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**WINN PARISH SHERIFF  
WINNFIELD, LOUISIANA  
Basic Financial Statements  
and Independent Auditors' Reports  
As of and for the Year Ended June 30, 2004  
With Supplemental Information**

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 10-27-04

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## INDEPENDENT AUDITORS' REPORT

To the Honorable James E. "Buddy" Jordan,  
Winn Parish Sheriff, Winnfield, Louisiana

September 10, 2004

We have audited the accompanying basic financial statements of the governmental activities, major fund, and the fiduciary funds information of the **Winn Parish Sheriff**, a component unit of the Winn Parish Police Jury, as of and for the year ended June 30, 2004, which collectively comprise the Sheriff's basic financial statements as listed in the Table of Contents. These basic financial statements are the responsibility of Winn Parish Sheriff management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

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

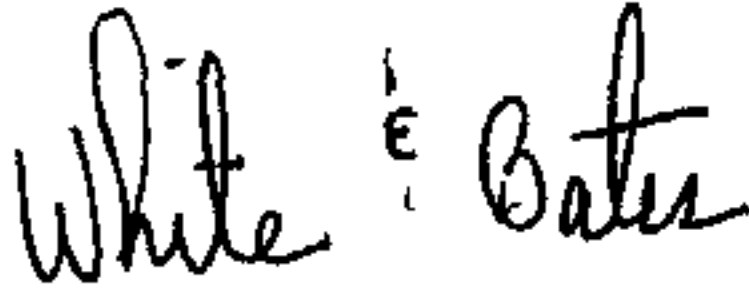
In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, major fund, and the fiduciary funds of the **Winn Parish Sheriff**, as of June 30, 2004 and the respective changes in financial position for the year ended June 30, 2004, in conformity with accounting principles generally accepted in the United States of America.

As described in Note 2 to the basic financial statements, the **Winn Parish 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. This results in a change in the format and content of the basic financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 10, 2004, on our consideration of the **Winn Parish Sheriff's** internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, and contracts. 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 our audit.

The accompanying required supplementary information, which consists of the Management's Discussion and Analysis, pages 3 to 8, and the Budgetary Comparison Schedule, page 33, is not a required part of the basic financial statements, but is supplementary information required by the Government Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the **Winn Parish Sheriff's** basic financial statements. The other accompanying supplementary information, as listed in the table of contents, is presented for purpose of additional analysis and is not a required part of the basic financial statements of the **Winn Parish Sheriff**. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in cursive script that reads "White & Bates". The ampersand is clearly visible between the two names.

**White & Bates**  
**Winnfield, Louisiana**  
**September 10, 2004**

**WINN PARISH SHERIFF  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF JUNE 30, 2004**

The Management's Discussion and Analysis of the Winn Parish Sheriff's financial performance presents a narrative overview and analysis of Winn Parish Sheriff's financial activities for the year ended June 30, 2004. This document focuses on the current year's activities, resulting changes, and currently known facts within the context of the accompanying basic financial statements and disclosures.

**FINANCIAL HIGHLIGHTS**

- Assets of the Sheriff's office exceeded its liabilities by \$1,026,274.
- Total expenditures exceeded total revenues by \$163,759, which is \$22,836 better than the prior year.
- The Sheriff has net capital assets of \$324,786 and has no debt associated with its capital assets.
- Personnel & related benefit costs comprise almost 75% of total expenditures.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The Sheriff also includes in this report additional information to supplement the basic financial statements. 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.

**Government-wide Financial Statements**

The Sheriff's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Sheriff's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the Statement of Net Assets. This is the government-wide statement of position presenting information that includes all of the Sheriff's assets and liabilities, with the difference reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Winn Parish Sheriff as a whole is improving or deteriorating. Evaluation of the overall health of the Sheriff would extend to other nonfinancial factors such as diversification of the taxpayer base in addition to the financial information provided in this report.

The second government-wide statement is the Statement of Activities, which reports how the Sheriff's net assets changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the Sheriff's distinct activities or functions on revenues provided by the Sheriff's taxpayers.

The government-wide financial statements present governmental activities of the Sheriff that are principally supported by property taxes. The sole purpose of these governmental activities is public safety.

The government-wide financial statements are on pages 11 and 12 of the report.

**WINN PARISH SHERIFF  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
AS OF JUNE 30, 2004**

**Fund Financial Statements**

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Sheriff uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Sheriff's most significant funds rather than the Sheriff as a whole.

The Sheriff uses governmental and fiduciary funds as follows:

The governmental fund is reported in the fund financial statements and encompass the same function reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the Sheriff's governmental fund, including object classifications. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are on pages 14 to 17.

Fiduciary funds are reported in the fund financial statements only and report unsettled taxes collected for other taxing bodies, deposits held pending court action and civil matters pending dispositions. The Sheriff has fiduciary funds that are classified as an agency fund and such agency funds are the Tax Collector, Cash Bond, and Civil Fund.

The basic fiduciary fund statement of net assets is at page 18 of the report.

**Notes to the basic financial statements**

The notes to the financial statements on pages 19 to 31 provide information essential to a full understanding of 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 Sheriff's budget presentations. Budgetary comparison statements are included as "required supplementary information" for the general fund. This schedule demonstrates compliance with the Sheriff's adopted and final revised budget. See page 33 of this report for such data.

**WINN PARISH SHERIFF  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
AS OF JUNE 30, 2004**

**FINANCIAL ANALYSIS OF THE ENTITY**

The Sheriff implemented the new financial reporting model used in this report beginning with the current fiscal year ended June 30, 2004. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net assets may be observed and used to discuss the changing financial position of the Sheriff as a whole.

The Sheriff's net assets at fiscal year-end are \$1,026,274. The following table provides a summary of the Sheriff's net assets:

Summary of Net Assets		
	Governmental Activities	Percentage of Total
<b>Assets:</b>		
Current Assets	\$ 721,463	69%
Capital Assets	324,786	31%
Total Assets	1,046,249	100%
<b>Liabilities:</b>		
Current Liabilities	19,975	100%
Long-term Liabilities	0	0%
Total Liabilities	19,975	100%
<b>Net Assets:</b>		
Investment in Capital		
Assets	324,786	
Unrestricted	701,488	
Total Net Assets	\$ 1,026,274	

Overall, the Sheriff's office net assets of \$1,026,274 were lower than last year by \$163,759. The Sheriff's office has \$324,786 invested in capital assets, with no related debt associated with its capital assets. The Sheriff has no long term liabilities and its unrestricted fund balance is \$701,488.



**WINN PARISH SHERIFF  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
AS OF JUNE 30, 2004**

Since this is the first year in which government-wide information is available, comparative data is not presented. However, comparative data will be accumulated and presented to assist analysis in future years. The following table provides a summary of the Sheriff's changes in net assets:

Summary of Changes in Net Assets		
	Governmental Activities	Percentage of Total
Revenues:		
Program:		
Fines, Fees, and Charges for Services	\$ 354,450	23%
Operating Grants and Contributions	111,492	7
Capital Grants and Contributions	0	0
General:		
Property Taxes	942,929	62
State Revenue Sharing	113,862	7
Interest Earnings	9,625	1
Miscellaneous	1,595	0
Total Revenues	1,533,953	100%
Program Expenses:		
Administration	257,692	15%
Community Services	55,913	3
Civil Services	150,569	9
Criminal Investigations and Service	387,675	23
Parish Patrol	417,452	25
Prisoner Custody and Housing	228,084	13
Dispatchers and Communications	106,561	6
Other	9,828	1
Depreciation – Unallocated	83,938	5
Total Expenses	1,697,712	100%
Change in Net Assets	( 163,759)	
Beginning Net Assets	1,190,033	
Ending Net Assets	\$ 1,026,274	

**WINN PARISH SHERIFF  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
AS OF JUNE 30, 2004**

**Governmental Revenues**

The Sheriff is heavily reliant on property taxes to support its operations. Property taxes provided 62% of the Sheriff's total revenues. Program revenues covered 27% of the total operating expenses, including depreciation. This relationship means that the government's taxpayers and other providers of general revenues are funding a significant proportion of the Sheriff's operating costs.

**Governmental Functional Expenses**

The total function of the Sheriff's office is public safety activities. The activities of criminal investigations and services, parish patrol, and prisoner custody and housing, amount to 61% of total operating expenses.

**Financial Analysis of the Sheriff's Funds**

**Governmental Fund**

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported an ending fund balance of \$699,024. This unreserved, undesignated fund balance decreased by \$127,831 from the previous year, due to an excess of expenditures over revenues and other sources.

The General Fund is the Sheriff's only governmental fund.

**Budgetary Highlights**

When the original budget for the General Fund was adopted, it was anticipated that the total revenues would be \$1,514,500 and the actual results reflected a positive increase of some \$16,604. Original budgeted expenditures of \$1,574,160, were over actual expenditures by \$85,160, due primarily to increased gasoline costs, increased employer costs of retirement contributions, and increases in personnel salary costs.

**Capital Assets**

The Sheriff's investment in capital assets, net of accumulated depreciation as of June 30, 2004, decreased by \$38,392 from the previous year to \$324,786 at June 30, 2004. Note 7 to the basic financial statements presents a detail of the changes in the components of capital assets, including accumulated depreciation.

The Sheriff's largest investment in capital assets is for patrol and other departmental vehicles and such amount represents 50% of total capital assets and 39% of net capital assets.

**WINN PARISH SHERIFF  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
AS OF JUNE 30, 2004**

**CONTACTING THE WINN PARISH SHERIFF'S MANAGEMENT**

This financial report is designed to provide a general overview of the Winn Parish Sheriff's finances, comply with finance-related laws and regulations, and demonstrate the Sheriff's commitment to public accountability. If you have questions about this report or need additional financial information, contact the Sheriff's office, Mr. Wayne Melton, Chief Civil Deputy at (318) 628-4611.

## **BASIC FINANCIAL STATEMENTS**

The basic financial statements include integrated sets of financial statements as required by GASB. The sets of financial statements are as follows:

### **Government-wide Financial Statements (GWFS)**

#### **Fund Financial Statements (FFS):**

**Governmental Fund**

**Fiduciary Funds - Agency**

In addition, the notes to the basic financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

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

**WINN PARISH SHERIFF  
GOVERNMENT-WIDE FINANCIAL STATEMENTS  
STATEMENT OF NET ASSETS  
JUNE 30, 2004**

ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 669,448
Accounts Receivable	2,334
Due from Other Governmental Units	31,825
Due from Other Funds	9,658
Prepaid Expenses	8,198
Total Current Assets	<u>721,463</u>
Capital Assets (Net of Accumulated Depreciation)	<u>324,786</u>
<b>TOTAL ASSETS</b>	<b><u>1,046,249</u></b>
LIABILITIES	
Current Liabilities	
Accounts Payable	16,786
Payroll and Related Liabilities	932
Due to Other Funds	<u>2,257</u>
Total Current Liabilities	<u>19,975</u>
<b>TOTAL LIABILITIES</b>	<b><u>19,975</u></b>
NET ASSETS	
Invested in Capital Assets	324,786
Unrestricted	<u>701,488</u>
<b>TOTAL NET ASSETS</b>	<b><u>\$ 1,026,274</u></b>

The accompanying notes are an integral part of the basic financial statements.

**WINN PARISH SHERIFF  
GOVERNMENT-WIDE FINANCIAL STATEMENTS  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2004**

Activities	Expenses	Program Revenues			Net (Expense) Revenues & Changes in Net Assets Governmental Activities
		Fines, Fees, & Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	
<b>Governmental Activities:</b>					
Administration	\$ 257,692	\$	3,600		\$ ( 254,092)
Community Services	55,913	\$ 3,387	22,821		( 29,705)
Civil Services	150,569	109,096	0		( 41,473)
Criminal Investigations & Services	387,675	54,175	46,911		( 286,589)
Parish Patrol	417,452	4,219	38,160		( 375,073)
Prisoner Custody & Housing	228,084	181,873	0		( 46,211)
Dispatchers & Communications	106,561	0	0		( 106,561)
Other	9,828	1,700	0		( 8,128)
Depreciation Unallocated	83,938	0	0		( 83,938)
<b>Total</b>	<b>\$ 1,697,712</b>	<b>\$ 354,450</b>	<b>\$ 111,492</b>	<b>\$</b>	<b>(1,231,770)</b>
<b>General Revenues:</b>					
Taxes – Property					942,929
State Revenue Sharing					113,862
Interest Earnings					9,625
Miscellaneous					1,595
<b>Total General Revenues</b>					<u>1,068,011</u>
<b>Change in Net Assets</b>					( 163,759)
<b>Net Assets July 1, 2003</b>					<u>1,190,033</u>
<b>Net Assets June 30, 2004</b>					<u>\$ 1,026,274</u>

The accompanying notes are an integral part of the basic financial statements.

**FUND FINANCIAL STATEMENTS (FFS)**



**WINN PARISH SHERIFF**  
**FUND FINANCIAL STATEMENTS**  
**BALANCE SHEET**  
**GOVERNMENTAL FUND**  
**JUNE 30,2004**

<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 669,448
Accounts Receivable	2,334
Due from Other Government Units	29,361
Due from Other Funds	9,658
Prepaid Expenses	<u>8,198</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 718,999</u></b>
<b>LIABILITIES</b>	
Accounts Payable	\$ 16,786
Payroll and Related Liabilities	932
Due to Other Funds	<u>2,257</u>
<b>TOTAL LIABILITIES</b>	<b><u>19,975</u></b>
<b>FUND BALANCE</b>	
Reserved	0
Unreserved, Undesignated	<u>699,024</u>
<b>TOTAL FUND BALANCE</b>	<b><u>669,024</u></b>
 <b>TOTAL LIABILITIES AND FUND BALANCE</b>	 <b><u>\$ 718,999</u></b>

The accompanying notes are an integral part of the basic financial statements.

**WINN PARISH SHERIFF  
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET  
TO THE STATEMENT OF NET ASSETS  
JUNE 30,2004**

Fund Balances for Governmental Fund at June 30, 2004		\$ 699,024
Net Assets reported for Governmental Activities in the Statement of Net Assets is different because:		
Capital Assets used in Governmental Activities are not financial resources and therefore, are not reported in funds. Those assets consist of:		
Land	\$ 8,000	
Buildings	115,764	
Equipment and Furniture	402,557	
Vehicles	<u>525,678</u>	
Total Capital Assets	1,051,999	
Less Accumulated Depreciation	<u>727,213</u>	
Total Net Capital Assets		324,786
Long-term Assets not available for current period expenditures and therefore, not reported in funds		<u>2,464</u>
Net Assets of Governmental Activities at June 30, 2004		<u>\$ 1,026,274</u>

The accompanying notes are an integral part of the basic financial statements.

**WINN PARISH SHERIFF  
FUND FINANCIAL STATEMENTS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUND  
YEAR ENDED JUNE 30, 2004**

Revenues:	
Taxes – Ad Valorem	\$ 942,929
Intergovernmental Revenues:	
Various Grants	43,092
State Funds:	
State Revenue Sharing	113,862
State Supplemental Pay	68,400
Fees, Charges and Commissions for Service:	
Commissions on Licenses, Fines, Etc.	35,700
Civil and Criminal Fees	98,170
Feeding and Keeping Prisoners	177,780
Court Attendance	15,980
Interest Earned	9,624
Miscellaneous	25,567
Total Revenues	<u>1,531,104</u>
Expenditures:	
Public Safety (Current):	
Personal Services and Related Benefits	1,264,980
Operating Services	167,325
Materials and Supplies	168,405
Travel and Other Charges	13,064
Capital Outlay	45,546
Total Expenditures	<u>1,659,320</u>
Excess/(Deficit) of Revenues Over Expenditures	( 128,216)
Other Financing Sources – Sale of Assets	<u>385</u>
Excess/(Deficit) of Revenues and Other Sources Over Expenditures	( 127,831)
Fund Balance at July 1, 2003	<u>826,855</u>
Fund Balance at June 30, 2004	<u>\$ 699,024</u>

The accompanying notes are an integral part of the basic financial statements.

**WINN PARISH SHERIFF  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE OF THE GOVERNMENTAL FUND  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2004**

Net change in Fund Balance at June 30, 2004 per Statement of Revenues, Expenditures, and Changes in Fund Balance	\$ (127,831)
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The change in Net Assets reported for Governmental  
Activities in the Statement of Activities is different  
because:

Governmental Funds report Capital Outlays as  
expenditures. However, in the Statement of Activities,  
the costs of those assets is allocated over their estimated  
useful lives and reported as depreciation expense.

Capital Outlay which is considered an expenditure in Statement of Revenues, Expenditures, and Changes in Fund Balance	\$ 45,545
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Depreciation Expense for the year ended June 30, 2004	<u>(83,937)</u> ( 38,392)
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Revenues in Statement of Activities that do not provide current financial resources	<u>2,464</u>
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Changes in Net Assets at June 30, 2004 per Statement of Activities	<u>\$ (163,759)</u>
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The accompanying notes are an integral part of the basic financial statements.

**WINN PARISH SHERIFF  
 FUND FINANCIAL STATEMENTS  
 STATEMENT OF FIDUCIARY NET ASSETS – Agency Funds  
 JUNE 30,2004**

	<u>CIVIL</u>	<u>TAX COLLECTOR</u>	<u>CASH BOND</u>	<u>TOTAL</u>
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 0	\$ 460,928	\$ 15,247	\$ 476,175
Due from Other Funds	2,257	299	0	2,556
<b>Total Assets</b>	<u>\$ 2,257</u>	<u>\$ 461,227</u>	<u>\$ 15,247</u>	<u>\$ 478,731</u>
<b>Liabilities:</b>				
Bank Overdraft	\$ 1,958			\$ 1,958
Due to Other Funds	299	\$ 9,651	\$ 7	9,957
Due to Taxing Bodies & Others	0	451,576	15,240	466,816
<b>Total Liabilities</b>	<u>\$ 2,257</u>	<u>\$ 461,227</u>	<u>\$ 15,247</u>	<u>\$ 478,731</u>

The accompanying notes are an integral part of the basic financial statements.

**WINN PARISH SHERIFF  
WINNFIELD, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**1. A. INTRODUCTION**

**THE SHERIFF** - The Winn Parish Sheriff serves as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish as provided by the State of Louisiana Constitution of 1974 and has numerous other duties and powers as provided by law. The Sheriff administers the parish jail and exercises duties required by the parish court system, such as serving subpoenas and providing bailiffs. The Sheriff is a parish-wide elected official and serves for a term of four years upon election.

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, etcetera. 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, state revenue sharing funds, parish occupational licenses, and fines, costs, and bond forfeitures imposed by the district court.

**1. B. FINANCIAL REPORTING ENTITY**

As the governing authority of the parish, for reporting purposes, the Winn Parish Police Jury is the financial reporting entity for Winn Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's general purpose financial statements to be misleading or incomplete. Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Winn Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. 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

**WINN PARISH SHERIFF  
WINNFIELD, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS - Continued  
JUNE 30, 2004**

- 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 provides office facilities for the Sheriff, the Sheriff was determined to be fiscally dependent on the police jury and accordingly is considered to be a component unit of the Winn Parish Police Jury, the financial reporting entity. The accompanying basic 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 financial reporting entity.

#### **1. C. BASIS OF PRESENTATION**

The accompanying basic financial statements of the Winn 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 34, "Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments", issued in June 1999. As a result, an entirely new financial presentation format has been implemented.

##### Government-wide Financial Statements (GWFS)

The Statement of Net Assets and Statement of Activities display information about the reporting government as a whole. They include all funds of the Winn Parish Sheriff, which are considered to be governmental activities. Fiduciary funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

The Statement of Activities presents a comparison between direct expenses and program revenues for each of the functions of the Sheriff's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of

**WINN PARISH SHERIFF  
WINNFIELD, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS - Continued  
JUNE 30, 2004**

services offered by the Sheriff, and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements (FFS)

The accounts of the Winn Parish Sheriff are organized on the basis of funds, each of which is considered a separate accounting entity. The various funds are reported by generic fund type in the financial statements. Each fund operates with a group of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. Revenues are accounted for in the individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The following fund categories and fund types are used by the Sheriff.

Governmental Fund Type - Major

General Fund (Salary) - The General Fund is the principal fund of the Sheriff and is used to account for the operations of the Sheriff's office. This fund is used to account for the various sources of revenue received by the Sheriff's office. The Sheriff's primary source of revenue is an ad valorem tax levied for the law enforcement district. Other sources of revenue include commissions on state revenue sharing, state revenue sharing, state supplemental pay for deputies, civil and criminal fees, fees for court attendance and maintenance of prisoners. General operating expenditures are paid from this fund.

Fiduciary Fund Type

Agency Funds - The Civil, Tax Collector, and Cash Bond Funds are used to account for assets held as an agent for others. Disbursements from these funds are made to various parish agencies, litigants in suits, etcetera, in the manner prescribed by law. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations and, accordingly, have no measurement focus.

**1. D. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

The amounts reflected in the governmental fund financial statements 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 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 is then reconciled, through adjustment to a government-wide view of Sheriff operations.



**WINN PARISH SHERIFF  
WINNFIELD, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS - Continued  
JUNE 30, 2004**

The amounts reflected in the governmental fund financial statements 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. As a general guideline, 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.

The government-wide financial statements are accounted for using an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets and financial position. All assets and liabilities (whether current or non-current) associated with their activities are reported.

The government-wide financial statements are presented using the accrual basis of accounting. Under accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

#### **1. E. ASSETS, LIABILITIES, AND EQUITY**

##### Cash and Cash Equivalents

Cash and Cash Equivalents include amounts in demand deposits, interest-bearing demand deposits, and time deposits of the Sheriff. These deposits are stated at cost, which approximates market.

##### Receivables and Payables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Likewise payables consist of all expenditures due at year-end and not yet paid.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as licenses, permits and examination fees since they are usually both measurable and available. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available. At the same time, payables in governmental funds include expenditure accruals for goods and services received by year-end, but not yet paid for.

During the course of operations, numerous transactions occur between individual funds to account for the disposition of collections. Any resulting receivables and payables are classified in due from other funds and due to other funds on the balance sheet.

**WINN PARISH SHERIFF  
WINNFIELD, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS - Continued  
JUNE 30, 2004**

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 or more for capitalizing capital assets.

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

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Buildings and improvements	40
Office, equipment, and furniture	5-12
Vehicles	5

Compensated Absences

Employees of the Winn Parish Sheriff earn two weeks of vacation leave each year. Vacation leave is not cumulative and must be used during the period earned. Sick leave is granted at the Sheriff's discretion. The Sheriff has no accumulated and vested benefits related to vacation leave or sick leave, which require accrual in conformity with generally accepted accounting principles.

Equity Classifications

In the government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets.”

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

**WINN PARISH SHERIFF  
WINNFIELD, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS - Continued  
JUNE 30, 2004**

**1. F. REVENUES, EXPENDITURES, AND EXPENSES**

Government-wide Financial Statements

Program revenues included in the Statement of Activities are derived directly from the program itself or from other parties. Program revenues reduce the cost of the function to be financed from the Sheriff's general revenues.

General revenues are all other revenues not directly related to a program or activity and include the following:

Ad valorem taxes and the related state revenue sharing (which is based on population and homesteads in the parish) are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due 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.

Interest Income and other miscellaneous revenue sources.

Expenses are classified by the direct activities to which they are related, except for depreciation, which is unallocated to any of the activities and programs of the Sheriff.

Fund Financial Statements

Revenues are reflected in the fund financial statements by type of the major revenue sources.

Expenditures are reflected in the fund financial statements by the nature of the expenditure.

Other Financing Sources - Proceeds from the sale of fixed assets are accounted for as other financing sources and is recognized when received.

Grant revenues in both the GWFS and FFS are recognized when the Sheriff is entitled to the funds.

**1. G. BUDGET AND BUDGETARY ACCOUNTING**

The proposed budget for the General Fund for the fiscal year ended June 30, 2004 was made available for public inspection on May 28, 2003. The proposed budget was prepared by the Chief Civil Deputy, was on the modified accrual basis of accounting, and was published in the official journal ten (10) days prior to the public hearing. A public hearing on the proposed budget for the fiscal year ended June 30, 2004, was held at the Winn Parish Sheriff's Office on June 10, 2003 for comments from taxpayers. The Sheriff legally adopted the budget, after the public hearing.

**WINN PARISH SHERIFF  
WINNFIELD, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS - Continued  
JUNE 30, 2004**

The budget was subsequently amended, after publication of amended budgeted amounts.

Neither encumbrance accounting nor formal integration of the budget into the accounting records is employed as a management device. However, periodic comparisons of budget and actual amounts are made.

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

Budgeted amounts included in the required supplementary information to these financial statements are as originally adopted and finally amended.

**1. H. ESTIMATES**

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the current period. Actual results could differ from those estimates.

**1. I. REPORT CLASSIFICATION**

Certain previously reported amounts for the year ended June 30, 2003, have been reclassified to conform to the June 30, 2004 classifications.

**WINN PARISH SHERIFF  
WINNFIELD, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS - Continued  
JUNE 30, 2004**

**NOTE 2. CHANGES IN ACCOUNTING PRINCIPLES**

For the year ended June 30, 2004, the Sheriff has implemented GASB Statement No. 34, *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments*. GASB Statement No. 34 creates new basic financial statement for reporting on the Sheriff’s financial activities. The financial statements now include government-wide financial statements prepared on the accrual basis of accounting, and fund financial statements which present information for individual major funds rather than by fund type which has been the mode of presentation in previously issued financial statements. The Sheriff also implemented GASB Statement No. 38, *Certain Financial Statement Disclosures*, and Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*.

The implementation of GASB Statement No. 34 caused the opening fund balance at June 30, 2003 to be restated in terms of “net assets” as follows:

Total fund balances—Governmental Funds At June 30, 2003		\$ 826,855
Add: Cost of capital assets at June 30, 2003	\$ 1,006,453	
Less: Accumulated depreciation at June 30, 2003	<u>( 643,275)</u>	<u>363,178</u>
Net assets at June 30, 2003		<u>\$ 1,190,033</u>

**NOTE 3. AD VALOREM TAXES**

The Sheriff is the ex-officio tax collector of the parish and is responsible for the collection and distribution of ad valorem taxes. Ad valorem taxes attach as an enforceable lien on property as of January 1 of the following year. The taxes are based on assessed values determined by the Winn Parish Tax Assessor and are collected by the Sheriff. The taxes are remitted to the appropriate taxing bodies net of deductions for assessor’s compensation and pension fund contributions.

The following is a summary of authorized and levied ad valorem taxes:

	<u>Authorized Millage</u>	<u>Levied Millage</u>
Law Enforcement District # 1	11.90	11.90
Law Enforcement District # 2	9.40	9.40

The District # 1 millage was established by the Louisiana constitution and does not expire while the District # 2 millage expires in the year 2010, as voted by electors in Winn Parish on July 15, 2000.

At June 30, 2004, the Winn Parish Sheriff had no ad valorem taxes receivable.

**WINN PARISH SHERIFF  
WINNFIELD, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS - Continued  
JUNE 30, 2004**

The following are the principal taxpayers for the parish:

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation</u>	<u>Percent of Total Assessed Valuation</u>
Weyerhaeuser	Timber	\$ 5,645,330	9.15 %
Entergy	Public Utility	3,956,420	6.41
West Fraser (South), Inc.	Timber	3,260,740	5.29
Plum Creek Southern Timber	Timber	1,873,760	3.04
BellSouth	Public Utility	1,552,820	2.52
Totals		<u>\$ 16,289,070</u>	<u>26.41 %</u>

**NOTE 4. 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 their principal offices in Louisiana. Tax collections must be deposited in a bank domiciled in the parish where the funds are collected.

At June 30, 2004, the carrying amount of the Sheriff's cash and cash equivalents totaled \$1,145,623 as follows:

	<u>GWFS Statement of Net Assets</u>	<u>Fiduciary Funds Statement of Net Assets</u>	<u>Total</u>
Demand Deposits	\$ 65,708	\$ 67,918	\$ 133,626
Interest-bearing Deposits		15,247	15,247
Time Deposits	602,080	393,010	995,090
Petty Cash Funds	1,660		1,660
Total Cash & Cash Equivalents	<u>\$ 669,448</u>	<u>\$ 476,175</u>	<u>\$ 1,145,623</u>

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 financial institution. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the financial institution. At June 30, 2004, the bank balance of the Sheriff's deposits with financial institutions was \$1,167,893. Of the bank balance, \$215,603 was covered by federal depository insurance and \$952,590 was covered by the pledge of securities owned by the depository bank. These securities, which have a total market value of \$1,686,076, are held in the name of the pledging bank in a custodial bank that is mutually acceptable to both parties.

**WINN PARISH SHERIFF  
WINNFIELD, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS - Continued  
JUNE 30, 2004**

The pledged securities are considered uncollateralized under the provisions of GASB Statement No. 3; however, Louisiana Revised Statutes impose 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 pledging bank has failed to pay deposited funds upon demand.

**NOTE 5. DUE FROM OTHER GOVERNMENTAL UNITS**

Individual balances due from other governmental units at June 30, 2004 are as follows:

	GWFS Amount	FFS Amount
State of Louisiana Department of Treasury	\$ 21,181	\$ 21,181
U S Forest Service	2,464	
Winn Parish Police Jury	5,578	5,578
Louisiana Department of Revenue	1,674	1,674
City of Winnfield	335	335
LA Sheriff's Pension & Relief Fund	593	593
Total	<u>\$ 31,825</u>	<u>\$ 29,361</u>

At June 30, 2004, no allowance for doubtful accounts was required, since all amounts were deemed collectible.

**NOTE 6. DUE FROM/TO OTHER FUNDS**

At June 30, 2004 amounts due from and to other Sheriff funds are as follows:

Fund	Due From	Due To
General	\$ 9,658	\$ 2,257
Civil	2,257	299
Tax Collector	299	9,651
Cash Bond	0	7
Totals	<u>\$ 12,214</u>	<u>\$ 12,214</u>

The interfund balances resulted from normal settlements between funds.

**WINN PARISH SHERIFF  
WINNFIELD, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS - Continued  
JUNE 30, 2004**

**NOTE 7. CAPITAL ASSETS**

A summary of the changes in capital assets for the year ended June 30, 2004 is as follows:

	<u>Balance</u> 07/01/03	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> 06/30/04
Governmental Activities:				
Capital Assets not depreciated:				
Land	\$ 8,000			\$ 8,000
Other Capital Assets:				
Buildings	115,764			115,764
Equipment and Furniture	396,846	\$ 5,711		402,557
Vehicles	485,843	39,835		525,678
		<u>45,546</u>		
Totals	1,006,453	<u>\$ 45,546</u>	<u>-</u>	1,051,999
Less Accumulated Depreciation	<u>( 643,275)</u>	<u>\$ (83,938)</u>	<u>-</u>	<u>( 727,213)</u>
Governmental Activities, Capital Assets, net	<u>\$ 363,178</u>			<u>\$ 324,786</u>

Depreciation expense in the amount of \$ 83,938 was not allocated to the Sheriff's governmental activities.

**NOTE 8. EMPLOYEE RETIREMENT SYSTEM**

Substantially all full-time employees of the Winn Parish Sheriff participate in the Louisiana Sheriffs' Pension and Relief Fund ("System"). The Sheriffs' Pension and Relief Fund is a multiple employer (cost-sharing), statewide public employee retirement system (PERS) that is administrated and controlled by a separate board of trustees.

Plan Description - All sheriffs, deputies, and other employees who are found to be physically fit, who earn at least \$400 to \$800 per month depending on year employed, and who were at least age 18 years 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 3.33 percent for each year of total service. 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



**WINN PARISH SHERIFF  
WINNFIELD, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS - Continued  
JUNE 30, 2004**

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 supplemental information for the System. That report may be obtained by writing to the Louisiana Sheriffs' Pension and Relief Fund, 6554 Fla. Blvd., Suite 215, Baton Rouge, LA 70806 or by calling (800) 586-9049.

Funding Policy - Contributions to the System 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. State statute requires covered employees to contribute a percentage of their salaries to the System and such percentage is presently 9.8%. 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 current rate for employers is 9.25%. The Winn Parish Sheriff's contributions to the System for the years ended June 30, 2004, 2003, and 2002 were \$78,427, \$61,736, and \$60,042, respectively, and were equal to the required contribution for each year.

**NOTE 9. POSTRETIREMENT BENEFITS**

The Winn Parish Sheriff provides group health, dental, and life insurance benefits to retirees who are at least 55 years of age and who are entitled to receive benefits from the Louisiana Sheriff's Pension and Relief Fund. The fiscal year cost of these benefits, which were established by legislative act in the year 2001, was \$14,031. The retired employees contributed \$7,111 through withholdings remitted to the Sheriff from the Louisiana Sheriff's Pension and Relief Fund. At June 30, 2004, 5 retired employees were participants and the benefits were financed on a pay-as-you-go basis.

**NOTE 10. CHANGES IN FIDUCIARY FUND TYPE - AGENCY FUND BALANCES**

The following is a summary of changes in agency fund unsettled balances for the year ended June 30, 2004:

Funds	Balance			Balance June 30, 2004
	July 1, 2003	Additions	Reductions	
Civil	\$ 2,209	\$ 425,287	\$ 425,239	\$ 2,257
Tax Collector	343,048	5,809,179	5,691,000	461,227
Cash Bond	13,266	151,106	149,125	15,247
Totals	\$ 358,523	\$ 6,385,572	\$ 6,265,364	\$ 478,731

**WINN PARISH SHERIFF  
WINNFIELD, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS - Continued  
JUNE 30, 2004**

**NOTE 11. EXPENDITURES MADE AND SERVICES PROVIDED BY WINN PARISH POLICE JURY**

The Winn Parish Police Jury provided the Sheriff with office facilities and the related utility costs for such facilities and, accordingly, such expenditures are not included in the accompanying basic financial statements.

**NOTE 12. TAXES PAID UNDER PROTEST**

The unsettled balance due to taxing bodies and others at June 30, 2004 of the Tax Collector Fund, as reflected in Note 10, includes \$ 299,150 of taxes paid under protest, plus interest earned to date on the investment of these funds of \$10,540. These funds are being held pending resolution of the protest by the Louisiana Tax Commission.

**NOTE 13. LITIGATION**

The Winn Parish Sheriff was not involved in any litigation at June 30, 2004, that in the opinion of the Sheriff, would materially affect the basic financial statements regardless of the outcome of the claims.

**NOTE 14. RISK MANAGEMENT**

The Sheriff is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Winn Parish Sheriff maintains commercial insurance covering each of the major risks of loss. The Sheriff believes such coverage is sufficient to preclude significant uninsured losses to the Sheriff. In the past three years, no claims or losses have exceeded the insurance coverage.

**NOTE 15. OTHER DISCLOSURES**

There were no subsequent events, leases, general long-term obligations, or related party transactions that require disclosure in these notes to the June 30, 2004 basic financial statements.

## **REQUIRED SUPPLEMENTARY INFORMATION**

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedule – General Fund

**WINN PARISH SHERIFF  
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND  
YEAR ENDED JUNE 30, 2004**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
Revenues:				
Taxes – Ad Valorem	\$ 951,000	\$ 944,310	\$ 942,929	\$ ( 1,381)
Intergovernmental Revenues:				
Various Grants	45,000	35,000	43,092	8,092
State Funds:				
State Revenue Sharing	114,450	113,800	113,862	62
State Supplemental Pay	68,400	68,400	68,400	0
Fees, Charges and Commissions for Service:				
Commissions on Licenses, Fines, Etc.	23,250	30,550	35,700	5,150
Civil and Criminal Fees	87,700	102,360	98,170	( 4,190)
Feeding and Keeping Prisoners	174,200	167,925	177,780	9,855
Court Attendance	12,500	15,300	15,980	680
Interest Earnings	15,000	11,300	9,624	( 1,676)
Miscellaneous	23,000	22,610	25,567	2,957
Total Revenues	<u>1,514,500</u>	<u>1,511,555</u>	<u>1,531,104</u>	<u>19,549</u>
Expenditures:				
Public Safety (Current):				
Personal Services and Related Benefits	1,211,360	1,262,675	1,264,980	( 2,305)
Operating Services	158,900	155,595	167,325	(11,730)
Materials and Supplies	138,550	170,498	168,405	2,093
Travel and Other Charges	12,350	10,765	13,064	( 2,299)
Capital Outlay	53,000	47,100	45,546	1,554
Total Expenditures	<u>1,574,160</u>	<u>1,646,633</u>	<u>1,659,320</u>	<u>(12,687)</u>
Excess/(Deficit) of Revenues Over Expenditures	(59,660)	( 135,078)	( 128,216)	6,862
Other Financing Sources – Sale of Assets	<u>5,000</u>	<u>385</u>	<u>385</u>	<u>0</u>
Excess/(Deficit) of Revenues and Other Sources Over Expenditures	(54,660)	( 134,693)	( 127,831)	6,862
Fund Balance at July 1, 2003	<u>826,855</u>	<u>826,855</u>	<u>826,855</u>	<u>0</u>
Fund Balance at June 30, 2004	<u>\$ 772,195</u>	<u>\$ 692,162</u>	<u>\$ 699,024</u>	<u>\$ 6,862</u>

**OTHER SUPPLEMENTARY INFORMATION**

**FIDUCIARY FUND TYPE – AGENCY FUNDS**

**Civil Fund** - The Civil Fund is used as a depository for the collection and distribution of funds in connection with civil suits, sheriff's sales, garnishments, etc.

**Tax Collector Fund** - As the ex-officio tax collector of the parish, the sheriff is responsible for the collection and distribution of ad valorem property taxes, state revenue sharing funds, parish licenses, and fines, costs, and bond forfeitures imposed by the district court. The Tax Collector Fund is used to collect and distribute these taxes and fees to the appropriate taxing bodies.

**Cash Bond Fund** - The Cash Bond Fund is used as a depository for the collection of cash bonds. Upon order of the district court, these funds are either refunded to the litigant or transferred to the Tax Collector Fund for distribution to the proper recipients in accordance with applicable laws.

**WINN PARISH SHERIFF  
STATEMENT OF COLLECTIONS, DISTRIBUTIONS, AND UNSETTLED DEPOSITS  
AGENCY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2004**

	<u>CIVIL</u>	<u>TAX COLLECTOR</u>	<u>CASH BOND</u>
Unsettled Balances, July 1, 2003	\$ 2,209	\$ 343,048	\$ 13,266
Additions (Deposits):			
Sheriff's Sales	299,101		
Fines, Forfeitures, and Costs		291,893	150,790
Garnishments	72,187		
Other Deposits	53,999	40,744	316
Ad Valorem Taxes		5,055,278	
State Revenue Sharing		343,244	
Parish Licenses		78,020	
Total Additions	<u>425,287</u>	<u>5,809,179</u>	<u>151,106</u>
Reductions (Deposits Settled):			
North Louisiana Crime Lab		13,430	
Louisiana Forestry Commission		29,648	
Winn Parish:			
Sheriff's General Fund	74,831	1,116,506	100
Sheriff's Tax Collector Fund			147,322
Police Jury		991,719	
School Board		2,311,703	
Clerk of Court		47,330	
Assessor		261,054	
Fire District #3		564,189	
Winn Criminal Court		66,081	
Eighth Judicial District:			
District Attorney		24,397	
District Court		47,769	
Indigent Defender Board		32,578	
Pension Funds		151,044	
Other Sheriffs	2,558		
Litigants	221,388		
Garnishors	62,018		
Redemption Deeds	20,885		
Others	43,559	33,552	1,703
Total Reductions	<u>425,239</u>	<u>5,691,000</u>	<u>149,125</u>
Unsettled Balances at June 30, 2004	<u>\$ 2,257</u>	<u>\$ 461,227</u>	<u>\$ 15,247</u>

## **OTHER REPORTS REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

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

# WHITE & BATES

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LAWRENCE I. WHITE, C.P.A.

STEVEN F. BATES, C.P.A.

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

To the Honorable James E. "Buddy" Jordan,  
Winn Parish Sheriff, Winnfield, Louisiana

September 10, 2004

We have audited the basic financial statements of the **Winn Parish Sheriff**, a component unit of the Winn Parish Police Jury, as of and for the year ended June 30, 2004, and have issued our report thereon dated September 10, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Louisiana Governmental Audit Guide*.

### *Compliance*

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

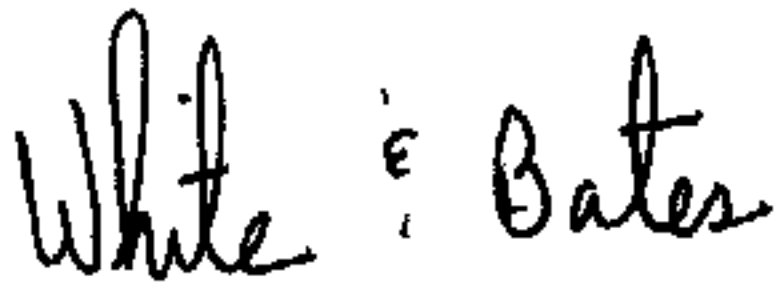
### *Internal Control Over Financial Reporting*

In planning and performing our audit, we considered the **Winn Parish Sheriff's** internal control over financial reporting to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide assurance on the internal control over financial reporting. Our 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 basic 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving internal control over financial reporting that we have reported to the **Winn Parish Sheriff** in a separate letter dated September 10, 2004.

This report is intended for the information and use of the **Winn Parish Sheriff**, its management, and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than those specified parties. By provisions of state law, this report is a public document, and it has been distributed to appropriate officials.

A handwritten signature in cursive script that reads "White & Bates".

**White & Bates**  
**Winnfield, Louisiana**  
**September 10, 2004**

**WINN PARISH SHERIFF  
SCHEDULE OF FINDINGS  
YEAR ENDED JUNE 30, 2004**

A. SUMMARY OF AUDIT RESULTS

BASIC FINANCIAL STATEMENTS:

1. An unqualified opinion was issued on the basic financial statements of the Winn Parish Sheriff as of and for the year ended June 30, 2004.
2. The audit of the basic financial statements disclosed no material weaknesses and no reportable conditions were identified in internal control over financial reporting.
3. The audit of the basic financial statements disclosed no instances of noncompliance required to be reported under Government Auditing Standards.

B. FINDINGS - FINANCIAL STATEMENT AUDIT

NONE

## WINN PARISH SHERIFF

### SCHEDULE OF PRIOR YEAR AUDIT FINDINGS Year Ended June 30, 2004

June 30, 2003 Financial Statement Audit Instances of Noncompliance and Reportable Conditions

#### Compliance Findings

##### 1. BUDGETED EXPENDITURES

**Finding** - Louisiana Revised Statutes 39:1311 requires the governing authority to amend its budget when revenues fail to meet budgeted revenues or when expenditures exceed budgeted expenditures by five percent or more. The actual expenditures of the Winn Parish Sheriff for the year ended June 30, 2003 exceeded amended budgeted expenditures by more than 5%, primarily due to supplemental pay for deputies not being included in amended budgeted amounts.

**Recommendation** - The management of the Winn Parish Sheriff should closely monitor and reconcile amended budget changes to original budgeted amounts to insure that expenditures comply with Louisiana Revised Statute 39:1311.

**Current Status** - The Winn Parish Sheriff has closely monitored and reconciled both original and amended budgets to insure that Louisiana Revised Statutes regarding budgeting are being complied with.

##### 2. ADJUDICATED PROPERTY

**Finding** - The Winn Parish Sheriff, upon approval of the Winn Parish Police Jury, prepared property redemptions on previously adjudicated property in September 2002 on certain parcels of property. Such property redemptions have been the subject of a Louisiana Legislative Auditor investigative report. Such report was issued on May 14, 2003 and the report contains various findings and recommendations that relate to the Winn Parish Sheriff Office handling of redemptions of previously adjudicated property.

**Recommendation** - The Winn Parish Sheriff should consider the recommendations cited in the May 14, 2003 Louisiana Legislative Auditor Investigative Report related to property redemption procedures to insure that property redemptions comply with existing Louisiana Revised Statutes.

**Current Status** - The Winn Parish Sheriff adopted the property redemption procedures cited by the Louisiana Legislative Auditor report and will seek legal guidance in any property redemptions that are of an unusual nature.

# WHITE & BATES

CERTIFIED PUBLIC ACCOUNTANTS  
203 NORTH ABEL STREET  
P. O. BOX 1397  
WINNFIELD, LA 71483

(318) 628-3985  
FAX (318) 628-3988

LAWRENCE J. WHITE, C.P.A.

STEVEN F. BATES, C.P.A.

September 10, 2004

James E. "Buddy" Jordan  
Winn Parish Sheriff  
119 West Main Street  
Winnfield, LA 71483

Dear Sheriff Jordan:

In planning and performing our audit of the basic financial statements of the Winn Parish Sheriff, a component unit of the Winn Parish Police Jury, as of and for the year ended June 30, 2004, we considered the Sheriff's internal control over financial reporting to determine our auditing procedures for the purpose of expressing an opinion on the basic financial statements and not to provide assurance on the internal control over financial reporting. We also performed tests of the Sheriff's compliance with certain provisions of law, regulations, contracts, and grants for the purpose of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement and not to provide an opinion on the overall compliance with such provisions.

During the course of our audit we became aware of certain matters that we believe are opportunities for strengthening the internal control over financial reporting, improving compliance with certain laws and regulations, and for obtaining increased utilization of resources and operating efficiency. The following items in this letter summarize our comments and suggestions and do not affect our reports dated September 10, 2004 on the basic financial statements or any of the related reports in such examination.

## 1. Civil Fund – Unsettled Deposits

**Facts** – The Civil Fund has checks and balances inherent in the Fund that provide the means to maintain an accounting of the amount of unsettled balances due to the Winn Parish Sheriff, other governmental bodies, and the parties to civil matters.

**Findings** – The Civil Fund bank reconciliation is not being prepared in an accurate or timely manner and is not being used as a control for the disposition of unsettled deposits.

**Recommendation** – Wayne Melton, Chief Civil Deputy, should review the Civil Fund bank reconciliation each month to insure that such is accurately prepared and that the unsettled deposits are in balance with such account reconciliation. In addition, the Chief Civil Deputy should approve the monthly distribution of Civil Fees to the Winn Parish Sheriff General Fund by reference to monthly receipt and distribution worksheets prior to settlement check being issued.

## 2. Cash Bond Fund – Unsettled Deposits

**Facts** – The Cash Bond Fund listing of unsettled cash bonds should be in agreement with the amount of cash per bank reconciliation due to the nature of this agency fund.

**Findings** – The Cash Bond Fund cash balance per bank account reconciliation is in excess of the unsettled cash bond listing due to the unsettled cash bond listing not being reconciled to the cash per bank reconciliation. This situation has occurred due to cash bond forfeitures being properly removed from the outstanding listing, but inadvertently not being transferred to the Tax Collector Fund for distribution to appropriate authorities.

**Recommendation** – The unsettled cash bond listing should be agreed to the cash per bank reconciliation each month and any differences noted should be resolved. The excess of cash over existing unsettled deposits that exist at present, should be researched to locate the settled, but non-transferred amounts.

## 3. Cash Bond Fund – Outstanding Fines

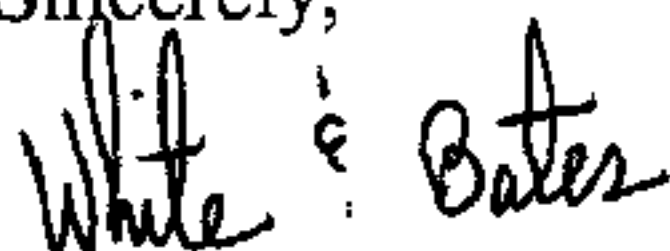
**Facts** – The Cash Bond Fund accounts for fines and costs that have been assessed by the District Court, but remain unpaid. Such listing is a computerized document by individual and docket number.

**Findings** – The Cash Bond Fund listing of unpaid fines and costs has grown in both length and amount due to the absence of a coordinated and ongoing collection plan between the Winn Parish Sheriff, Winn Parish District Attorney, and the Eighth Judicial District Judge.

**Recommendation** – A coordinated and ongoing collection plan should be developed between the Winn Parish Sheriff, Winn Parish District Attorney, and Eighth Judicial District Judge to reduce the amount of uncollected fines and court costs and to insure that collection efforts by the Winn Parish Sheriff are supported by both legal and judicial remedies.

Should you have any questions or desire additional data on the above noted matters, we will be pleased to discuss such with you.

Sincerely,



White & Bates



# Winn Parish Sheriff's Department

J. E. "BUDDY" JORDAN  
Sheriff and Ex-Officio Tax Collector

P. O. Box 950 Winnfield, LA 71483  
Phone: (318) 628-4611

G. E. DAVIES  
Chief Criminal Deputy

M. W. MELTON  
Chief Civil Deputy

## CORRECTIVE ACTION PLAN

September 27, 2004

The Winn Parish Sheriff respectfully submits the following corrective action plan for the year ended June 30, 2004, Management Letter comments.

Name and address of independent public accounting firm:

White & Bates  
203 North Abel Street  
Winnfield, LA 71483

Audit Period: Year ended June 30, 2004

The management letter comments from the June 30, 2004 audit of the basic financial statements are discussed below.

Management Letter Comments

### 1. Civil Fund – Unsettled Deposits

**Facts** – The Civil Fund has checks and balances inherent in the Fund that provide the means to maintain an accounting of the amount of unsettled balances due to the Winn Parish Sheriff, other governmental bodies, and the parties to civil matters.

**Findings** – The Civil Fund bank reconciliation is not being prepared in an accurate or timely manner and is not being used as a control for the disposition of unsettled deposits.

**Recommendation** – Wayne Melton, Chief Civil Deputy, should review the Civil Fund bank reconciliation each month to insure that such is accurately prepared and that the unsettled deposits are in balance with such account reconciliation. In addition, the Chief Civil Deputy should approve the monthly distribution of Civil Fees to the Winn Parish Sheriff General Fund by reference to monthly receipt and distribution worksheets prior to settlement check being issued.

**Action Taken** – Wayne Melton, Chief Civil Deputy, will review the Civil Fund bank reconciliation each month and will approve the monthly distribution of Civil Fees to the Winn Parish Sheriff General Fund prior to settlement check being issued.

## **2. Cash Bond Fund – Unsettled Deposits**

**Facts** – The Cash Bond Fund listing of unsettled cash bonds should be in agreement with the amount of cash per bank reconciliation due to the nature of this agency fund.

**Findings** – The Cash Bond Fund cash balance per bank account reconciliation is in excess of the unsettled cash bond listing due to the unsettled cash bond listing not being reconciled to the cash per bank reconciliation. This situation has occurred due to cash bond forfeitures being properly removed from the outstanding listing, but inadvertently not being transferred to the Tax Collector Fund for distribution to appropriate authorities.

**Recommendation** – The unsettled cash bond listing should be agreed to the cash per bank reconciliation each month and any differences noted should be resolved. The excess of cash over existing unsettled deposits that exist at present, should be researched to locate the settled, but non-transferred amounts.

**Action Taken** – The unsettled cash bond listing will be reconciled each month to the bank reconciliation and the excess of cash over the unsettled cash bond listing will be researched to locate settled, but non-transferred amounts.

## **3. Cash Bond Fund – Outstanding Fines**

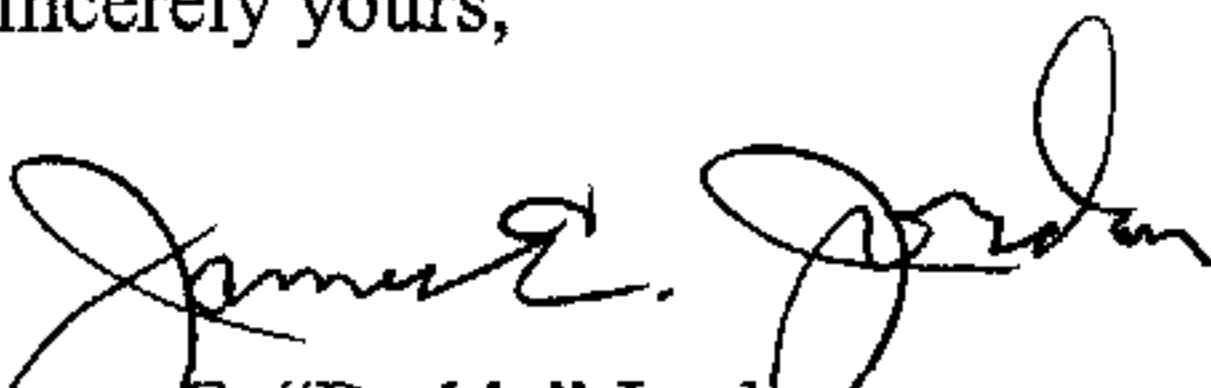
**Facts** – The Cash Bond Fund accounts for fines and costs that have been assessed by the District Court, but remain unpaid. Such listing is a computerized document by individual and docket number.

**Findings** – The Cash Bond Fund listing of unpaid fines and costs has grown in both length and amount due to the absence of a coordinated and ongoing collection plan between the Winn Parish Sheriff, Winn Parish District Attorney, and the Eighth Judicial District Judge.

**Recommendation** – A coordinated and ongoing collection plan should be developed between the Winn Parish Sheriff, Winn Parish District Attorney, and Eighth Judicial District Judge to reduce the amount of uncollected fines and court costs and to insure that collection efforts by the Winn Parish Sheriff are supported by both legal and judicial remedies.

**Action Taken** - The Winn Parish Sheriff will work with the Winn Parish District Attorney and the Eighth Judicial District Judge to develop a coordinated collection plan on unpaid fines and court costs.

Sincerely yours,

  
James E. "Buddy" Jordan  
Winn Parish Sheriff