

WEBSTER PARISH SHERIFF
Minden, Louisiana

Annual Financial Statements
With Independent Auditor's Report
As of and for the Year Ended
June 30, 2004
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 1-26-05

WEBSTER PARISH SHERIFF
Minden, Louisiana

Annual Financial Statements
As of and for the Year Ended June 30, 2004
With Supplemental Information Schedules

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Independent Auditor's Report

WEBSTER PARISH SHERIFF

Minden, Louisiana

I have audited the basic financial statements of the Webster Parish Sheriff, a component unit of the Webster Parish Police Jury, as of June 30, 2004, and for the year then ended, as listed in the table of contents: These financial statements are the responsibility of the Webster Parish Sheriff's management. My responsibility is to express an opinion on these financial statements based on my audit.

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

In my opinion, the basic financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Webster Parish Sheriff as of June 30, 2004, and the changes in its financial position for the year then ended, in conformity with U.S. generally accepted accounting principles.

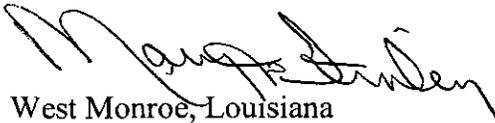
As described in Note 1 to the financial statements, the sheriff has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, *Basic Financial Statements--and Management's Discussion and Analysis--for State and Local Governments*, as of June 30, 2004.

Management's discussion and analysis, and supplementary information on pages 6 through 9 and 33 through 35, respectively are not a required part of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information and reviewing the source of selected information. However, I did not audit the information and express no opinion on it.

WEBSTER PARISH SHERIFF
Minden, Louisiana
Independent Auditor's Report,
June 30, 2004

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

In accordance with *Government Auditing Standards*, I have also issued a report dated November 29, 2004, on my consideration of the Webster Parish Sheriff's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.



West Monroe, Louisiana
November 29, 2004

REQUIRED SUPPLEMENTARY INFORMATION
PART I

WEBSTER PARISH SHERIFF
Minden, Louisiana

Management's Discussion and Analysis

June 30, 2004

As management of the Webster Parish Sheriff, I offer readers of the Webster Parish Sheriff's financial statements this narrative overview and analysis of the financial activities of the Webster Parish Sheriff for the fiscal year ended June 30, 2004. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the Sheriff's basic financial statements. The annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (Government-wide Financial Statements) provide information about the financial activities as a whole and illustrate a longer-term view of the Sheriff's finances. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund (Fund Financial Statements) tell how these services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the operations in more detail than the Government-Wide Financial Statements by providing information about the most significant funds. This report also contains other supplementary information in addition to the basic financial statements themselves. Comparative data for the prior year is only available on a limited basis. However, all applicable tables will present comparative data in fiscal year 2005.

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

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

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

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the

underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, earned, but unused, sick leave).

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Webster Parish Sheriff, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Webster Parish Sheriff can be divided into two categories: governmental funds and fiduciary (agency) funds.

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

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

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

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

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

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

The combining schedules for nonmajor governmental funds are presented immediately following the required supplementary information.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, assets of the Webster Parish Sheriff exceeded liabilities by \$1,040,470. Thirty-two percent (32%) of the Webster Parish Sheriff's net assets reflects its investment in capital assets. These assets are not available for future spending.

The balance in unrestricted net assets is affected by two factors: 1) resources expended, over time, by the Webster Parish Sheriff to acquire capital assets from sources other than internally generated funds (i.e., debt), and 2) required depreciation on assets having been included in the statement of net assets for the first time.

Since this is the first year of implementing the new reporting model, comparative information is not available for further government-wide financial analysis. In future years, when prior year information is available, a comparative analysis of government-wide data will be presented.

Financial Analysis of the Government's Funds

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

As of June 30, 2004, combined governmental fund balances of \$2,332,445 showed an increase of \$138,157 over June 30, 2003. The General Fund's portion of the unreserved, undesignated fund balance of \$304,976 shows a decrease (of approximately \$303,358) from the prior year amount. The Detention Center portion of the unreserved, undesignated fund balance of \$2,027,469 shows an increase (of approximately \$441,515) from the prior year amount.

General Fund and Major Fund Budgetary Highlights

Differences between Operating Services of the original budget and the final budget for the General Fund were due primarily to increases in insurance. Anticipated debt service payments were increased due to the payment of Principal on Revenue Bonds. Materials and supplies were increased based on increase in fuel prices.

In the Detention Center, differences in expenditures were due to an increase in anticipated feeding and medical services for prisoners, and training for guards.

Capital Asset and Debt Administration

Capital assets. The Webster Parish Sheriff's investment in capital assets for its governmental activities as of June 30, 2004, amounts to \$6,068,654 (net of accumulated depreciation). This investment includes furniture, equipment, and weapons. The increase in capital assets for the

year was \$23,699, the majority of which was attributable to the purchase law enforcement vehicles.

Long-term debt. At the end of the fiscal year, Webster Parish Sheriff had total debt outstanding, in the form of compensated absences and bonds of \$7,276,676. During the year ended June 30, 2004, \$180,000 of debt was paid in accordance with the debt agreement.

Requests for Information

This financial report is designed to provide a general overview of the Webster Parish Sheriff's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Webster Parish Sheriff, 410 Main Street, Minden, LA 71055.

November 29, 2004

BASIC FINANCIAL STATEMENTS

WEBSTER PARISH SHERIFF
Minden, Louisiana

STATEMENT OF NET ASSETS
June 30, 2004

ASSETS

Cash and cash equivalents	\$592,525
Investments	1,560,146
Receivables	497,553
Food Inventory	12,414
Capital assets (net of accumulated depreciation)	<u>6,068,654</u>
TOTAL ASSETS	<u>8,731,292</u>

LIABILITIES

Accounts payable	139,601
Salaries payable	123,432
Payroll deducts payable	47,497
Compensated absences payable	156,676
Interest payable	83,953
Due to criminal fund	278
Deferred revenue - Protest Taxes	19,385
Long term liabilities:	
Due with one year	188,000
Due in more than one year	<u>6,932,000</u>
TOTAL LIABILITIES	<u>7,690,822</u>

NET ASSETS

Invested in capital assets, net of related debt	330,627
Reserved for debt service	1,560,146
Reserved for inventory	12,414
Unrestricted	<u>(862,717)</u>
TOTAL NET ASSETS	<u>\$1,040,470</u>

The accompanying notes are an integral part of this statement.

Statement B

WEBSTER PARISH SHERIFF
Minden, Louisiana
STATEMENT OF ACTIVITIES
June 30, 2004

Public Safety:	
Personal services	\$4,246,229
Operating services	1,641,925
Materials and supplies	474,683
Travel	44,588
Debt service - Interest	588,867
Depreciation expense	<u>431,433</u>
Total Program Expenses	<u>7,427,725</u>
Program revenues:	
Commissions on licenses and taxes	107,171
Civil and criminal fees	326,083
Court attendance	10,980
Feeding and keeping prisoners	3,490,167
Other	<u>1,070</u>
Total program revenues	<u>3,935,471</u>
Net Program Expenses	<u>(3,492,254)</u>
General revenues:	
Taxes - Ad valorem	1,715,816
Grants and contributions not restricted to specific programs:	
Federal sources	132,860
State sources	
State supplemental pay	227,034
State revenue sharing (net)	101,658
Video poker	347,883
Other	528,521
Local sources	167,849
Interest earned	114,260
Special items:	
Proceeds from insurance	4,060
Loss on asset disposal	(24,673)
Proceeds from seized drug property sale	<u>33,790</u>
Change in Net Assets	(143,196)
NET ASSETS	
Beginning of year	<u>1,183,666</u>
End of year	<u>\$1,040,470</u>

The accompanying notes are an integral part of this statement.

WEBSTER PARISH SHERIFF
Minden, Louisiana
GOVERNMENTAL FUNDS

Balance Sheet, June 30, 2004

MAJOR FUNDS.....		
	GENERAL FUND	DETENTION CENTER	TOTAL
ASSETS			
Cash and cash equivalents	\$264,515	\$328,010	\$592,525
Investments		1,560,146	1,560,146
Receivables	209,603	287,950	497,553
Food Inventory		12,414	12,414
TOTAL ASSETS	<u>\$474,118</u>	<u>\$2,188,520</u>	<u>\$2,662,638</u>
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts payable	\$63,245	\$76,356	\$139,601
Salaries payable	59,347	64,085	123,432
Payroll deducts payable	26,887	20,610	47,497
Due to criminal fund	278		278
Deferred revenue - Protest Taxes	19,385		19,385
Total Liabilities	<u>169,142</u>	<u>161,051</u>	<u>330,193</u>
Fund Equity:			
Fund Balance:			
Reserved for Inventory		12,414	12,414
Reserved for Debt service		1,560,146	1,560,146
Unreserved - undesignated	304,976	454,909	759,885
Total Fund Equity	<u>304,976</u>	<u>2,027,469</u>	<u>2,332,445</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$474,118</u>	<u>\$2,188,520</u>	<u>\$2,662,638</u>

The accompanying notes are an integral part of this statement.

Statement DWEBSTER PARISH SHERIFF
Minden, LouisianaReconciliation of Governmental Funds
Balance Sheet to the Statement of Net Assets

For the Year Ended June 30, 2004

Total Fund Balances at June 30, 2004 - Governmental Funds (Statement C)		<u>\$2,332,445</u>
Cost of capital assets at June 30, 2004	\$7,391,752	
Less: Accumulated depreciation as of June 30, 2004	<u>(1,323,098)</u>	6,068,654
Long term liabilities at June 30, 2004:		
Bonds payable	7,120,000	
Compensated absences payable	156,676	
Accrued interest payable	<u>83,953</u>	<u>(7,360,629)</u>
Net Assets at June 30, 2004		<u>\$1,040,470</u>

The accompanying notes are an integral part of this statement.

WEBSTER PARISH SHERIFF
Minden, Louisiana
GOVERNMENTAL FUND TYPE - GENERAL FUND

Statement of Revenues, Expenditures, and
Changes in Fund Balance

For the Year Ended June 30, 2004

MAJOR FUNDS.....		TOTAL
	GENERAL FUND	DETENTION CENTER	
REVENUES			
Taxes - Ad valorem	\$1,715,816		\$1,715,816
Intergovernmental revenues:			
Federal grants	130,059	\$2,801	132,860
State grants:			
State supplemental pay	227,034		227,034
State revenue sharing (net)	101,658		101,658
Video poker	347,883		347,883
Other	24,493		24,493
Local grants	167,849		167,849
Fees, charges, and commissions for services:			
Commissions on licenses and taxes	107,171		107,171
Civil and criminal fees	326,083		326,083
Court attendance	10,980		10,980
Feeding and keeping of prisoners		3,490,167	3,490,167
Other	1,070		1,070
Use of money and property	4,983	109,277	114,260
Miscellaneous	41,352	462,175	503,527
Total revenues	<u>3,206,431</u>	<u>4,064,420</u>	<u>7,270,851</u>
EXPENDITURES			
Public safety:			
Current:			
Personal services and related benefits	2,492,312	1,722,696	4,215,008
Operating services	588,140	1,053,785	1,641,925
Materials and supplies	327,070	147,613	474,683
Travel and other charges	33,873	10,715	44,588
Debt service	577,445	693,196	1,270,641
Capital outlay	13,799	9,900	23,699
Total expenditures	<u>4,032,639</u>	<u>3,637,905</u>	<u>7,670,544</u>

(Continued)

Statement E

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

MAJOR FUNDS.....		
	GENERAL FUND	DETENTION CENTER	TOTAL
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(\$826,208)	\$426,515	(\$399,693)
OTHER FINANCING SOURCES (Use):			
Proceeds from insurance	4,060		4,060
Proceeds from drug seized property sale	33,790		33,790
Proceeds from revenue anticipation note	500,000		500,000
Operating transfer in		15,000	15,000
Operating transfers out	(15,000)		(15,000)
Total Other Financing Sources (Use)	522,850	15,000	537,850
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USE	(303,358)	441,515	138,157
FUND BALANCE AT BEGINNING OF YEAR	608,334	1,585,954	2,194,288
FUND BALANCE AT END OF YEAR	\$304,976	\$2,027,469	\$2,332,445

(Concluded)

The accompanying notes are an integral part of this statement.

WEBSTER PARISH SHERIFF
Minden, Louisiana

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

For the Year Ended June 30, 2004

Total net change in fund balances - governmental funds (Statement E)	\$138,157
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 depreciation exceeds capital outlay in the period.	(407,234)
In the Statement of Activities, certain operating expenses - compensated absences - 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).	(31,220)
Governmental funds do not report gain or loss on disposition of assets. In the Statement of Activities, loss on disposition of assets decreased when the asset is disposed.	(24,673)
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	1,774
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets	<u>180,000</u>
Change in net assets of governmental activities (Statement B)	<u><u>(\$143,196)</u></u>

The accompanying notes are an integral part of this statement.

Statement G

WEBSTER PARISH SHERIFF
Minden, Louisiana
Statement of Fiduciary Net Assets - Agency Funds

June 30, 2004

	TAX COLLECTOR FUND	CIVIL FUND	CRIMINAL FUND	INMATE FUNDS	TOTAL
ASSETS					
Cash and cash equivalents	\$136,784	\$6	\$331,411	\$245,981	\$714,182
Due from other funds			278		278
Total Assets	<u>\$136,784</u>	<u>\$6</u>	<u>\$331,689</u>	<u>\$245,981</u>	<u>\$714,460</u>
LIABILITIES					
Unsettled deposits due to					
Others	<u>\$136,784</u>	<u>\$6</u>	<u>\$331,689</u>	<u>\$245,981</u>	<u>\$714,460</u>
Total Liabilities	<u>\$136,784</u>	<u>\$6</u>	<u>\$331,689</u>	<u>\$245,981</u>	<u>\$714,460</u>

The accompanying notes are an integral part of this statement.

WEBSTER PARISH SHERIFF
Minden, Louisiana

Notes to the Financial Statements
As of and For the Year Ended June 30, 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

The accompanying financial statements of the Webster Parish Sheriff have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

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

For the first time the financial statements include:

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

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

WEBSTER PARISH SHERIFF
Minden, Louisiana
Notes to the Financial Statements (Continued)

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

A. REPORTING ENTITY

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

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

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

Because the police jury maintains and operates the parish courthouse in which the sheriff's office is located and provides partial funding for equipment, furniture and supplies of the sheriff's office, the sheriff was determined to be a component unit of the Webster Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the sheriff and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the Webster Parish financial reporting entity.

WEBSTER PARISH SHERIFF

Minden, Louisiana

Notes to the Financial Statements (Continued)

B. BASIC FINANCIAL STATEMENTS - GOVERNMENT-WIDE STATEMENTS

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

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

In the Statement of Net Assets, governmental activities are presented on a consolidated basis and are presented on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term obligations. Net assets are reported in three parts; invested in capital assets, net of any related debt; restricted net assets; and unrestricted net assets.

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

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

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

C. BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS

The financial transactions of the sheriff are reported in individual funds in the fund financial statements. Fund accounting is designed to demonstrate legal compliance and to aid financial

WEBSTER PARISH SHERIFF

Minden, Louisiana

Notes to the Financial Statements (Continued)

management by segregating transactions related to certain government functions or activities. Fund financial statements report detailed information about the sheriff. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

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

Governmental Fund Types

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

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenue sources such as grants and state and parish funds for maintaining state and parish prisoners. Those revenues are restricted to expenditures for specified purposes.

Fiduciary Fund Type - Agency Funds

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

D. BASIS OF ACCOUNTING

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

WEBSTER PARISH SHERIFF
Minden, Louisiana
Notes to the Financial Statements (Continued)

1. Accrual:

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

2. Modified Accrual:

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

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

Revenues

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

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

WEBSTER PARISH SHERIFF
 Minden, Louisiana
 Notes to the Financial Statements (Continued)

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

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

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

Expenditures

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

E. CASH AND CASH EQUIVALENTS

Under state law, the sheriff may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2004, the sheriff has cash and equivalents (book balances) totaling \$1,306,707 as follows:

Demand deposits	\$1,204,157
Petty Cash	2,550
Time deposits	<u>100,000</u>
Total	<u>\$1,306,707</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash and cash equivalents (bank balances) at June 30, 2004, are secured as follows:

Bank balances	<u>\$1,391,986</u>
Federal deposit insurance	\$947,596
Pledged securities (uncollateralized)	<u>5,764,456</u>
Total	<u>\$6,712,052</u>

Because the pledged securities are held by a custodial bank in the name of the fiscal agent bank rather than in the name of the sheriff, they are considered uncollateralized (Category 3) under

WEBSTER PARISH SHERIFF
 Minden, Louisiana
 Notes to the Financial Statements (Continued)

the provisions of GASB Codification C20.106; however, 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. Further, LRS 39:1224 states that securities held by a third party shall be deemed to be held in the sheriff's name.

F. INVESTMENTS

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

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

Investments in marketable securities (United States Treasury Notes) are reported at their cost on Statement A, which is not materially different from their market value, as follows:

Cost	\$1,560,146
Fair market value	<u>1,569,834</u>
Unrealized gain	<u><u>\$9,688</u></u>

G. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The sheriff maintains a threshold level of \$500 for capitalizing capital assets.

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

WEBSTER PARISH SHERIFF
 Minden, Louisiana
 Notes to the Financial Statements (Continued)

<u>Description</u>	<u>Estimated Lives</u>
Buildings	20 - 40 years
Furniture and fixtures	5 - 10 years
Vehicles	5 - 15 years
Equipment	5 - 20 years

H. RISK MANAGEMENT

The sheriff is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets and errors and omissions. To handle such risk of loss, the sheriff maintains commercial insurance policies covering his automobiles and surety bond coverage. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended June 30, 2004.

I. VACATION AND SICK LEAVE

After one year of service, all employees are granted 14 days of vacation leave each year. Vacation leave must be taken in the year granted and may not be accumulated and carried forward to succeeding years. Upon termination, unused vacation leave is paid to employees at the rate of their present salary. Vacation leave cannot be accumulated past the year it is earned. Sick leave is granted as needed and justified. Employees earn compensatory time, which can be carried forward. Upon termination, unused compensatory time is paid to employees at their current rate of pay.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current-year expenditure in the General Fund when leave is actually taken. At June 30, 2004, employees of the sheriff's office have \$156,676 of accumulated compensatory time.

2. RECEIVABLES

The receivables of \$497,553 at June 30, 2004, are as follows:

<u>Class of receivables:</u>	<u>General Fund</u>	<u>Detention Center</u>	<u>Total</u>
Taxes - ad valorem	\$810		\$810
Intergovernmental revenues -			
Federal grants	51,727		51,727
State grants	84,153		84,153

WEBSTER PARISH SHERIFF
Minden, Louisiana
Notes to the Financial Statements (Continued)

<u>Class of receivables:</u>	<u>General Fund</u>	<u>Detention Center</u>	<u>Total</u>
Fees, charges, and commissions for services:			
Commissions on licenses, taxes, etc.	\$1,259		\$1,259
Civil and criminal fees	9,868		9,868
Court attendance	850		850
Feeding and keeping prisoners		\$287,950	287,950
Miscellaneous	60,936		60,936
Total	<u>\$209,603</u>	<u>\$287,950</u>	<u>\$497,553</u>

3. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in office furnishings and equipment for the year ended June 30, 2004, follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
General Fund				
Buildings	\$6,017,802			\$6,017,802
Vehicles	1,267,531	\$13,400	(\$137,932)	1,142,999
Equipment	230,345	10,800	(13,699)	227,446
DARE Equipment	6,960		(3,455)	3,505
Total assets	<u>\$7,522,638</u>	<u>\$24,200</u>	<u>(\$155,086)</u>	<u>\$7,391,752</u>

A summary of assets net of accumulated depreciation follows:

Total assets	<u>\$7,391,752</u>
Prior year accumulated depreciation	(1,022,077)
Current year depreciation	(431,433)
Deletions	<u>130,412</u>
Net capital assets	<u>\$6,068,654</u>

Beginning balance of fixed assets has been restated due to agency changing their capitalization policy on depreciation of assets.

4. PENSION PLAN

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

WEBSTER PARISH SHERIFF
Minden, Louisiana
Notes to the Financial Statements (Continued)

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

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

Plan members are required by state statute to contribute 9.8 percent of their annual covered salary and the Webster Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 9.25 percent of annual covered payroll. Contributions to the System also include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and funds as required and available from insurance premium taxes. The contribution requirements of plan members and the Webster 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 Webster Parish Sheriff's contributions to the System for the years ended June 30, 2004, 2003, and 2002 were \$269,627, \$217,554, and \$173,352, respectively, equal to the required contributions for each year.

5. CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The following is a summary of long-term obligation transactions for the year ended June 30, 2004:

	Revenue Bonds	Compensated Absences	Total
Long-term obligations, June 30, 2003	\$7,300,000	\$125,454	\$7,425,454
Additions	NONE	125,177	125,177
Deletions	(180,000)	(97,863)	(277,863)
Adjustment*	NONE	3,908	3,908
Long-term obligations, June 30, 2004	<u>\$7,120,000</u>	<u>\$156,676</u>	<u>\$7,276,676</u>

WEBSTER PARISH SHERIFF
 Minden, Louisiana
 Notes to the Financial Statements (Continued)

* Adjustment has been made to account for differences between beginning and ending rates of pay.

Revenue bonds payable at June 30, 2004, are comprised of the following individual issues:

\$5,000,000 - dated July 1, 2000. Principal is due in annual installments of \$106,000 to \$535,000 through July 1, 2020, with interest at 7 per cent. Debt retirement payments are made from the Detention Center Debt Service Fund.	\$5,000,000
\$2,300,000 - dated June 1, 2001. The principal is due in annual installments of \$75,000 to \$215,000 through November 1, 2020, with interest at 5.5 to 7.3 per cent. Debt retirement payments are made from the Detention Center Debt Service Fund.	<u>2,300,000</u>
Total revenue bonds	<u><u>\$7,300,000</u></u>

As shown on Statement C, \$1,560,146 is available in the debt service fund to service the revenue bonds. The annual requirements to amortize outstanding bonds at June 30, 2004, including interest of \$5,547,285, are as follows:

<u>Year Ended June 30</u>	<u>Issue of July 1, 2000</u>	<u>Issue of June 1, 2001</u>	<u>Total</u>
2005	\$463,794	\$226,542	\$690,336
2006	462,691	227,280	689,971
2007	463,127	227,530	690,657
2008	463,070	227,280	690,350
2009	462,522	226,730	689,252
2010-2014	2,614,764	1,129,593	3,744,357
2015-2019	2,798,000	1,117,695	3,915,695
2020-2021	1,110,824	445,843	1,556,667
Total	<u><u>\$8,838,792</u></u>	<u><u>\$3,828,493</u></u>	<u><u>\$12,667,285</u></u>

6. POST RETIREMENT BENEFITS

The Webster Parish Sheriff provides certain health care and life insurance benefits for retired employees. Substantially all of the sheriff's employees become eligible for these benefits if they reach normal retirement age while working for the sheriff's office. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee and the sheriff. Three retirees are eligible for the post-retirement benefits and all participate. The sheriff recognizes the cost of providing these benefits (the sheriff's cost of premiums) as an expenditure when the monthly premiums are due, which was \$661,922 for the year ended June 30, 2004. Of that amount, \$52,781 was for retiree benefits.

WEBSTER PARISH SHERIFF
Minden, Louisiana
Notes to the Financial Statements (Continued)

7. CHANGES IN AGENCY FUND BALANCES

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

	Tax Collector Fund	Civil Fund	Criminal Fund	Inmate Funds	Total
Balance at June 30, 2003	\$134,636	\$29	\$207,205	\$109,670	\$451,540
Additions	11,415,477	605,756	1,529,841	1,805,593	15,356,667
Reductions	(11,413,329)	(605,779)	(1,405,357)	(1,669,282)	(15,093,747)
Balance at June 30, 2004	<u>\$136,784</u>	<u>\$6</u>	<u>\$331,689</u>	<u>\$245,981</u>	<u>\$714,460</u>

8. LITIGATION AND CLAIMS

At June 30, 2004, the Webster Parish Sheriff is involved in several lawsuits. In the opinion of the sheriff's legal counsel, the outcome will not materially affect the financial statements.

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

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

10. GRANT PROGRAMS

The Webster Parish Sheriff participates in various grant programs funded by the state and federal governments. The following schedule provides selected information on various grants for the year ended June 30, 2004.

	CFDA NUMBER	PASS THROUGH GRANTORS NUMBER	EXPENDITURES YEAR ENDED JUNE 30, 2004
UNITED STATES DEPARTMENT OF JUSTICE			
Direct program:			
State Criminal Alien Assistance Program (SCAAP)	16.606	2003-AP-BX-0538	\$2,801
Passed through Louisiana Commission on Law Enforcement:			
COPS	16.711	2001SHWX0432	27,115
COPS		2003SHWX0001	23,535
Multi-Jurisdictional Task Force	16.579	B02-1-019	3,391
Multi-Jurisdictional Task Force	16.579	B03-1-020	27,029
LLEBG	16.592	2003-LB-BX-0791	25,916
Bulletproof Vest Partnership Grant Act	16.607	N/A	1,689

WEBSTER PARISH SHERIFF
 Minden, Louisiana
 Notes to the Financial Statements (Continued)

	CFDA NUMBER	PASS THROUGH GRANTORS NUMBER	EXPENDITURES YEAR ENDED JUNE 30, 2004
Domestic Violence	16.588	M01-1-003	\$2,116
Domestic Violence	16.588	M02-1-003	17,408
Total United States Department of Justice			<u>131,000</u>
U.S. DEPARTMENT OF AGRICULTURE			
Caney Lake Grant	10.664	02-LE-080606-020	1,860
Total Federal Financial Assistance			<u>\$132,860</u>

REQUIRED SUPPLEMENTARY INFORMATION

PART II

WEBSTER PARISH SHERIFF
Minden, Louisiana

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended June 30, 2004

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
Taxes - Ad valorem	\$1,720,000	\$1,720,000	\$1,715,816	(\$4,184)
Intergovernmental revenues:				
Federal grants	14,280	14,280	130,059	115,779
State grants:				
State supplemental pay	166,500	166,500	227,034	60,534
State revenue sharing (net)	101,385	101,385	101,658	273
Video poker	342,000	342,000	347,883	5,883
Other	74,400	74,400	24,493	(49,907)
Local grants	122,550	167,550	167,849	299
Fees, charges, and commissions for services:				
Commissions on licenses and taxes	117,000	117,000	107,171	(9,829)
Civil and criminal fees	341,250	341,250	326,083	(15,167)
Court attendance	11,000	11,000	10,980	(20)
Other	7,300	7,300	1,070	(6,230)
Use of money and property	2,800	2,800	4,983	2,183
Miscellaneous	36,700	187,300	41,352	(145,948)
Total revenues	<u>3,057,165</u>	<u>3,252,765</u>	<u>3,206,431</u>	<u>(46,334)</u>
EXPENDITURES				
Public safety:				
Current:				
Personal services and benefits	2,241,114	2,436,714	2,492,312	(55,598)
Operating services	431,750	573,254	588,140	(14,886)
Materials and supplies	241,000	314,406	327,070	(12,664)
Travel and other charges	30,301	31,789	33,873	(2,084)
Debt service	510,000	509,915	577,445	(67,530)
Capital outlay	103,000	103,000	13,799	89,201
Total expenditures	<u>3,557,165</u>	<u>3,969,078</u>	<u>4,032,639</u>	<u>(63,561)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(500,000)</u>	<u>(716,313)</u>	<u>(826,208)</u>	<u>(109,895)</u>
OTHER FINANCING SOURCES (Use)				
Proceeds from insurance			4,060	4,060
Proceeds from seized drug property sale			33,790	33,790
Proceeds from anticipation note	500,000	500,000	500,000	
Operating transfers out			(15,000)	(15,000)
Total other financing sources (use)	<u>500,000</u>	<u>500,000</u>	<u>522,850</u>	<u>22,850</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USE		(216,313)	(303,358)	(87,045)
FUND BALANCES AT BEGINNING OF YEAR	<u>400,000</u>	<u>400,000</u>	<u>608,334</u>	<u>208,334</u>
FUND BALANCES AT END OF YEAR	<u>\$400,000</u>	<u>\$183,687</u>	<u>\$304,976</u>	<u>\$121,289</u>

WEBSTER PARISH SHERIFF
Minden, Louisiana

BUDGETARY COMPARISON SCHEDULE
DETENTION CENTER
For the Year Ended June 30, 2004

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL (BUDGETARY BASIS)</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES				
Federal grant			\$2,801	\$2,801
Fees, charges, and commissions for services:				
Transporting prisoners	\$48,470	\$48,470		(48,470)
Feeding and keeping of prisoners	3,641,935	3,641,935	3,490,167	(151,768)
Use of money and property	250	250	109,277	109,027
Other revenue	382,950	382,950	462,175	79,225
Total revenues	<u>4,073,605</u>	<u>4,073,605</u>	<u>4,064,420</u>	<u>(9,185)</u>
EXPENDITURES				
Personal services and benefits	2,346,012	2,346,012	1,722,696	623,316
Operating services	1,004,018	1,250,249	1,053,785	196,464
Materials and supplies	110,850	126,492	147,613	(21,121)
Travel and other charges	8,800	10,936	10,715	221
Debt service	591,425	696,425	693,196	3,229
Capital outlay	12,500	12,500	9,900	2,600
Total expenditures	<u>4,073,605</u>	<u>4,442,614</u>	<u>3,637,905</u>	<u>804,709</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES		(369,009)	426,515	795,524
OTHER FINANCING SOURCE				
Transfer in			15,000	15,000
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCE OVER EXPENDITURES		(369,009)	441,515	810,524
FUND BALANCES AT BEGINNING OF YEAR	<u>400,000</u>	<u>400,000</u>	<u>1,585,954</u>	<u>1,185,954</u>
FUND BALANCES AT END OF YEAR	<u>\$400,000</u>	<u>\$30,991</u>	<u>\$2,027,469</u>	<u>\$1,981,478</u>

WEBSTER PARISH SHERIFF
Minden, Louisiana

NOTE TO BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2004

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

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

OTHER SUPPLEMENTARY INFORMATION

PART III

WEBSTER PARISH SHERIFF
Minden, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
As of and For the Year Ended June 30, 2004

FIDUCIARY FUND TYPE - AGENCY FUNDS

TAX COLLECTOR FUND

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

CIVIL FUND

The Civil Fund accounts for the collection of funds in civil suits, sheriff's sales, and garnishments. Payment of these collections to recipients are made in accordance with applicable laws.

CRIMINAL FUND

The Criminal Fund is a depository for fines, forfeitures, and costs in criminal cases. Payments are made from the fund to the Sheriff's General Fund, police jury, district attorney, clerk of court, and other recipients in accordance with applicable laws.

INMATE FUND

The Inmate Fund accounts for funds of inmates that are used for personal items purchased by the inmates at the concessions store located at the detention center.

WEBSTER PARISH SHERIFF
Minden, Louisiana
FIDUCIARY FUND TYPE - AGENCY FUNDS

Combining Schedule of Changes in Balances
Due to Taxing Bodies and Others
For the Year Ended June 30, 2004

	TAX COLLECTOR FUND	CIVIL FUND	CRIMINAL FUND	INMATE FUNDS	TOTAL
UNSETTLED BALANCES DUE TO TAXING BODIES AND OTHERS AT BEGINNING OF YEAR	<u>\$134,636</u>	<u>\$29</u>	<u>\$207,205</u>	<u>\$109,670</u>	<u>\$451,540</u>
ADDITIONS					
Deposits :					
Civil suits, sales, and seizures		605,756			605,756
Fines and forfeitures			1,450,511		1,450,511
Ad valorem taxes - current year	10,358,161				10,358,161
State Revenue Sharing	898,939				898,939
Parish licenses	79,328				79,328
Bond fees			79,330		79,330
Interest on:					
NOW account	255				255
Delinquent taxes	11,129				11,129
License account	3				3
Protested taxes held in escrow	1,021				1,021
Redemptions	7,167				7,167
Bankruptcies	31,978				31,978
Tax notices	24,303				24,303
Refunds	3,193				3,193
Other additions				1,805,593	1,805,593
Total additions	<u>11,415,477</u>	<u>605,756</u>	<u>1,529,841</u>	<u>1,805,593</u>	<u>15,356,667</u>
Total	<u>11,550,113</u>	<u>605,785</u>	<u>1,737,046</u>	<u>1,915,263</u>	<u>15,808,207</u>
REDUCTIONS					
Deposits, taxes, fees, etc. settled to:					
Louisiana Department of Forestry	15,835				15,835
Louisiana Tax Commission	3,215				3,215
Webster Parish:					
Assessor	1,071,904				1,071,904
Clerk of Court	240	55,865	56,245		112,350
Police Jury	2,376,420		502,445		2,878,865
School Board	4,823,833				4,823,833
Sheriff	1,833,511	90,581	190,867		2,114,959
Industrial Districts	248,784				248,784
Doyline Waterworks District	6,506				6,506
Fire protection districts	704,882				704,882

WEBSTER PARISH SHERIFF
Minden, Louisiana
FIDUCIARY FUND TYPE - AGENCY FUND
Combining Schedule of Changes in Balances
Due to Taxing Bodies and Others, etc.

	TAX COLLECTOR FUND	CIVIL FUND	CRIMINAL FUND	INMATE FUNDS	TOTAL
Pension funds	\$319,481				\$319,481
District attorney			\$156,549		156,549
Judicial expense fund			67,710		67,710
Refunds.	3,194				3,194
Redemptions	5,217				5,217
Indigent defender board			185,436		185,436
Northwest Louisiana Crime Laboratory			68,696		68,696
Litigants		\$399,559			399,559
Attorneys, appraisers, etc.		27,692			27,692
Storage and wrecker charges		13,054			13,054
Northwest Louisiana Juvenile Detention Center			46,601		46,601
Other reductions	307	19,028	130,808	\$1,669,282	1,819,425
Total reductions	<u>11,413,329</u>	<u>605,779</u>	<u>1,405,357</u>	<u>1,669,282</u>	<u>15,093,747</u>
UNSETTLED BALANCES DUE TO TAXING BODIES AND OTHERS AT END OF YEAR	<u>\$136,784</u>	<u>\$6</u>	<u>\$331,689</u>	<u>\$245,981</u>	<u>\$714,460</u>

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

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

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

**Independent Auditor's Report on Compliance and
Internal Control Over Financial Reporting**

WEBSTER PARISH SHERIFF

Minden, Louisiana

I have audited the basic financial statements of the Webster Parish Sheriff, a component unit of the Webster Parish Police Jury, as of and for the year ended June 30, 2004 and have issued my report thereon dated November 29, 2004. I conducted my audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Webster Parish Sheriff's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance 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 over financial reporting that might be material weaknesses. A material weakness is a 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 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.

WEBSTER PARISH SHERIFF

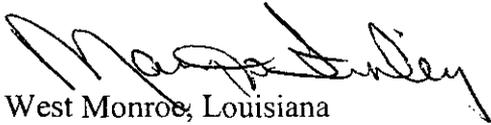
Minden, Louisiana

Independent Auditor's Report on Compliance

And Internal Control Over Financial Reporting, etc.

June 30, 2004

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



West Monroe, Louisiana

November 29, 2004

WEBSTER PARISH SHERIFF
Minden, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2004

A. SUMMARY OF AUDIT RESULTS

1. The Auditor's report expresses an unqualified opinion on the basic financial statements of the Webster Parish Sheriff.
2. No instances of noncompliance material to the financial statements of the Webster Parish Sheriff were disclosed during the audit.
3. No reportable conditions relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

WEBSTER PARISH SHERIFF
Minden, Louisiana

Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2004

There were no audit findings reported in the audit for the year ended June 30, 2003.