

AVOYELLES PARISH SHERIFF

Marksville, Louisiana

Financial Report

Year Ended June 30, 2012

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INDEPENDENT AUDITORS' REPORT

The Honorable Douglas Anderson
Avoyelles Parish Sheriff
Marksville, Louisiana

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Avoyelles Parish Sheriff (Sheriff) as of and for the year ended June 30, 2012, which collectively comprise the Sheriff's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Avoyelles Parish Sheriff. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Avoyelles Parish Sheriff as of June 30, 2012, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 19, 2012 on our consideration of the Avoyelles Parish Sheriff's internal control over financial reporting and on our tests of its compliance with certain laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information and schedule of funding progress on pages 42 through 44 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Avoyelles Parish Sheriff has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Avoyelles Parish Sheriff's financial statements as a whole. The other supplementary information on pages 47 through 53 is presented for purposes of additional analysis and is not a required part of the financial statements. This information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
November 19, 2012

BASIC FINANCIAL STATEMENTS

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

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Statement of Net Assets
June 30, 2012

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and interest-bearing deposits	\$ 403,700	\$ 11,997	\$ 415,697
Cash with paying agent	245,644	-	245,644
Receivables	70,040	-	70,040
Due from other governmental agencies	507,087	-	507,087
Inventory	15,099	45,694	60,793
Other assets	47,582	-	47,582
Capital assets:			
Land	174,400	-	174,400
Capital assets, net	<u>4,721,182</u>	<u>100,998</u>	<u>4,822,180</u>
Total assets	<u>6,184,734</u>	<u>158,689</u>	<u>6,343,423</u>
LIABILITIES			
Accounts and other accrued payables	25,930	-	25,930
Interest payable	16,516	-	16,516
Internal balances	(1,145)	1,145	-
Long-term liabilities:			
Due within one year	348,192	-	348,192
Due after one year	<u>3,725,774</u>	<u>-</u>	<u>3,725,774</u>
Total liabilities	<u>4,115,267</u>	<u>1,145</u>	<u>4,116,412</u>
NET ASSETS			
Invested in capital assets, net of related debt	3,665,582	100,998	3,766,580
Restricted	339,522	-	339,522
Unrestricted (deficit)	<u>(1,387,000)</u>	<u>56,546</u>	<u>(1,330,454)</u>
Total net assets	<u>\$ 2,069,467</u>	<u>\$ 157,544</u>	<u>\$ 2,227,011</u>

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

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Statement of Activities
For the Year Ended June 30, 2012

Activities	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Assets		
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
Public safety	\$ 15,594,156	\$ 9,282,148	\$ 548,637	\$ -	\$ (5,763,371)	\$ -	\$ (5,763,371)
Interest on long-term debt	61,308	-	-	-	(61,308)	-	(61,308)
Total governmental activities	<u>15,655,464</u>	<u>9,282,148</u>	<u>548,637</u>	<u>-</u>	<u>(5,824,679)</u>	<u>-</u>	<u>(5,824,679)</u>
Business-type activities:							
Commissary	466,988	695,031	-	-	-	228,043	228,043
Total business-type activities	<u>466,988</u>	<u>695,031</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>228,043</u>	<u>228,043</u>
Total	<u>\$ 16,122,452</u>	<u>\$ 9,977,179</u>	<u>\$ 548,637</u>	<u>\$ -</u>	<u>\$ (5,824,679)</u>	<u>\$ 228,043</u>	<u>\$ (5,596,636)</u>
General revenues:							
Taxes -							
Property taxes, levied for general purposes					681,926	-	681,926
Sales and use taxes, levied for general purposes					2,206,953	-	2,206,953
State revenue sharing					123,865	-	123,865
Grants and contributions not restricted to specific programs -							
Federal sources					33,575	-	33,575
State sources					71,269	-	71,269
Interest and investment earnings					4,203	255	4,458
Miscellaneous					1,678,503	-	1,678,503
Transfers					271,463	(271,463)	-
Total general revenues and transfers					<u>5,071,757</u>	<u>(271,208)</u>	<u>4,800,549</u>
Change in net assets					(752,922)	(43,165)	(796,087)
Net assets - July 01, 2011					<u>2,822,389</u>	<u>200,709</u>	<u>3,023,098</u>
Net assets - June 30, 2012					<u>\$ 2,069,467</u>	<u>\$ 157,544</u>	<u>\$ 2,227,011</u>

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

FUND FINANCIAL STATEMENTS (FFS)

MAJOR FUND DESCRIPTIONS

General Fund

To account for resources traditionally associated with governments which are not required to be accounted for in another fund.

Special Revenue Fund

1994 Sales Tax Fund

To account for the receipt and use of proceeds of the Sheriff's 1994 one-half percent sales and use tax. These taxes are dedicated to the following purposes: establishing, acquiring, constructing, improving, maintaining, staffing and operating equipment and facilities necessary to provide enhanced 911 emergency telephone, ambulance, dispatch and other services for the benefit of the residents of the Parish.

Debt Service Fund

Sales Tax Bond Sinking and Reserve

To accumulate monies for repayment of the \$1,460,000 Sales Tax Bonds, Series 2004, interest due semi-annually at 4.0 to 6.5 percent and for repayment of the \$500,000 Certificates of Indebtedness, Series 2007, interest due semi-annually at 4.22%. Payments are derived from the one-half cent sales and use tax approved by the voters on November 19, 1992.

Enterprise Fund

Commissary Fund

To account for the provision of a commissary to the parish inmates housed by the Sheriff. All activities necessary to provide such services are accounted for in this fund.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Balance Sheet - Governmental Funds
June 30, 2012

	General	1994 Sales Tax	Sales Tax Bonds	Total
ASSETS				
Cash and interest-bearing deposits	\$ 169,762	\$ 123,544	\$ 110,394	\$ 403,700
Cash with paying agent	-	-	245,644	245,644
Receivables:				
Due from other governmental agencies	315,812	191,275	-	507,087
Due from other funds	126,145	-	-	126,145
Other	70,040	-	-	70,040
Inventory	15,099	-	-	15,099
Other assets	47,582	-	-	47,582
Total assets	<u>\$ 744,440</u>	<u>\$314,819</u>	<u>\$356,038</u>	<u>\$1,415,297</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 23,741	\$ 2,189	\$ -	\$ 25,930
Due to other funds	-	125,000	-	125,000
Total liabilities	<u>23,741</u>	<u>127,189</u>	<u>-</u>	<u>150,930</u>
Fund balances -				
Nonspendable	62,631	-	-	62,631
Restricted	-	187,630	356,038	543,668
Unassigned	658,068	-	-	658,068
Total fund balances	<u>720,699</u>	<u>187,630</u>	<u>356,038</u>	<u>1,264,367</u>
Total liabilities and fund balances	<u>\$ 744,440</u>	<u>\$ 314,819</u>	<u>\$356,038</u>	<u>\$1,415,297</u>

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

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
June 30, 2012

Total fund balances for governmental funds at June 30, 2012			\$ 1,264,367
Total 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 the funds. Those assets consist of:			
Land		\$ 174,400	
Buildings and improvements, net of \$1,770,458 accumulated depreciation		3,680,879	
Equipment and furniture, net of \$2,139,579 accumulated depreciation		650,031	
Vehicles, net of \$655,321 accumulated depreciation		<u>390,272</u>	4,895,582
Long-term liabilities at June 30, 2012:			
Certificates of indebtedness payable		\$ (320,000)	
Sales tax bonds payable		(891,908)	
Acadian Ambulance debt		(205,929)	
Accrued interest payable		(16,516)	
Net OPEB obligation		<u>(2,656,129)</u>	<u>(4,090,482)</u>
Total net assets of governmental activities June 30, 2012			<u>\$ 2,069,467</u>

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

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds
Year Ended June 30, 2012

	General	1994 Sales Tax	Sales Tax Bonds	Total
Revenues:				
Ad valorem taxes	\$ 681,926	\$ -	\$ -	\$ 681,926
Sales taxes	-	1,990,953	216,000	2,206,953
Intergovernmental revenues -				
Federal grants	33,575	-	-	33,575
State grants:				
State revenue sharing (net)	123,865	-	-	123,865
State supplemental pay	302,929	-	-	302,929
Other	42,096	29,173	-	71,269
Fees, charges, and commissions for services -				
Civil and criminal	439,608	-	-	439,608
Feeding and keeping prisoners	8,842,540	-	-	8,842,540
Miscellaneous -				
Indian affairs	245,708	-	-	245,708
Work release program	864,349	-	-	864,349
Telephone commissions	313,265	-	-	313,265
Other	458,364	46,495	233	505,092
Total revenues	<u>12,348,225</u>	<u>2,066,621</u>	<u>216,233</u>	<u>14,631,079</u>
Expenditures:				
Current -				
Public safety:				
Personal services and related benefits	8,153,927	516,148	-	8,670,075
Operating services	1,513,673	70,413	-	1,584,086
Operations and maintenance	4,122,734	217,362	-	4,340,096
Debt service	-	13,063	192,965	206,028
Capital outlay	141,787	148,171	-	289,958
Total expenditures	<u>13,932,121</u>	<u>965,157</u>	<u>192,965</u>	<u>15,090,243</u>
Excess (deficiency) of revenues over expenditures	<u>(1,583,896)</u>	<u>1,101,464</u>	<u>23,268</u>	<u>(459,164)</u>
Other financing sources (uses):				
Transfers in	1,291,415	-	-	1,291,415
Transfers out	-	(1,019,952)	-	(1,019,952)
Total other financing sources (uses)	<u>1,291,415</u>	<u>(1,019,952)</u>	<u>-</u>	<u>271,463</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(292,481)</u>	<u>81,512</u>	<u>23,268</u>	<u>(187,701)</u>
Fund balances, beginning	<u>1,013,180</u>	<u>106,118</u>	<u>332,770</u>	<u>1,452,068</u>
Fund balances, ending	<u>\$ 720,699</u>	<u>\$ 187,630</u>	<u>\$ 356,038</u>	<u>\$ 1,264,367</u>

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

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended June 30, 2012

Total net changes in fund balances at June 30, 2012 per Statement of Revenues, Expenditures and Changes in Fund Balances			\$ (187,701)
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 cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.			
Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances		\$ 289,958	
Depreciation expense for the year ended June 30, 2012		<u>(339,784)</u>	(49,826)
Governmental funds do not report gain or loss on disposition of assets. Governmental funds only report the proceeds from the sale of assets. The loss on disposition of assets represent the carrying value of the assets at the time the asset was no longer in service.			
			(38,452)
Bond and debt principal retirement considered as an expenditure on Statement of Revenues, Expenditures and Changes in Fund Balances			
			184,740
Governmental funds report the effect of issuance costs when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of the difference in treatment of issuance costs.			
			(2,654)
Net OPEB obligation at June 30, 2012 not requiring the use of current economic resources and, therefore, not recorded as a fund expenditure			
			(660,649)
Difference between interest on long-term debt on modified accrual basis versus interest on long-term debt on an accrual basis			
			<u>1,620</u>
Total changes in net assets at June 30, 2012 per Statement of Activities			<u>\$ (752,922)</u>

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

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Business-Type Activities
Proprietary Fund Type - Enterprise Fund
Statement of Net Assets
June 30, 2012

ASSETS

Current assets:

Cash and interest-bearing deposits	\$ 11,997
Inventory	<u>45,694</u>
Total current assets	57,691

Noncurrent assets:

Capital assets, net of accumulated depreciation	<u>100,998</u>
Total assets	<u>158,689</u>

LIABILITIES

Current liabilities:

Due to other funds	<u>1,145</u>
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NET ASSETS

Invested in capital assets, net of related debt	100,998
Unrestricted	<u>56,546</u>
Total net assets	<u>\$ 157,544</u>

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

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Business-Type Activities
Proprietary Fund Type - Enterprise Fund
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Year Ended June 30, 2012

Sales	\$ 695,031
Cost of goods sold	<u>(383,734)</u>
Gross profit	<u>311,297</u>
Operating expenses:	
Personal services and related benefits	61,961
Operations and maintenance	12,305
Depreciation	<u>8,988</u>
Total operating expenses	<u>83,254</u>
Operating income	228,043
Nonoperating revenues (expenses):	
Interest income	<u>255</u>
Income before transfers	228,298
Transfers out	<u>(271,463)</u>
Change in net assets	(43,165)
Net assets, beginning	<u>200,709</u>
Net assets, ending	<u>\$ 157,544</u>

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

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Business-Type Activities
Proprietary Fund Type - Enterprise Fund
Statement of Cash Flows
Year Ended June 30, 2012

Cash flows from operating activities:	
Receipts from customers	\$ 695,031
Payments to suppliers	(400,012)
Payments to employees	<u>(61,961)</u>
Net cash provided by operating activities	233,058
 Cash flows from noncapital financing activities:	
Transfers from other funds	(270,318)
 Cash flows from investing activities:	
Interest earned	<u>255</u>
 Net decrease in cash and cash equivalents	(37,005)
 Cash and cash equivalents, beginning of period	<u>49,002</u>
 Cash and cash equivalents, end of period	<u><u>\$ 11,997</u></u>
 Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 228,043
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	8,988
Changes in current assets and liabilities - Increase in inventory	<u>(3,973)</u>
 Net cash provided by operating activities	<u><u>\$ 233,058</u></u>

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

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
June 30, 2012

	<u>Agency Funds</u>
ASSETS	
Cash and interest-bearing deposits	<u>\$ 254,488</u>
LIABILITIES	
Due to taxing bodies, prisoners and others	<u>\$ 254,488</u>

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

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements

INTRODUCTION

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the Avoyelles Parish Sheriff (Sheriff) serves a four year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The Sheriff administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, and serving subpoenas.

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

As the ex-officio tax collector of the parish, the Sheriff is responsible for collecting and distributing ad valorem property taxes, parish occupational licenses, state revenue sharing funds, sportsmen's licenses, and fines, costs, and bond forfeitures imposed by the district court.

The accounts of the tax collector are established to reflect the collections imposed by law, distributions pursuant to such law, and unsettled balances due various taxing bodies and others.

The accounting and reporting policies of the Avoyelles Parish Sheriff conform to accounting principles generally accepted in the United States of America as applicable to governments. Such accounting and reporting procedures also conform to the requirements of the industry audit guide, *Audits of State and Local Governmental Units*.

(1) Summary of Significant Accounting Policies

A. Reporting Entity

For financial reporting purposes, the Sheriff includes all funds, activities, et cetera that are controlled by the Sheriff as an independently elected parish official. As an independently elected parish official, the Sheriff is solely responsible for the operations of his office, which include the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. The Sheriff is not fiscally dependent on the Avoyelles Parish Police Jury. As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the Avoyelles Parish Sheriff (the primary government). There are no component units to be included in the Sheriff's reporting entity.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

B. Basis of Presentation

The accompanying basic financial statements of the Avoyelles 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.

Government-Wide Financial Statements (GWFS)

The statement of net assets and the statement of activities display information about the Sheriff as a whole. These statements include all the financial activities of the Sheriff. Information contained in these statements reflects 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."

The statement of activities presents a comparison between direct expenses and program revenues for the business-type activities of the Sheriff and 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 services offered by the Sheriff, and (b) grants and contributions that are restricted to meeting the operational or capital requirements 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 Sheriff uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain sheriff functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The various funds of the Sheriff are classified into three categories: governmental, proprietary, and fiduciary. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Sheriff or its total assets, liabilities, revenues, or expenditures of the individual governmental fund is at least 10 percent of the corresponding total for all governmental funds.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

The Sheriff reports the following major governmental funds:

The General Fund is the primary operating fund of the Sheriff. It accounts for all financial resources except those that are required to be accounted for in other funds.

The Sales Tax Special Revenue Fund accounts for the proceeds of a one-half percent sales and use tax that is legally restricted to expenditures for specific purposes.

The Sales Tax Bond Sinking and Reserve Debt Service Fund is used to account for the accumulation of resources for and the payment of general long-term debt principal, interest and related costs.

Additionally, the Avoyelles Parish Sheriff reports the following fund types:

Proprietary Funds –

Proprietary funds are used to account for ongoing organizations and activities that are similar to those often found in the private sector. The measurement focus is based upon the determination of net income, financial position, and cash flows. The following are the Sheriff's proprietary fund types:

Enterprise funds

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Sheriff applies all applicable FASB pronouncements issued after November 30, 1989 in accounting and reporting for its enterprise fund. The Sheriff's enterprise fund is the Commissary Fund.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

Fiduciary Funds

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

C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net assets and the statement of activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined in item b. below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary fund utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net assets.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

Basis of Accounting

In the government-wide statement of net assets and statement of activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Sheriff considers all revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due. Also certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources.

The proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset is used.

D. Assets, Liabilities and Equity

Cash and Interest-bearing Deposits

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

For the purpose of the proprietary fund statement of cash flows, "cash and cash equivalents" include all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of three months or less.

Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net assets.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

Inventory

Inventory of the Sheriff's General Fund consists of food purchased by the Sheriff and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. Inventory of the Sheriff's Enterprise Fund consists of items purchased by the Sheriff for resale to prisoners. The commodities are recorded as revenues when received; however, all inventory items are recorded as expenses when consumed. All purchased inventory items are valued at the lower of cost (first-in, first-out) or market, and commodities are assigned values based on information provided by the United States Department of Agriculture and Forestry.

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 \$5,000 or more for capitalizing capital assets.

Capital assets are recorded in the Statement of Net Assets and Statement of Activities. 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	30-60
Office, equipment, and furniture	7-20
Vehicles	7

Compensated Absences

Each employee of the Sheriff's office is granted 10 days of vacation leave and 6 days of sick leave each year after one year of service. Neither vacation nor sick leave may be accumulated.

There are no accumulated and vested vacation and sick leave benefits at June 30, 2012, which require disclosure to conform with accounting principles generally accepted in the United States of America.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

Equity Classifications

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

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- 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, net of related debt.”

Propriety fund equity is classified the same as in the government-wide statements. In the fund financial statements, governmental fund equity is classified as follows:

- a. *Nonspendable* – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. *Restricted* – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. *Committed* – amounts that can be used only for specific purposes determined by a formal decision of the Sheriff, which is the highest level of decision making authority.
- d. *Assigned* – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes by a formal decision of the Sheriff, which is the highest level of decision making authority.
- e. *Unassigned* – all other spendable amounts.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

When an expenditure is incurred, for the purposes for which both restricted and unrestricted fund balance is available, the Sheriff considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Sheriff considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Sheriff has provided otherwise in its commitment or assignment actions.

As of June 30, 2012, fund balances are comprised of the following:

	<u>General Fund</u>	<u>1994 Sales Tax</u>	<u>Sales Tax Bond</u>
Nonspendable:			
Inventory	\$ 15,099	\$ -	\$ -
Prepaid items	47,532	-	-
Restricted:			
Other purposes	-	187,630	356,038
Unassigned:	<u>658,068</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>\$ 720,699</u>	<u>\$ 187,630</u>	<u>\$ 356,038</u>

E. Revenues, Expenditures, and Expenses

Program Revenues

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the Sheriff's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Sheriff's general revenues.

Revenues

Ad valorem taxes and the related state revenue sharing are recorded in the year taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December, January and February of the fiscal year.

Sales taxes are considered as "measurable" when in the hands of the sales tax collector and are recognized as revenue at that time.

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

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

Interest on interest-bearing deposits is recorded or accrued as revenues when earned. Substantially all other revenues are recorded when received.

Expenditures

The Sheriff's primary expenditures include salaries and insurance, which are recorded when the liability is incurred. Capital expenditures and purchases of various operating supplies are regarded as expenditures at the time purchased.

Other Financing Sources

Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) when the transfer is authorized by the Sheriff.

F. Budget and Budgetary Accounting

The Sheriff follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The chief administrative deputy prepares a proposed budget for the general and special revenue fund on the modified accrual basis of accounting and submits it to the Sheriff for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budgets are published and the public is notified that the proposed budgets are available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budgets at least ten days after publication of the call for a hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budgets, the budgets are legally adopted prior to the commencement of the fiscal year for which the budgets are being adopted.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. The budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the Sheriff.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

The proposed budget for June 30, 2012 was made available for public inspection and was published in the official journal ten days before the public hearing, which was held on June 17, 2011 at the Avoyelles Parish Sheriff's office for comments from taxpayers. The budget was amended and published in the official journal ten days before the public hearing, which was held on June 15, 2012 at the Avoyelles Parish Sheriff's office for comments from taxpayers.

G. Grant Revenue

In general, grants received by the Sheriff are reimbursable type grants, and revenues are recognized as earned only when the expenditures to be reimbursed have been incurred.

H. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

(2) Cash and Interest – Bearing Deposits

Under state law, the Sheriff may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Sheriff may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2012, the Sheriff has cash and interest-bearing deposits (book balances) totaling \$670,185 as follows:

	Government-wide Statement of Net Assets	Fiduciary Funds Statement of Net Assets	Total
Demand deposits	\$ 1,054	\$ 55,775	\$ 56,829
Interest-bearing deposits	<u>414,643</u>	<u>198,713</u>	<u>613,356</u>
Total cash and interest-bearing deposits	<u>\$415,697</u>	<u>\$254,488</u>	<u>\$670,185</u>

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Sheriff's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates fair value. 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 fair 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. Deposit balances (bank balances) at June 30, 2012, are secured as follows:

Bank balances	<u>\$ 950,115</u>
Federal deposit insurance	\$ 607,216
Uninsured and collateralized by pledged securities	<u>342,899</u>
Total federal insurance and pledged securities	<u>\$ 950,115</u>

Pledged securities in the amount of \$342,899 were exposed to custodial credit risk. These securities include uninsured or unregistered investments for which the securities are held by the bank, or by its trust department or agent, but not in the Sheriff's name. Even though the pledged securities are considered uncollateralized, 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. The Sheriff does not have a policy for custodial credit risk.

(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 each year. Taxes are levied by the parish government in June and are actually billed to the taxpayers by the Sheriff in October. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Tax Assessor of Avoyelles Parish 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.

Ad valorem taxes are budgeted and recorded in the year for which levied and billed. For the year ended June 30, 2012, law enforcement taxes applicable to the Sheriff's General Fund, were levied at the rate of 6.41 mills on property with assessed valuations totaling \$158,764,193.

Total law enforcement taxes levied during 2012 were \$646,526. There was no taxes receivable in the General Fund at June 30, 2012.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

(4) Due from Other Governmental Units

Amounts due from other governmental agencies totaling \$507,087 at June 30, 2012, consisted of the following:

	Governmental Activities		
	General	Special Revenue	Total
Department of Public Safety and Corrections	\$ 9,585	\$ 34,766	\$ 44,351
Department of Treasury	7,113	-	7,113
Social Security Administration	4,800	-	4,800
Louisiana Department of Revenue	-	10,577	10,577
Avoyelles Parish School Board	-	145,932	145,932
Various parishes and cities	294,314	-	294,314
	<u>\$ 315,812</u>	<u>\$ 191,275</u>	<u>\$ 507,087</u>

(5) Capital Assets

Capital asset activity for the year ended June 30, 2012 was as follows:

	Balance 6/30/11	Additions	Deletions	Balance 6/30/12
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 174,400	\$ -	\$ -	\$ 174,400
Other capital assets:				
Buildings and improvements	5,451,337	-	-	5,451,337
Equipment and furniture	2,583,040	206,570	-	2,789,610
Vehicles	1,142,239	83,388	180,034	1,045,593
Totals	<u>9,351,016</u>	<u>289,958</u>	<u>180,034</u>	<u>9,460,940</u>
Less accumulated depreciation				
Buildings and improvements	1,671,778	98,680	-	1,770,458
Equipment and furniture	2,035,760	103,819	-	2,139,579
Vehicles	659,618	137,285	141,582	655,321
Total accumulated depreciation	<u>4,367,156</u>	<u>339,784</u>	<u>141,582</u>	<u>4,565,358</u>
Governmental activities, capital assets, net	<u>\$ 4,983,860</u>	<u>\$ (49,826)</u>	<u>\$ 38,452</u>	<u>\$ 4,895,582</u>

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

	Balance 6/30/11	Additions	Deletions	Balance 6/30/12
Business-type activities:				
Other capital assets:				
Buildings and improvements	\$ 96,263	\$ -	\$ -	\$ 96,263
Equipment and furniture	5,895	-	-	5,895
Vehicles	23,000	-	-	23,000
Totals	<u>125,158</u>	<u>-</u>	<u>-</u>	<u>125,158</u>
Less accumulated depreciation				
Buildings and improvements	5,348	3,209	-	8,557
Equipment and furniture	491	1,179	-	1,670
Vehicles	9,333	4,600	-	13,933
Total accumulated depreciation	<u>15,172</u>	<u>8,988</u>	<u>-</u>	<u>24,160</u>
Business-type activities, capital assets, net	<u>\$ 109,986</u>	<u>\$ (8,988)</u>	<u>\$ -</u>	<u>\$ 100,998</u>

Depreciation expense in the amount of \$339,784 was charged to governmental activities as public safety. Depreciation expense in the amount of \$8,988 was charged to business-type activities.

(6) Dedication of Proceeds and Flow of Funds – Sales and Use Tax

Proceeds of the one-half cent sales and use tax (2012 collections - \$2,206,953) approved by voters on November 19, 1992 and levied by the Sheriff beginning January 1, 1993 are dedicated to the following purposes:

Establishing, acquiring, constructing, improving, maintaining, staffing and operating equipment and facilities necessary to provide enhanced 911 emergency telephone, ambulance, dispatch and other services for the benefit of the residents of the Parish.

Each month there will be set aside into a “Bond and Interest Sinking Fund”, also called the “Sinking Fund”, an amount consisting of 1/12 of the next maturing installment of principal and interest on the outstanding bonds. Such transfers must be made on or before the 20th day of each month to assure the prompt payment of principal and interest as they become due and may be used only for such payments.

AVOYELLES PARISH SHERIFF
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Notes to the Basic Financial Statements (Continued)

During the year ended June 30, 2012, the Sheriff complied with all of the above requirements.

At June 30, 2012, \$180,698 of sales tax receivable is reflected on the Sales Tax Fund's balance sheet.

(7) Retirement Commitments

All employees are members of one of the following retirement systems:

Federal Social Security System
Louisiana Sheriff's Pension and Relief Fund

Pertinent information relative to each plan follows:

A. Federal Social Security System

All employees who are not eligible to participate in the Louisiana Sheriff's Pension and Relief Fund are members of the Federal Social Security System. The Sheriff and its employees contribute a percentage of each employee's compensation to the System (7.65% contributed by the Sheriff; 5.65% by the employee). The Sheriff's contribution during the year ended June 30, 2012 amounted to \$332,153.

B. Louisiana Sheriff's Pension and Relief Fund

Plan Description-

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

All sheriffs and all deputies who are found to be physically fit, who earn at least \$400 per month, and who were between the ages of 18 and 50 at the time of original employment are required to participate in the Retirement 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 to be used for each year of service is 2.5% for each year if total service is at least 12 but less than 15 years, 2.75% each year if total service is at least 15 years but less than 20 years, and 3% for each year if total service is at least 20 years (Act 1117 of 1995 increased the accrual rate to 0.25% for all service rendered on or after January 1, 1980). In any case, the retirement benefit cannot exceed 100% of the 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

AVOYELLES PARISH SHERIFF
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Notes to the Basic Financial Statements (Continued)

years of service and do not withdraw their employee contributions may retire at or after the 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 the ages of 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 Retirement System also provides death and disability benefits. Benefits are established or amended by state statute.

The Retirement System issues an annual publicly available financial report that includes financial statements and required supplementary information for the Retirement System. That report may be obtained by writing to the Louisiana Sheriffs Pension and Relief Fund, 1225 Nicholson Drive, Baton Rouge, Louisiana 70802, or by calling (504) 219-0500.

Funding Policy-

Plan members are required to contribute 10.0% of their annual covered salary and the Sheriff is required to contribute at an actuarially determined rate. The current rate is 12.5% of annual covered payroll. Contributions to the Retirement System also included 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 premiums. The contribution requirements of the plan members and the Sheriff are established and may be amended by state statute. As provided by R.S. 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 Avoyelles Parish Sheriff's contributions to the Retirement System for the years ended June 30, 2012, 2011 and 2010 were \$529,240, \$516,509 and \$478,878 respectively, equal to the required contributions for each year.

(8) Post Retirement Health Care and Life Insurance Benefits

Plan Description: The Avoyelles Parish Sheriff's Office's medical and life insurance benefits are provided to employees upon actual retirement.

The employer pays 100% of the medical coverage for the retiree only (not dependents). The employer also pays for life insurance coverage after retirement (see section entitled "Life Insurance" below for more details). Employees are covered by the Louisiana Sheriffs' Pension and Relief Fund, whose retirement eligibility (D.R.O.P. entry) provisions as follows: 30 years of service at any age; or, age 55 and 12 years of service. See the section below entitled "Post Employment Benefit Plan Eligibility Requirements" for the assumption as to actual retirement.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

Life insurance coverage is continued to retirees by election and the blended rate for active employees and retirees is \$0.348 per \$1,000 of insurance. The employer pays for \$10,000 of life insurance after retirement with the retiree paying the remainder, both based on the blended rate. Since GASB 45 requires the use of "unblended" rates, we have used the 94GAR mortality table described above to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance.

Contribution Rates. Employees do not contribute to their post employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents.

Fund Policy. Until Fiscal Year Ending June 30, 2008, the Avoyelles Parish Sheriff's Office recognized the cost of providing post-employment medical benefits (the Avoyelles Parish Sheriff's Office's portion of the retiree benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. Effective with the Fiscal Year beginning July 1, 2008, the Avoyelles Parish Sheriff's Office implemented Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions* (GASB 45). The funding policy is not to fund the ARC except to the extent of the current year's retiree funding costs.

In Fiscal Year Ending June 30, 2012, the Avoyelles Parish Sheriff's Office's portion of health care and life insurance funding cost for retired employees totaled \$155,348. These amounts were applied toward the Net OPEB Benefit Obligation as shown in the table on the following page.

Annual Required Contribution. The Avoyelles Parish Sheriff's Office's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The Annual Required Contribution (ARC) is the sum of the Normal Cost plus the contribution to amortize the Actuarial Accrued Liability (AAL). A level dollar, open amortization period of 30 years (the maximum amortization period allowed by GASB 43/45) has been used for the post-employment benefits. The total ARC for the fiscal year beginning July 1, 2011 is \$851,577, as set forth below:

Normal Cost	\$ 369,166
30-year UAL amortization amount	<u>482,411</u>
Annual required contribution (ARC)	<u>\$ 851,577</u>

AVOYELLES PARISH SHERIFF
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Notes to the Basic Financial Statements (Continued)

Net Post-employment Benefit Obligation (Asset). The table below shows the Avoyelles Parish Sheriff's Office's Net Other Post-employment Benefit (OPEB) Obligation (Asset) for fiscal year ending June 30, 2012:

Beginning Net OPEB Obligation (Asset) 7/1/2011	\$1,995,480	(1)
Annual required contribution	851,577	(2)
Interest on Net OPEB Obligation (Asset): .04 X (1)	79,819	(3)
ARC Adjustment: (1)/17.292	<u>115,399</u>	(4)
OPEB Cost: (2)+(3)-(4)	815,997	(5)
Contribution	-	(6)
Current year retiree premium	<u>155,348</u>	(7)
Change in Net OPEB Obligation: (5)-(6)-(7)	<u>660,649</u>	(8)
Ending Net OPEB Obligation (Asset) 6/30/2012: (1)+(8)	<u>\$2,656,129</u>	

The following table shows the Avoyelles Parish Sheriff's Office's annual post employment benefits (PEB) cost, the percentage of cost contributed, and the net unfunded post employment benefits (PEB) liability (assets) for the fiscal year ending June 30, 2012 and the two preceding years:

<u>Post Employment Benefit</u>	<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual Cost Contributed</u>	<u>Net OPEB Obligation (Asset)</u>
Medical and Life	June 30, 2010	\$ 805,632	19.34%	\$ 1,324,121
Medical and Life	June 30, 2011	794,643	19.55%	1,995,480
Medical and Life	June 30, 2012	815,997	19.04%	2,656,129

Funded Status and Funding Progress. In the fiscal year ending June 30, 2012, the Avoyelles Parish Sheriff's Office made no contributions to its post employment benefits plan. The plan was not funded at all, has no assets, and hence has a funded ratio of zero. As of June 30, 2012, the end of the fiscal year, the Actuarial Accrued Liability (AAL) was \$8,675,627, which is defined as that portion, as determined by a particular actuarial cost method (the Avoyelles Parish Sheriff's Office uses the Projected Unit Credit Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost. Since the plan was not funded in fiscal year 2011/2012, the entire actuarial accrued liability of \$8,675,627 was unfunded.

AVOYELLES PARISH SHERIFF
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Notes to the Basic Financial Statements (Continued)

Actuarial accrued liability (AAL)	\$8,675,627
Actuarial value of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$8,675,627</u>
Funded ratio (actuarial value of plan assets/AAL)	0%
 Covered Payroll (active plan members)	 \$3,995,941
 UAAL as a percentage of covered payroll	 217.11%

Actuarial Methods and Assumptions. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the Avoyelles Parish Sheriff's Office and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the Avoyelles Parish Sheriff's Office and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the Avoyelles Parish Sheriff's Office and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

The schedule of funding progress presented as required supplementary information following the notes to the financial statements, will present multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Because GASB Statement No. 45 requires an actuarial valuation at least biennially for plans with total participants of more than 200, the schedule of funding progress presents two actuarial valuations since implementation. In future years, required trend data will be presented.

Actuarial Cost Method. The ARC is determined using the Projected Unit Credit Cost Method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality, and turnover.

Actuarial Value of Plan Assets. Since the OPEB obligation has not yet been funded, there are not any assets. It is anticipated that in future valuations, should funding take place, a smoothed market value consistent with Actuarial Standards Board Actuarial Standards of Practice Number 6 (ASOP 6), as provided in paragraph number 125 of GASB Statement 45.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

Turnover Rate. An age-related turnover scale based on actual experience as described by administrative staff has been used. The rates, when applied to the active employee census, produce an annual turnover of approximately 10%. The rates for each age are below:

<u>Age</u>	<u>Rate</u>
18 - 25	20.0%
26 - 40	14.0%
41 - 54	10.0%
55+	7.0%

Post employment Benefit Plan Eligibility Requirements. Although employees may retire at age 55 and 12 years of service, historically they have tended to wait until later to enter the reverse five year D.R.O.P. To accommodate this historical tendency, we have assumed that actual retirement (and commencement of OPEB benefits) occurs at the end of the D.R.O.P. period, or at the earlier of 30 years of service and age 60 and 15 years of service. Medical benefits are provided to employees upon actual retirement. Employees are covered by the Louisiana Sheriffs' Pension and Relief Fund, whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; or, age 55 and 12 years of service. Entitlement to benefits continues through Medicare to death.

Investment Return Assumption (Discount Rate). GASB Statement 45 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits. Since the ARC is not currently being funded and not expected to be funded in the near future, we have performed this valuation using a 4% annual investment return assumption.

Health Care Cost Trend Rate. The expected rate of increase in medical cost is based on projections performed by the Office of the Actuary at the Centers for Medicare & Medicaid Services as published in National Health Care Expenditures Projections: 2003 to 2013, Table 3: National Health Expenditures, Aggregate and per Capita Amounts, Percent Distribution and Average Annual Percent Change by Source of Funds: Selected Calendar Years 1990-2013, released in January, 2004 by the Health Care Financing Administration (www.cms.hhs.gov). "State and Local" rates for 2008 through 2013 from this report were used, with rates beyond 2013 graduated down to an ultimate annual rate of 5.0% for 2016 and later.

Mortality Rate. The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rate and 50% of the unloaded female mortality rates, was used. This is a published mortality table which was designed to be used in determining the value of accrued benefits in defined benefit pension plans.

Method of Determining Value of Benefits. The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The medical rates provided are "blended" rates for active and retired before Medicare eligibility, so the "unblended" rates for retirees before Medicare has been estimated as 130% of the blended rate, as required by GASB 45 for valuation purposes.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

(9) Changes in Agency Fund Balances

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

	<u>Civil Fund</u>	<u>Bond Fund</u>	<u>Fines and Costs Fund</u>
Balances, July 01, 2011	\$ 2,387	\$ 25,202	\$ 42,171
Additions	1,091,713	61,573	204,869
Reductions	<u>1,091,520</u>	<u>6,509</u>	<u>215,354</u>
Balances, June 30, 2012	<u>\$ 2,580</u>	<u>\$ 80,266</u>	<u>\$ 31,686</u>

	<u>12th Judicial Court Fines Fund</u>	<u>Tax Collector Fund</u>	<u>Inmate Fund</u>
Balances, July 01, 2011	\$ 2,957	\$ 17,549	\$ 167,033
Additions	781,982	7,049,889	2,448,900
Reductions	<u>781,885</u>	<u>7,067,152</u>	<u>2,479,317</u>
Balances, June 30, 2012	<u>\$ 3,054</u>	<u>\$ 286</u>	<u>\$ 136,616</u>

(10) Long-Term Debt

The Sheriff's long-term debt is attributable to governmental activities. The following is a summary of the long-term debt transactions for the year ended June 30, 2012:

	<u>Balance 06/30/11</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 06/30/12</u>	<u>Due Within One Year</u>
Certificates of indebtedness	\$ 367,000	\$ -	\$ 47,000	\$ 320,000	\$ 48,000
Sales Tax Bonds	1,000,000	-	90,000	910,000	95,000
Debt to Acadian Ambulance	253,669	-	47,740	205,929	49,192
Net OPEB obligation	<u>1,995,480</u>	<u>815,997</u>	<u>155,348</u>	<u>2,656,129</u>	<u>156,000</u>
Total	<u>\$ 3,616,149</u>	<u>\$ 815,997</u>	<u>\$340,088</u>	<u>\$ 4,092,058</u>	<u>\$ 348,192</u>

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

Bonds and certificates outstanding at June 30, 2012 are comprised of the following issues:

\$1,460,000 Sales Tax Bonds dated September 1, 2004; due in annual installments of \$65,000 to \$135,000 through September 1, 2019; interest due semi-annually at 4.00 to 6.50 percent; secured by an irrevocable pledge and dedication of funds derived from a parishwide sales and use tax of 1/2 of one percent.	\$ 910,000
\$500,000 Certificates of Indebtedness dated October 1, 2007; due in annual installments of \$43,000 to \$59,000 through October 1, 2017; interest at 4.22 percent; secured by an irrevocable pledge and dedication of funds derived from a parishwide special tax of 6.41 mills.	320,000
\$300,000 of debt to Acadian Ambulance dated July 1, 2010; due monthly installments of \$4,558 through August 1, 2016; interest rate at 3.00 percent; secured by funds from a parishwide sales and use tax of 1/2 of one percent.	<u>205,929</u>
Total bonds and certificates payable	1,435,929
Less: Unamortized issuance costs	<u>(18,092)</u>
Net bonds and certificates payable	<u>\$ 1,417,837</u>

Annual debt service requirements to maturity are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2013	192,192	55,548	247,740
2014	200,688	48,151	248,839
2015	209,230	40,132	249,362
2016	217,819	31,739	249,558
2017	172,000	23,608	195,608
2018 - 2020	444,000	24,945	468,945
	<u>\$ 1,435,929</u>	<u>\$ 224,123</u>	<u>\$ 1,660,052</u>

(11) Litigation and Claims

At June 30, 2012, the Sheriff is involved in several lawsuits claiming damages which are not covered by insurance. The Sheriff's legal advisor is unable to estimate the ultimate resolution of these matters. Any unfavorable resolution, if any, would not materially affect the financial statements.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

(12) Risk Management

The Sheriff's office 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 Sheriff was unable to obtain law enforcement liability insurance at a cost it considered to be economically justifiable. Management believes it is more economical to manage its risk internally and set aside assets for claim settlement in its General Fund. As of June 30, 2012, no funds were designated for law enforcement liability claims and incidental costs. In the opinion of management and the Sheriff's legal counsel, no events have occurred, that give rise to report any claim liability at June 30, 2012.

The Sheriff continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past four fiscal years.

(13) Interfund Transactions

Transfers of \$1,291,415 in the General Fund consisted of amounts transferred from the Sales Tax Special Revenue Fund and the Enterprise Fund to the General Fund for reimbursement of personnel services and related benefits and other expenditures. Interfund receivables and payables consisted of \$126,145 due to the General Fund from the Sales Tax Fund and the Enterprise Fund for reimbursement of expenditures.

(14) Wireless E911 Service

The Avoyelles Parish Sheriff does not collect service charges on emergency telephone services. All 911 services are funded with the proceeds of the one-half percent sales and use tax now being levied and collected pursuant to an election held on November 3, 1992, recorded as revenue in the Special Revenue Fund in these financial statements. At June 30, 2012 Avoyelles Parish is not operating a wireless E911 system.

(15) Ex-officio Tax Collector

The amount of cash on hand at year end was \$286. The unsettled balances of the Tax Collector Fund at June 30, 2012 consist of the following:

Collection of current and prior year taxes, not settled	\$ 286
Refunds and redemptions	-
Protest taxes	-
Total	<u>\$ 286</u>

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

The amount of taxes collected for the current year by taxing authority was as follows:

Avoyelles Parish Police Jury	\$ 1,756,944
Avoyelles Parish School Board	1,520,736
Avoyelles Parish Assessor	642,843
Avoyelles Parish Clerk of Court	1,088
Douglas Anderson, Sheriff	811,267
Hospital Service District No. 1	87,773
City of Marksville	291,848
Ward I Fire District	53,743
Fire Protection District No. 2	823,723
Red River Waterway District Treasurer	261,249
Southwest Water District	20,149
Gravity Drainage District	17,397
Levee District Treasurer	311,329
Louisiana Forestry Commission	13,947
Louisiana Tax Commission	2,499
Pension funds	174,624
Redemptions	31,723
Refunds	<u>5,876</u>
Total	<u>\$ 6,828,758</u>

For the fiscal year ended June 30, 2012, there were no taxes assessed and uncollected.

(16) Occupational Licenses

For the fiscal year ended June 30, 2012, the collection and distribution of occupational licenses was as follows:

	Total Occupational Licenses	Police Jury	Sheriff's Department
Occupational Licenses	\$ 238,394	\$ 202,635	\$ 35,759

(17) Subsequent Event Review

The Sheriff has evaluated subsequent events through November 19, 2012, the date which the financial statements were available to be issued.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

(18) New Accounting Pronouncements

In December 2010, the Governmental Accounting Standards Board (GASB) approved Statement No. 62, "Codification of Accounting and Financial Reporting Guidance in Pre-November 30, 1989 FASB and AICPA Pronouncements". The statement specifically identifies and consolidates the accounting and financial reporting provisions that apply to state and local governments. In June 2011, the Governmental Accounting Standards Board (GASB) approved Statement No. 63, "Financial Reporting of Deferred Outflows, Deferred Inflows of Resources and Net Position". The statement changes how governments will organize their statements of financial position (such as the current government-wide statement of net assets and the governmental funds balance sheet). Under this standard, the financial statements will include deferred outflows of resources and deferred inflows of resources, in addition to assets and liabilities, and will report net position instead of net assets. The provisions of GASB Nos. 62 and 63 must be implemented by the Sheriff for the year ending June 30, 2013. The effect of implementation on the Sheriff's financial statements has not yet been determined.

**REQUIRED SUPPLEMENTARY
INFORMATION**

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

General Fund
Budgetary Comparison Schedule
Year Ended June 30, 2012

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Ad valorem taxes	\$ 685,000	\$ 685,000	\$ 681,926	\$ (3,074)
Intergovernmental revenues -				
Federal grants	29,500	27,004	33,575	6,571
State grants:				
State revenue sharing	126,000	123,865	123,865	-
State supplemental pay	300,000	304,000	302,929	(1,071)
Other	48,500	27,879	42,096	14,217
Fees, charges, and commissions for services -				
Civil and criminal	439,600	486,950	439,608	(47,342)
Feeding and keeping prisoners	9,527,600	8,872,750	8,842,540	(30,210)
Miscellaneous -				
Indian affairs	325,000	210,000	245,708	35,708
Work release program	-	950,000	864,349	(85,651)
Telephone commissions	410,000	304,000	313,265	9,265
Other	558,800	489,275	458,364	(30,911)
Total revenues	<u>12,450,000</u>	<u>12,480,723</u>	<u>12,348,225</u>	<u>(132,498)</u>
Expenditures:				
Current -				
Public Safety:				
Personal services and related benefits	8,443,598	8,232,219	8,153,927	78,292
Operating services	1,276,500	1,525,824	1,513,673	12,151
Operations and maintenance	4,240,805	4,002,757	4,122,734	(119,977)
Capital outlay	<u>304,000</u>	<u>223,500</u>	<u>141,787</u>	<u>81,713</u>
Total expenditures	<u>14,264,903</u>	<u>13,984,300</u>	<u>13,932,121</u>	<u>52,179</u>
Deficiency of revenues over expenditures	(1,814,903)	(1,503,577)	(1,583,896)	(80,319)
Other financing sources:				
Transfers in	<u>1,296,300</u>	<u>1,587,660</u>	<u>1,291,415</u>	<u>(296,245)</u>
Excess (deficiency) of revenues and other sources over expenditures	(518,603)	84,083	(292,481)	(376,564)
Fund balance, beginning	<u>1,013,180</u>	<u>1,013,180</u>	<u>1,013,180</u>	<u>-</u>
Fund balance, ending	<u>\$ 494,577</u>	<u>\$ 1,097,263</u>	<u>\$ 720,699</u>	<u>\$ (376,564)</u>

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Special Revenue Fund - 1994 Sales Tax Fund
Budgetary Comparison Schedule
Year Ended June 30, 2012

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Sales taxes	\$1,832,150	\$1,813,579	\$1,990,953	\$ 177,374
Intergovernmental revenues	-	-	29,173	29,173
Miscellaneous -				
Other	-	-	46,495	46,495
Total revenues	<u>1,832,150</u>	<u>1,813,579</u>	<u>2,066,621</u>	<u>253,042</u>
Expenditures:				
Current -				
Public safety:				
Personal services and related benefits	505,800	513,660	516,148	(2,488)
Operating services	75,000	75,000	70,413	4,587
Operations and maintenance	214,263	212,183	217,362	(5,179)
Debt service	-	13,010	13,063	(53)
Capital outlay	<u>28,000</u>	<u>152,400</u>	<u>148,171</u>	<u>4,229</u>
Total expenditures	<u>823,063</u>	<u>966,253</u>	<u>965,157</u>	<u>1,096</u>
Excess of revenues over expenditures	1,009,087	847,326	1,101,464	254,138
Other financing sources (uses):				
Transfers out	<u>(950,000)</u>	<u>(830,000)</u>	<u>(1,019,952)</u>	<u>(189,952)</u>
Excess of revenues over expenditures and other uses	59,087	17,326	81,512	64,186
Fund balance, beginning	<u>106,118</u>	<u>106,118</u>	<u>106,118</u>	<u>-</u>
Fund balance, ending	<u>\$ 165,205</u>	<u>\$ 123,444</u>	<u>\$ 187,630</u>	<u>\$ 64,186</u>

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Schedule of Funding Progress
For the Year Ended June 30, 2012

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities (AAL)	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
July 1, 2008	\$ -	\$7,092,601	\$ 7,092,601	0.0%	\$ 3,195,636	221.95%
July 1, 2010	\$ -	\$8,021,105	\$ 8,021,105	0.0%	\$ 3,803,605	210.88%

OTHER SUPPLEMENTARY INFORMATION

AVOYELLES PARISH SHERIFF
Marksville, Louisiana
General Fund

Schedule of Expenditures
Amended Budget (GAAP Basis) and Actual
Year Ended June 30, 2012
With Comparative Actual Amounts for Year Ended June 30, 2011

	2012		Variance -	2011
	Amended Budget	Actual	Positive (Negative)	Actual
Public safety:				
Personal services and related benefits -				
Sheriff salary	\$ 143,398	\$ 143,398	\$ -	\$ 146,906
Deputies salaries	7,058,348	6,965,813	92,535	6,969,069
Pension and payroll taxes	1,030,473	1,044,716	(14,243)	1,040,284
Total personal services and related benefits	<u>8,232,219</u>	<u>8,153,927</u>	<u>78,292</u>	<u>8,156,259</u>
Operating services -				
Deputy liability insurance	550	972	(422)	1,277
Hospitalization insurance	1,315,774	1,304,454	11,320	1,106,257
Auto insurance	164,500	174,515	(10,015)	175,656
Other insurance	45,000	33,732	11,268	49,620
Total operating services	<u>1,525,824</u>	<u>1,513,673</u>	<u>12,151</u>	<u>1,332,810</u>
Operations and maintenance -				
Auto maintenance and fuel	603,000	573,838	29,162	544,729
Deputy uniforms and supplies	41,229	36,820	4,409	45,956
Office supplies and expenses	232,200	259,021	(26,821)	225,611
Telephone	189,300	182,514	6,786	161,522
Prisoner feeding and maintenance	1,289,400	1,305,767	(16,367)	1,429,896
Legal fees	123,000	141,872	(18,872)	82,473
Other professional fees	79,695	64,344	15,351	96,819
Criminal investigation	9,500	6,699	2,801	9,107
Jail maintenance, utilities, and lease	1,155,200	1,242,310	(87,110)	1,315,451
Dues and subscriptions	135,733	124,561	11,172	51,320
Calling cards	-	28,160	(28,160)	45,760
Other	144,500	156,828	(12,328)	167,019
Total operations and maintenance	<u>4,002,757</u>	<u>4,122,734</u>	<u>(119,977)</u>	<u>4,175,663</u>

(continued)

AVOYELLES PARISH SHERIFF
Marksville, Louisiana
General Fund

Schedule of Expenditures
Amended Budget (GAAP Basis) and Actual (Continued)
Year Ended June 30, 2012
With Comparative Actual Amounts for Year Ended June 30, 2011

	2012			
	Amended Budget	Actual	Variance - Positive (Negative)	2011 Actual
Capital outlay -				
Automobiles	78,000	112,032	(34,032)	105,100
Computers	18,000	-	18,000	-
Equipment	127,500	24,514	102,986	6,988
Buildings	-	5,241	(5,241)	29,019
Total capital outlay	<u>223,500</u>	<u>141,787</u>	<u>81,713</u>	<u>141,107</u>
 Total expenditures	<u>\$ 13,984,300</u>	<u>\$ 13,932,121</u>	<u>\$ 52,179</u>	<u>\$ 13,805,839</u>

AVOYELLES PARISH SHERIFF
Marksville, Louisiana
1994 Sales Tax Fund

Schedule of Expenditures
Amended Budget (GAAP Basis) and Actual
Year Ended June 30, 2012
With Comparative Actual Amounts for Year Ended June 30, 2011

	2012		Variance -	2011
	Amended Budget	Actual	Positive (Negative)	Actual
Public safety:				
Personal services and related benefits -				
Director salary	\$ 48,000	\$ 47,730	\$ 270	\$ 44,400
Secretary salary	30,000	30,300	(300)	30,000
Communication salaries	372,200	374,695	(2,495)	358,485
Pension and payroll taxes	63,460	63,423	37	54,462
Total personal services and related benefits	<u>513,660</u>	<u>516,148</u>	<u>(2,488)</u>	<u>487,347</u>
Operating services -				
Deputy hospitalization	<u>75,000</u>	<u>70,413</u>	<u>4,587</u>	<u>70,645</u>
Operations and maintenance -				
Ambulance service	13,063	14,870	(1,807)	319,936
Radio maintenance	13,000	12,627	373	9,264
Repairs and maintenance	16,500	29,911	(13,411)	5,988
Office supplies and expenses	15,500	21,433	(5,933)	35,174
Computer software	6,000	5,569	431	3,519
Telephone	82,000	76,964	5,036	82,435
Sales tax collection fee	30,000	29,048	952	26,767
Publications, dues and subscriptions	1,500	556	944	1,490
Utilities	27,020	23,915	3,105	23,796
Uniforms	2,500	1,169	1,331	2,214
Education and training	1,200	850	350	15,010
Other	3,900	450	3,450	1,476
Total operations and maintenance	<u>212,183</u>	<u>217,362</u>	<u>(5,179)</u>	<u>527,069</u>
Debt service:				
Principal	13,000	13,057	(57)	-
Interest and fiscal charges	<u>10</u>	<u>6</u>	<u>4</u>	<u>-</u>
Total debt service	<u>13,010</u>	<u>13,063</u>	<u>(53)</u>	<u>-</u>
Capital outlay:				
Equipment	<u>152,400</u>	<u>148,171</u>	<u>4,229</u>	<u>5,895</u>
Total expenditures	<u>\$ 966,253</u>	<u>\$ 965,157</u>	<u>\$ 1,096</u>	<u>\$ 1,090,956</u>

FIDUCIARY FUNDS

Civil Fund

To account for funds held in connection with civil suits, Sheriff's sales, and garnishments and payment of these collections to the Sheriff's General Fund and other recipients in accordance with applicable laws.

Bond Fund

To account for the collection of bonds, fines, and costs and payment of these collections to the Sheriff's 12th Judicial Court Fines Fund.

Fines and Cost Fund

To account for the collection of fines and costs and payment of these collections to the Sheriff's 12th Judicial Court Fines Fund.

12th Judicial Court Fines Fund

To account for the collection of fines and costs and payment of these collections to the Sheriff's General Fund and other recipients in accordance with applicable laws.

Tax Collector Fund

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

Inmate Fund

To account for the deposits made by, and for, inmates to their individual accounts and the appropriate disbursements to these inmates.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Agency Funds
Combining Statement of Fiduciary Assets and Liabilities
June 30, 2012
With Comparative Totals for June 30, 2011

	Civil Fund	Bond Fund	Fines and Cost Fund	12th Judicial Court Fines Fund	Tax Collector Fund	Inmate Fund	Totals	
							2012	2011
ASSETS								
Cash and interest-bearing deposits	<u>\$ 2,580</u>	<u>\$ 80,266</u>	<u>\$ 31,686</u>	<u>\$ 3,054</u>	<u>\$ 286</u>	<u>\$ 136,616</u>	<u>\$ 254,488</u>	<u>\$ 257,298</u>
LIABILITIES								
Due to taxing bodies and others	\$ 2,580	\$ 80,266	\$ 31,686	\$ 3,054	\$ 286	\$ -	\$ 117,872	\$ 90,266
Due to prisoners	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>136,616</u>	<u>136,616</u>	<u>167,032</u>
Total liabilities	<u>\$ 2,580</u>	<u>\$ 80,266</u>	<u>\$ 31,686</u>	<u>\$ 3,054</u>	<u>\$ 286</u>	<u>\$ 136,616</u>	<u>\$ 254,488</u>	<u>\$ 257,298</u>

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Agency Funds
Statement of Changes in Assets and Liabilities
Year Ended June 30, 2012
With Comparative Totals for Year Ended June 30, 2011

	Civil Fund	Bond Fund	Fines and Costs Fund	12th Judicial Court Fines Fund	Tax Collector Fund	Inmate Fund	Totals	
							2012	2011
Balances, beginning of year	\$ 2,387	\$ 25,202	\$ 42,171	\$ 2,957	\$ 17,549	\$ 167,033	\$ 257,299	\$ 282,246
Additions:								
Deposits -								
Sheriff's sales, suits, and seizures	866,859	-	-	-	-	-	866,859	782,932
Clerk of court fees	89,818	-	-	-	-	-	89,818	94,603
Bonds	-	61,500	-	-	-	-	61,500	12,250
Fines and costs	-	-	204,755	781,872	-	-	986,627	1,035,740
Outside and garnishment collections	134,905	-	-	-	-	-	134,905	166,254
Taxes, fees, etc. paid to tax collector	-	-	-	-	7,048,545	-	7,048,545	7,056,019
Prisoner deposits	-	-	-	-	-	1,302,625	1,302,625	1,265,160
Work release program	-	-	-	-	-	1,146,001	1,146,001	1,368,526
Interest on investments	131	73	114	110	1,344	274	2,046	796
Total additions	1,091,713	61,573	204,869	781,982	7,049,889	2,448,900	11,638,926	11,782,280
Totals	1,094,100	86,775	247,040	784,939	7,067,438	2,615,933	11,896,225	12,064,526

(continued)

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Agency Funds
Statement of Changes in Assets and Liabilities (Continued)
Year Ended June 30, 2012
With Comparative Totals for Year Ended June 30, 2011

	Civil Fund	Bond Fund	Fines and Costs Fund	12th Judicial Court Fines Fund	Tax Collector Fund	Inmate Fund	Totals	
							2012	2011
Reductions:								
Taxes, fees, etc. distributed to taxing bodies and others	-	-	-	-	7,067,152	-	7,067,152	7,041,136
Notary	5,105	-	-	-	-	-	5,105	5,845
Sheriff's General Fund and Clerk of Court	369,033	-	-	124,487	-	-	493,520	540,987
Litigants and attorneys	648,523	-	-	-	-	-	648,523	530,793
Appraisers	29,750	-	-	-	-	-	29,750	33,675
Wrecker and storage	15,385	-	-	-	-	-	15,385	19,289
Official publications	13,669	-	-	-	-	-	13,669	16,442
Prisoner distribution	-	-	-	-	-	2,479,317	2,479,317	2,699,567
Other parishes	4,951	-	-	-	-	-	4,951	5,202
Other settlements	5,104	-	-	21,631	-	-	26,735	34,728
District attorney	-	-	-	142,740	-	-	142,740	140,952
Police jury	-	-	-	199,054	-	-	199,054	193,621
Judges	-	-	-	70,800	-	-	70,800	70,800
Judges judicial expense fund	-	-	-	18,478	-	-	18,478	20,212
Court recording clerk	-	-	-	720	-	-	720	720
Indigent defender fund	-	-	-	59,949	-	-	59,949	59,214
Indigent defender fee	-	-	-	50,094	-	-	50,094	50,600
Louisiana Commission on Law Enforcement	-	-	-	7,496	-	-	7,496	7,556
DWI	-	-	-	8,400	-	-	8,400	6,750
Louisiana Department of Wildlife and Fisheries	-	-	-	150	-	-	150	-
Coroner	-	-	-	6,970	-	-	6,970	6,890
North Louisiana Criminal Lab	-	-	-	67,530	-	-	67,530	64,850
Juvenile Detention	-	-	-	3,386	-	-	3,386	3,818
Transfers to 12th Judicial Court fines	-	6,509	215,354	-	-	-	221,863	253,581
Total reductions	1,091,520	6,509	215,354	781,885	7,067,152	2,479,317	11,641,737	11,807,228
Balances, end of year	\$ 2,580	\$ 80,266	\$ 31,686	\$ 3,054	\$ 286	\$ 136,616	\$ 254,488	\$ 257,298

STATE OF LOUISIANA, PARISH OF AVOYELLES

AFFIDAVIT

The Honorable Douglas Anderson, Sheriff of Avoyelles Parish

BEFORE ME, the undersigned authority, personally came and appeared, Douglas Anderson, the sheriff of Avoyelles Parish, State of Louisiana, who after being duly sworn, deposed and said:

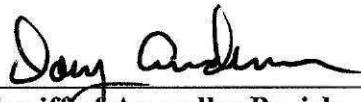
The following information is true and correct:

\$286 is the amount of cash on hand in the tax collector account on June 30, 2012;

He further deposed and said:

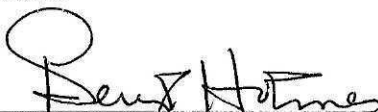
All itemized statements of the amount of taxes collected for tax year 2011, by taxing authority, are true and correct.

All itemized statements of all taxes assessed and uncollected, which indicate the reasons for the failure to collect, by taxing authority, are true and correct.



Sheriff of Avoyelles Parish

SWORN-to and subscribed before me, Notary, this 26th day of November, 2012, in my office in the Marksville, Louisiana.
(City/Town)

 (Signature)
Berul Holmes (Print), # 28565
Notary Public
September 2014 (Commission)

COMPLIANCE
AND
INTERNAL CONTROL

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Russell F. Champagne, CPA*
Victor R. Slaven, CPA*
P. Troy Courville, CPA*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*

Penny Angelle Scruggins, CPA
Christine L. Cousin, CPA
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Jane R. Hebert, CPA
Bryan K. Joubert, CPA
Stephen J. Anderson, CPA

Retired:
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Tynes E. Mixon, Jr., CPA 2011

* A Professional Accounting Corporation

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

The Honorable Douglas Anderson
Avoyelles Parish Sheriff
Marksville, Louisiana

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Avoyelles Parish Sheriff (the Sheriff) as of and for the year ended June 30, 2012, which collectively comprise the Sheriff's basic financial statements and have issued our report thereon dated November 19, 2012. 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.

Internal Control Over Financial Reporting

Management of the Avoyelles Parish Sheriff is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Sheriff's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Sheriff's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Avoyelles Parish Sheriff's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying summary schedule of current and prior year audit findings and correction action plan, we identified a certain deficiency in internal control over financial reporting that we consider to be a significant deficiency.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying summary schedule of current and prior year audit findings and corrective action plan as item 10-1 to be a material weaknesses.

Compliance and Other Matters

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

The Sheriff's response to the finding identified in our audit is described in the accompanying summary schedule of current and prior year audit findings and corrective action plan. We did not audit the Sheriff's response and, accordingly, we express no opinion on it.

This report is intended solely for the information of the Avoyelles Parish Sheriff's management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
November 19, 2012

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Summary Schedule of Current and Prior Audit Year Findings
and Corrective Action Plan
Year Ended June 30, 2012

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
CURRENT YEAR (06/30/12) --						
<u>Internal Control Over Financial Reporting:</u>						
10-1	6/30/2010	The Sheriff does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including the related notes.		The Sheriff has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interests of the government to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.	Beryl Holmes, Comptroller	N/A

Compliance:

There were no compliance findings to be reported at June 30, 2012.

PRIOR YEAR (06/30/11) --

Internal Control Over Financial Reporting:

10-1	6/30/2010	The Sheriff does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including the related notes.	No	See current year finding 10-1.
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Compliance:

There were no compliance findings to be reported at June 30, 2011.