System Improvement - Formula Grant Fund - Task Force Grant	16.579	<u>15,711</u>
Total		<u>\$36,086</u>

**17. SUBSEQUENT EVENTS**

The Sheriff made three bank loans from July 2006 to September 2006 totaling \$100,000 from a local bank to help his cash flow until his ad valorem taxes are collected. The Sheriff was authorized by the Louisiana State Bond Commission to borrow up to \$250,000. The loans are to be repaid by June 30, 2007, at an interest rate of 5.5 percent. The Sheriff anticipates having to borrow the maximum amount authorized by the Bond Commission due to ad valorem taxes being received later than normal in 2006-07.

**THIS PAGE LEFT BLANK INTENTIONALLY**

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

As of June 30, 2006 and for the Year  
Ended June 30, 2006

**REQUIRED SUPPLEMENTAL  
INFORMATION  
(PART B)**



**THIS PAGE LEFT BLANK INTENTIONALLY**

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

**BUDGETARY COMPARISON SCHEDULE**

For the Year Ended June 30, 2006

**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.

## Statement F

WEST CARROLL PARISH SHERIFF  
Oak Grove, LouisianaGENERAL FUND  
Budgetary Comparison Schedule (Cash Basis)

For the Year Ended June 30, 2006

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL BUDGET	FINAL BUDGET		
<b>BUDGETARY FUND BALANCE (Deficit) AT BEGINNING OF YEAR</b>	<u>\$6,093</u>	<u>(\$15,482)</u>	<u>\$1,865</u>	<u>\$17,347</u>
<b>RESOURCES (Inflows)</b>				
Ad valorem taxes	440,000	458,000	463,530	5,530
Intergovernmental revenues:				
Grants-Federal and Local	57,000	51,000	27,116	(23,884)
State grants:				
Commission on state revenue sharing	45,000	45,000	44,397	(603)
State supplemental pay	40,000	47,000	42,237	(4,763)
Fees, charges, and commissions for services:				
Commissions on licenses, etc.	25,000	27,000	30,998	3,998
Civil and criminal fees	69,700	69,500	74,891	5,391
Court attendance	4,000	4,000	4,624	624
Transporting prisoners	4,000	4,000	4,730	730
Feeding and keeping prisoners	161,100	158,100	149,260	(8,840)
Tax notices, etc.	6,000	8,000	6,377	(1,623)
Work Release Program	-	-	15,682	15,682
Use of money and property - interest earnings	2,200	1,200	2,142	942
Miscellaneous	-	1,540	2,680	1,140
Other sources:				
Proceeds from sale of assets	4,000	5,500	5,471	(29)
Amounts available for appropriations	<u>858,000</u>	<u>879,840</u>	<u>874,135</u>	<u>(5,705)</u>
<b>CHARGES TO APPROPRIATIONS (Outflows)</b>				
Current:				
Public safety:				
Personal services and related benefits	664,858	665,558	659,240	6,318
Operating services	75,000	77,800	83,103	(5,303)
Materials and supplies	42,000	43,000	51,686	(8,686)
Statutory charges	56,000	52,000	56,265	(4,265)
Travel and other charges	3,000	3,040	1,416	1,624
Capital outlay	16,500	16,500	21,113	(4,613)
Total charges to appropriations	<u>857,358</u>	<u>857,898</u>	<u>872,823</u>	<u>(14,925)</u>
<b>BUDGETARY FUND BALANCE AT END OF YEAR</b>	<u>\$6,735</u>	<u>\$6,460</u>	<u>\$3,177</u>	<u>(\$3,283)</u>

See accompanying notes to the basic financial statements.

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

**NOTES TO BUDGETARY COMPARISON SCHEDULE**

For the Year Ended June 30, 2006

**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, 2006, was made available for public inspection on March 30, 2005. The proposed 2005-06 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 April 14, 2005. 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.

<b>Revenues</b>	
Resources (Inflows) on budgetary basis – cash	\$868,664
Receivables, net	5,300
<b>Expenditures</b>	
Total charges to appropriations (Outflows) on budgetary basis – cash	(872,823)
Payables, net	24,446
<b>Other financing sources</b>	
Proceeds from sale of assets	<u>5,471</u>
Net change in fund balance on GAAP basis	31,058
Fund balance (deficit) – June 30, 2005, GAAP basis	<u>(15,482)</u>
Fund balance – June 30, 2006, GAAP basis	<u>\$15,576</u>

**THIS PAGE LEFT BLANK INTENTIONALLY**

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

As of June 30, 2006 and for the Year  
Ended June 30, 2006

**SUPPLEMENTAL INFORMATION**

**THIS PAGE LEFT BLANK INTENTIONALLY**

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

**FIDUCIARY FUND TYPE**  
**AGENCY FUNDS**

As of June 30, 2006 and for the Year  
Ended June 30, 2006

**Fiduciary Funds**

Fiduciary Funds account for assets held by the School Board 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.



**THIS PAGE LEFT BLANK INTENTIONALLY**

**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, 2006

	<b>SHERIFF'S FUND</b>	<b>TAX COLLECTOR FUND</b>	<b>WORK RELEASE PROGRAM</b>	<b>TOTAL</b>
<b>BALANCES AT BEGINNING OF YEAR</b>	<u>\$173</u>	<u>\$299,392</u>	<u>\$1,857</u>	<u>\$301,422</u>
<b>ADDITIONS</b>				
Deposits:				
Suits, seizures, and sales	111,495	288,125	-	399,620
Interest earnings	298	4,591	-	4,889
Taxes, fees, etc., paid to tax collector	-	3,183,392	-	3,183,392
Wage earnings	-	-	31,887	31,887
Total additions	<u>111,793</u>	<u>3,476,108</u>	<u>31,887</u>	<u>3,619,788</u>
Total	<u>111,966</u>	<u>3,775,500</u>	<u>33,744</u>	<u>3,921,210</u>
<b>REDUCTIONS</b>				
Taxes, fees, etc., distributed to taxing bodies and others	-	3,466,058	-	3,466,058
Deposits settled to:				
Sheriff's General Fund	26,304	-	15,165	41,469
Clerk of Court	9,012	-	-	9,012
Litigants	67,343	-	-	67,343
Attorneys, appraisers, etc.	2,676	-	-	2,676
Inmates	-	-	8,324	8,324
Other settlements	6,378	-	2,283	8,661
Total reductions	<u>111,713</u>	<u>3,466,058</u>	<u>25,772</u>	<u>3,603,543</u>
<b>BALANCES AT END OF YEAR</b>	<u>\$253</u>	<u>\$309,442</u>	<u>\$7,972</u>	<u>\$317,667</u>

**THIS PAGE LEFT BLANK INTENTIONALLY**

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

**SUPPLEMENTAL INFORMATION SCHEDULE**

For the Year Ended June 30, 2006

In accordance with the requirements of the *Louisiana Governmental Audit Guide*, a schedule of corrective action taken on prior audit findings and recommendations has been included.

**THIS PAGE LEFT BLANK INTENTIONALLY**

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

**Supplemental Information Schedule  
Corrective Acton Taken on Prior Audit  
Findings and Recommendations  
For the Year Ended June 30, 2006**

In the prior audit report for the year ended June 30, 2005, there were no instances of noncompliance that were required to be reported under *Government Auditing Standards* nor were there any matters involving the internal control over financial reporting and its operation that were considered to be material weaknesses.

**THIS PAGE LEFT BLANK INTENTIONALLY**

**OTHER REPORT REQUIRED BY  
GOVERNMENT AUDITING STANDARDS**

The following pages contain a report on compliance with laws and regulations and on internal control required by *Government Auditing Standards*, issued by the Comptroller General of the United States. The report on compliance and internal control is based solely on the audit of the financial statements and includes, where applicable, any compliance matters that would be material to the presented financial statements and where appropriate, any reportable internal control conditions and/or material weaknesses.



**RICHARD B. GARRETT**  
Certified Public Accountant  
1537 Frenchman's Bend Road  
Monroe, Louisiana 71203

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

**HONORABLE ROY "CHIP" GUNTER III**  
WEST CARROLL PARISH SHERIFF  
Oak Grove, Louisiana

I 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, 2006, which collectively comprise the West Carroll Parish Sheriff's Basic Financial Statements and have issued my report thereon dated November 1, 2006. I conducted my 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 my audit, I considered the West Carroll Parish Sheriff's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

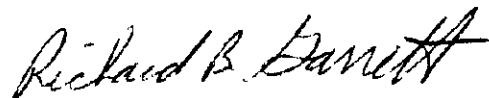
**EXHIBIT A**

**HONORABLE ROY "CHIP" GUNTER III**  
**WEST CARROLL PARISH SHERIFF**  
Compliance and Internal Control Report  
November 1, 2006  
Page 2

**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, I 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 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 are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Sheriff and management of his office and is not intended to be and should not be used by anyone other than these specified parties. By provisions of state law, this report is a public document, and it has been distributed to appropriate public officials.



**RICHARD B. GARRETT**

Monroe, La.  
November 1, 2006

**EXHIBIT A**