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**TERRIBONNE PARISH SHERIFF  
HOUMA, LOUISIANA**

Financial Report

Year Ended June 30, 1997

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

Release Date 2-26-98

TERREBONNE PARISH SHERIFF  
HOUMA, LOUISIANA

Year Ended June 30, 1997

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## FINANCIAL SECTION

## INDEPENDENT AUDITORS' REPORT

The Honorable Jerry L. Laspenter  
Terrebonne Parish Sheriff  
Houma, Louisiana

We have audited the accompanying general purpose financial statements of the Terrebonne Parish Sheriff, as of June 30, 1997, and for the year then ended. These general purpose financial statements are the responsibility of the Terrebonne Parish Sheriff. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, 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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Terrebonne Parish Sheriff, as of June 30, 1997, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

As more fully discussed in note 15, the Sheriff is a defendant in several lawsuits involving alleged crimes committed by a Sheriff's Office deputy. It is not possible to predict at this time the extent of the Sheriff's liability, if any.

In accordance with "Government Auditing Standards", we have also issued a report dated December 18, 1997, on our consideration of the Terrebonne Parish Sheriff's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying financial information listed as "Supplemental Information" in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the Terrebonne Parish Sheriff. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

*Bergum & Samuels*

December 18, 1997

**TERRE BONNE PARISH SHERIFF**

Houma, Louisiana

Combined Balance Sheet - All fund Types and Modified Streets

June 30, 2011

Governmental Fund Types	Primary Fund Types		Accounts Payable			Totals (Governmental GOB)	
	General Fund	Agency Fund	General Fund	Long Term Obligations	Liabilities		
\$	1,148,201	\$	875,000	\$	-	\$	1,148,201
-			931,000	-	-	192,000	931,000
	968,201		-	-	-	968,201	968,201
	1,086		-	-	-	1,086	1,086
	16,489		-	-	-	16,489	16,489
			2,136,000	-	-	2,136,000	2,136,000
<b>\$</b>	<b>3,098,791</b>	<b>\$</b>	<b>3,811,791</b>	<b>\$</b>	<b>931,000</b>	<b>3,811,791</b>	<b>\$</b>

**ASSETS AND OTHER DEBIT BALANCES**

Exp. & prepaidduring balance sheet date  
 Property and equipment held under deeded agreements  
 Due from other governments and other receivables  
 Deposits  
 Licenses, permits, and equipment  
 Items to be provided for extended period of service contracts obligations  
 Total assets

**LIABILITIES AND FUND EQUITY**

Liabilities  
 Accounts payable  
 Accrued employee benefits - estimated liability for outstanding medical claims  
 Due to leasing entities and other obligations to employees prior to payroll termination plan  
 Payroll termination plan  
 Due to inmates  
 Capital leases payable  
 Total liabilities

Fund equity  
 Investment in general fund assets  
 Fund balances  
 Retainable resources  
 Contingent liabilities  
 Total fund equity

Total liabilities and fund equity

See notes to financial statements.

**TERREBONNE PARISH SHERIFF**  
Houma, Louisiana

**Statement of Revenues, Expenditures, and Changes  
in Fund Balances - Budget (PLAP Study) and Actual  
General Fund**

Year Ended June 30, 1997

Revenue:	Budget	Actual	Variance - Favorable (Adverse)
Ad valorem taxes	\$ 2,147,000	\$ 2,140,700	\$(6,300)
Sales taxes	3,260,700	3,357,740	97,040
Intergovernmental revenues			
Federal grants	20,000	70,000	50,000
State D.A.R.E. grant	60,000	20,000	(40,000)
State training grants	5,000	11,400	6,400
State revenue sharing, net	217,179	217,179	-
State supplemental pay	268,000	430,700	162,700
State gaming revenue	400,000	484,847	84,847
Local government	190,000	120,700	(69,300)
Fees, charges, and commissions for services:			
Commissions and contract services	480,000	218,000	(262,000)
Civil and criminal fees	458,000	490,300	32,300
Court attendance	18,000	18,600	(700)
Court awards	-	43,000	43,000
Transporting prisoners	50,000	50,000	-
Feeding and keeping prisoners	2,208,000	2,218,000	10,000
Commissary sales	218,000	248,200	30,200
Other	140,000	232,700	92,700
Miscellaneous:			
Interest	30,000	29,215	(785)
Other	-	18,000	18,000
Total revenues	<u>18,412,679</u>	<u>19,673,122</u>	<u>1,260,443</u>
Expenditures:			
Current:			
Public safety:			
Personnel services and related benefits	5,483,000	5,308,788	174,212
Operating services	1,472,000	1,442,180	29,820
Operation and maintenance	3,098,000	3,144,787	(46,787)
Debt service:			
Principal	-	4,200	(4,200)
Interest	28,000	28,280	(280)
Capital outlay	228,000	348,011	(120,011)
Total expenditures	<u>10,237,000</u>	<u>11,232,206</u>	<u>(995,006)</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 8,175,679</u>	<u>8,440,916</u>	<u>(265,237)</u>
Fund balance:			
Beginning of year		<u>1,388,186</u>	
End of year		<u>\$ 1,122,949</u>	

See notes to financial statements.

TERREBONNE PARISH SHERIFF  
Houma, Louisiana

Notes to Financial Statements

1) Summary of Significant Accounting Policies

The Terrebonne Parish Sheriff (Sheriff) serves a four year term as the chief executive officer for the law enforcement district and ex-officio tax collector of the parish as provided by Article V, Section 27 of the Louisiana Constitution of 1974. 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 is responsible for enforcing state and local laws, ordinances, et cetera, within the territorial boundaries of the parish. The Sheriff provides protection to the residents of the parish through on-site patrols, investigations, and serves the residents of the parish through the establishment of neighborhood watch programs and anti-drug abuse programs. In addition, the Sheriff, when requested, 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, sportmen's licenses, and fines, costs and bond forfeitures imposed by the district court. The accounting and reporting policies of the Sheriff conform to generally accepted accounting principles 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.

The following is a summary of certain significant accounting policies:

a) Financial Reporting Entity

For financial reporting purposes, the Sheriff includes all funds, account groups, and activities that are controlled by the Sheriff as an independently elected parish official. As an independently elected parish official, the Sheriff is solely responsible for the operations of his office, which include the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. Other than certain operating expenditures of the Sheriff's office that are paid or provided by the parish consolidated government as required by Louisiana law, the Sheriff is financially independent. Accordingly, the Sheriff is a separate governmental reporting entity. Certain units of local government, over which the Sheriff exercises no oversight responsibility, such as the parish consolidated government, parish school board, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the parish Sheriff.



TERREBONNE PARISH SHERIFF  
Houma, Louisiana

Notes to Financial Statements, Continued

b) Fund Accounting

The accounts of the Sheriff are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The funds presented in the financial statements are described as follows:

General Fund

The General Fund, as provided by Louisiana Revised Statute 33:1422, is the principal fund of the Sheriff's office and accounts for the operations of the Sheriff's office. The Sheriff's primary sources of revenue are an ad valorem tax and sales tax levied by the law enforcement district. Other sources of revenue include state revenue sharing, state supplemental pay for deputies, civil and criminal fees, and fees for court attendance and maintenance of prisoners. General operating expenditures are paid from this fund.

Agency Funds

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

c) General Fixed Assets and General Long-Term Obligations

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in the General Fund. General fixed assets provided by the parish consolidated government are not recorded within the Sheriff's general fixed assets account group. No depreciation has been provided on general fixed assets.

All purchased fixed assets are stated at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are stated at their estimated fair market value on the date donated. Automobiles awarded to the Terrebonne Parish Sheriff's office by court award are carried in fixed assets at their fair market value. Donated or awarded amounts are immaterial in relation to total fixed assets.

Long-term obligations expected to be financed from governmental funds are accounted for in the general long-term obligations account group, not in the General Fund.

TERREBOUNE PARISH SHERIFF  
Houma, Louisiana

Notes to Financial Statements, Continued

**Other Financing Sources**

General fixed assets acquired through capital lease agreements are recognized as other financing sources and capital outlay expenditures at the time of acquisition. Also, proceeds from long-term loans are recognized as other financing sources when received.

**4) Budget and Budgetary Accounting**

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

1. The chief administrative deputy prepares a proposed budget 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 budget is published and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget 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 budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. The budget is 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.

**5) Interest-Bearing Deposits**

Interest bearing deposits are stated at cost, which approximates market.

TERREBONNE PARISH SHERIFF  
Houma, Louisiana

Notes to Financial Statements, Continued

g) Inventory

Inventory of the Sheriff's General Fund consists of food purchased by the Sheriff and commodities granted by the Louisiana Department of Agriculture and Forestry. 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.

h) Vacation and Sick Leave

All employees of the Sheriff's office, with over one year of service, earn five days of sick leave. Office employees earn 10 days of vacation leave each year; all other employees earn 14 days of vacation leave each year.

Vacation and sick leave cannot be accumulated and must be used in the year earned. Payment is not made for unused leave upon retirement or termination of employment. Any liability the Sheriff might have in this regard at June 30, 1997 is considered immaterial; therefore, no liability has been recorded in the accounts.

i) Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Sheriff as an extension of formal budgetary integration in the funds.

j) Total Columns on Combined Statements - Overview

Total columns on the Combined Statements - Overview are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

k) Fund Equity

Reserves represent those portions of fund equity not appropriable for expenditures or legally segregated for a specific use.

TERREBONNE PARISH SHERIFF  
HOUMA, LOUISIANA

Notes to Financial Statements, Continued

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, 1997, the Sheriff has cash and interest-bearing deposits (book balances) totaling \$2,121,914 as follows:

Demand deposits and cash on hand	\$ 338,052
Interest-bearing deposits	<u>1,783,862</u>
Total	<u>\$ 2,121,914</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 1997, are secured as follows:

Bank balances	\$ 2,344,769
Federal deposit insurance	\$ 519,111
Pledged securities (category 3)	<u>4,660,436</u>
Total secured deposits	<u>\$ 5,179,647</u>
Excess of secured deposits over bank balances	<u>\$ 2,834,778</u>

Pledged securities in Category 3 include uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the Sheriff's name. Even though the pledged securities are considered uncollateralized (Category 3), Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Sheriff that the fiscal agent has failed to pay deposited funds upon demand.

TERREBONNE PARISH SHERIFF  
Houma, Louisiana

Notes to Financial Statements, Continued

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 property taxes. Ad valorem taxes attach as an enforceable lien on property as of January 1, of each year. Taxes are levied by the parish consolidated 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 calendar year. The taxes are based on assessed values determined by the Tax Assessor of Terrebonne Parish Consolidated Government 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 levied and billed. For the year ended June 30, 1997, law enforcement taxes applicable to the Sheriff's General Fund, were levied at the rate of 7.58 mills on property with assessed valuations totaling \$284,627,220.

Total law enforcement taxes levied during 1997 were \$2,157,475.

4) **Due From Other Governmental Units**

Amounts receivable at June 30, 1997, consist of the following:

	General Fund
Sales taxes	\$ 285,638
Maintenance of prisoners	213,440
Grants receivable	12,187
Ad valorem taxes	2,800
Commissions on video poker	45,814
Supplemental pay	36,750
Court attendance, civil and criminal fees	70,193
Other	3,151
	<u>\$ 660,748</u>

TERREBONNE PARISH SHERIFF  
Houma, Louisiana

Notes to Financial Statements, Continued

5) Changes in General Fixed Assets

A summary of changes in general fixed assets (vehicles, office furniture and equipment) follows:

Balance of June 30, 1999	\$ 2,188,408
Additions:	
Purchases	336,611
Court awards	9,500
Reductions	(251,792)
Balance of June 30, 1997	<u>\$ 2,280,627</u>

6) Pension Plans

Substantially all employees of the Sheriff's office are members of the Sheriff's Pension and Relief Fund ("System"), a cost sharing, multiple-employer public employee retirement system (PERS), controlled and administered by a separate board of trustees.

Plan Description. The System provides retirement benefits as well as disability and survivor benefits. Twelve years of service credit is required to become vested for retirement benefits and ten years to become vested for disability benefits for a non-service related disability. There are no service requirements for service related disability or survivor benefits. Benefits are established and amended by state statute. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Sheriff's Pension and Relief Fund, Post Office Box 2463, Monroe, Louisiana 71210-2463, or by calling (225) 362-3811.

Funding Policy. Plan members are required to contribute a percentage of their annual covered salary to the System. The Sheriff is required to contribute at an actuarially determined rate. Member contributions and employer contributions for the System are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The Sheriff's employer contribution for the System, as provided by state law, is funded through annual appropriations, by deductions from local ad valorem taxes, and by remittances from the Sheriff.

TERREBONNE PARISH SHERIFF  
Houma, Louisiana

Notes to Financial Statements, Continued

Contributions required and made to the System were as follows:

Fiscal year ended June 30,	1997	1996	1995
Member contribution %	5.70%	5.70%	7.00%
Employer contribution %	5.00%	5.00%	5.00%
Member contribution \$	\$ 380,223	\$ 380,363	\$ 295,663
Employer contribution \$	\$ 275,407	\$ 274,665	\$ 211,268

7) Deferred Compensation Plan

Employees of the Terrebonne Parish Sheriff may participate in a deferred compensation plan adopted under the provisions of Internal Revenue Code Section 457 (Deferred Compensation Plans with Respect to Service for State and Local Governments). The Plan is accounted for in an agency fund.

The deferred compensation plan is available to all employees of the Sheriff. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or an unforeseeable emergency.

The Plan is sponsored by the National Association of Counties and is administered by an unrelated third party administrator, the Public Employees Benefits Services Corporation (PEBSOC). Under the terms of an IRC Section 457 deferred compensation plan, all deferred compensation and income attributable to the investment of the deferred compensation amounts held by PEBSOC, until paid or made available to the employees or beneficiaries, are the property of the Sheriff subject only to the claims of the Sheriff's general creditors. In addition, the participants in the plan have rights equal to those of the general creditors of the Sheriff, and each participant's rights are equal to his or her share of the fair market value of the plan assets. The Sheriff believes that it is unlikely that plan assets will be needed to satisfy claims of general creditors that might arise. The Plan had investments with a market value of \$173,636 at June 30, 1997.

**TERREBONNE PARISH SHERIFF**  
Houma, Louisiana

Notes to Financial Statements, Continued

8) Changes in Agency Fund Balances

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

	Sheriff's Fund	Tax Collector	Bond and Fines	Inmate Deposit
Balances at June 30, 1996	\$ 28,048	\$ 311,000	\$ 176,389	\$ 29,374
Additions	1,412,784	30,660,544	1,088,951	431,640
Reductions	(1,360,484)	(28,527,490)	(1,062,954)	(426,749)
Balances at June 30, 1997	\$ 80,348	\$ 479,054	\$ 292,426	\$ 34,265
(cont.)	Community Service	Narcotics Seizure Account	Detained Compensation	Total
Balances at June 30, 1996	\$ 3,546	\$ 15,947	\$ 150,015	\$ 170,001
Additions	37,809	374	41,641	80,834
Reductions	(20,244)	-	(18,018)	(38,262)
Balances at June 30, 1997	\$ 11,111	\$ 16,321	\$ 173,638	\$ 201,074

9) Changes in General Long-Term Obligations

The following is a summary of long-term obligation transactions during the year:

Long-term obligations payable at June 30, 1996	\$	9,004	
Additions		103,000	
Reductions		(4,222)	
Long-term obligations payable at June 30, 1997	\$	107,782	

On December 8, 1997, the Sheriff issued Certificates of Indebtedness in the amount of \$1,500,000 for the purpose of acquiring equipment and making capital improvements. The Certificates will mature over a five year period ending December 1, 2002 and bear interest at 4.75%, payable semi-annually. The Certificates are secured by the general revenues of the Sheriff.



TERREBONNE PARISH SHERIFF  
Houma, Louisiana

Notes to Financial Statements, Continued

10) Risk Management and Self-Insurance Programs

The Sheriff's Office is exposed to various risks of losses related to general liability, auto liability, property and group health benefits. For the year ending June 30, 1997, these risks are managed as follows:

The Sheriff's Office is insured for general liability claims by participation in the Louisiana Sheriff's Risk Management Program (a self-insurance fund). Historically, claims filed against the Program have not exceeded the coverage afforded.

The Sheriff's Office is insured for automobile liability, comprehensive, and collision coverages through the Louisiana Sheriff's Automobile Risk Program (a self-insurance fund). Historically, claims filed against the Program have not exceeded the level of coverage afforded.

Other real and personal property is insured through coverage from commercial insurance companies.

The Terrebonne Parish Sheriff's Office Group Health Plan was established by the Sheriff during the June, 1996 fiscal year. The partially self-insured plan was established to provide group medical indemnity coverage to qualifying employees and retirees of the Sheriff's Office. Citibor, Inc. is the benefit services manager and is responsible for administering and claims processing. Resources to pay claims are derived from employer and employee contributions. Monthly contributions, based on a conservative estimate of claims to be paid, are deposited into a separate cash account to insure funds will be available to pay claims as they are filed. Accordingly, \$60,045 in this account is included in cash at June 30, 1997. A reserve for outstanding claims of \$60,045 has also been established under the general fund at June 30, 1997. Liabilities are limited by the purchase of commercial insurance covering specific claims in excess of \$50,000 and aggregate claims in excess of approximately \$650,000. An analysis of claims activities for the current year and prior year follows:

<u>(In Thousands)</u>				
<u>Year Ended</u>	<u>Beginning Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Actual Claims Payments</u>	<u>Ending Liability</u>
June 30, 1996	\$ -	\$ 277	\$ 163	\$ 114
June 30, 1997	\$ 114	\$ 269	\$ 642	\$ 61

TERREBONNE PARISH SHERIFF  
Houma, Louisiana

Notes to Financial Statements, Continued

11) Postretirement Health Care and Life Insurance Benefits

The Sheriff provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the Sheriff's employees become eligible for those benefits if they reach normal retirement age while working for the Sheriff. Those benefits for retirees and similar benefits for active employees are provided through an insurance company and the Terrebonne Parish Sheriff's Office Group Health Plan whose monthly premiums are paid jointly by the employees and the Sheriff. The Sheriff's costs of providing retiree health care and life insurance benefits are recognized as expenditures when the monthly premiums are paid. For the year ended June 30, 1997, the costs of retiree benefits totaled \$66,655. There were nineteen eligible participants at year end receiving benefits.

12) Sales Tax Revenues

The citizens of Terrebonne Parish approved a one-quarter percent sales tax on September 26, 1996 to be used for operations of the Sheriff. Sales tax revenue collected was \$3,357,740 for the year ended June 30, 1997.

On July 13, 1997, the citizens of Terrebonne Parish approved an additional one-quarter percent sales tax, effective October 1, 1997, to be used for law enforcement.

13) Operating Leases

The Sheriff leases buildings, land and equipment under operating leases expiring in various years through 2003. During the year ended June 30, 1997, rental expenses under all operating leases totaled \$55,819. Certain operating leases provide for renewal options for periods of four years at their fair rental value at the time of the renewal. In the normal course of business, operating leases are generally renewed or replaced by other leases.

Minimum future rental payments under non-cancelable operating leases having remaining terms in excess of one year as of June 30, 1997 for each of the next three years and in the aggregate follow:

Year Ended June 30,	Amount
1998	\$ 53,685
1999	54,800
2000	55,800
Total minimum future rental payments	<u>\$ 164,285</u>

TERREBONNE PARISH SHERIFF  
Houma, Louisiana

Notes to Financial Statements, Continued

14) Anticipation Certificates

On September 5, 1987, the Terrebonne Parish Sheriff borrowed \$1,200,000 in anticipation certificates from the Bank One, Louisiana, National Association. The certificates bear interest at the rate of 4.75% and mature no later than March 3, 1988. The Sheriff's General Fund revenue for the fiscal year ending June 30, 1988 was pledged to secure payment of this debt.

15) Litigation and Claims

At June 30, 1987, the Sheriff is involved in several lawsuits claiming damages. Some of these suits are for substantial amounts. The Sheriff plans to vigorously oppose these suits and does not believe their ultimate disposition will materially affect the accompanying general purpose financial statements, except as follows:

The district court rendered a judgment against the Sheriff in the amount of \$100,000 as a result of a lawsuit filed by a former Sheriff's Office deputy. The lawsuit asked for reimbursement of legal fees incurred by the former deputy in defending himself from criminal charges. The Sheriff does not have insurance coverage for this claim. Accordingly, \$100,000 is recorded as a liability in the General Long-Term Debt Account Group. An expense will be recorded in the General Fund in the year in which funds are appropriated to pay this judgment.

Several claims resulting from an incident in which a deputy allegedly entered a Houma bank, shot and killed a bank employee and held several others hostage are also pending against the Sheriff. Another claim involves an incident in which the same deputy was convicted of rape. Outside counsel advised the Sheriff's Office that it is too early to render an opinion as to the probable outcome, or the extent of damages that might result from these incidences. Accordingly, no provision for losses has been recorded in the general purpose financial statements. The Sheriff's Office is insured through the Louisiana Sheriff's Risk Management Program as discussed at note 10.

**SUPPLEMENTAL INFORMATION**

SUPPLEMENTAL INFORMATION  
TERREBORNE PARISH SHERIFF

GENERAL FUND

June 30, 1997

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

**SUPPLEMENTAL INFORMATION**  
**TEKONOMAUCI POLICE DEPARTMENT**  
**North & Lorraine**  
**General Fund**

Statement of Expenditures - Budget (GAAP Basis) and Actual

Year Ended June 30, 1997

	Budget	Actual	Variance Budgeted (Dollars and Cents)
<b>Current:</b>			
<b>Public safety:</b>			
<b>Personal services and related benefits:</b>			
Officer salary	\$ 71,500	\$ 71,500	\$ -
Duties salaries	3,225,000	4,498,213	1,273,213
Pensions and benefit fees	904,900	883,800	(21,100)
Travel and training	32,500	32,250	(250)
Total personal services and related benefits	<u>4,433,900</u>	<u>5,425,763</u>	<u>991,863</u>
<b>Operating services:</b>			
Hospitalization insurance	850,000	842,955	(7,045)
Auto and vehicle insurance	282,500	280,875	(1,625)
Other liability insurance	125,000	289,348	164,348
Total operating services	<u>1,257,500</u>	<u>1,413,178</u>	<u>155,678</u>
<b>Operations and maintenance:</b>			
Auto fuel and oil	312,000	376,711	64,711
Auto and vehicle maintenance	182,000	271,457	89,457
Output uniforms, supplies, etc.	85,000	87,814	2,814
Office supplies and expenses	188,000	276,398	88,398
Computer expense	30,000	30,000	-
Telephone	68,000	71,388	(3,612)
Radio	24,000	28,267	(4,267)
Printer/ fax and maintenance	588,000	581,273	(6,727)
Printer manager	7,000	8,483	1,483
Jail operations	808,000	881,290	(73,290)
Other professional fees	100,000	128,152	28,152
Contract investigation expense	82,000	21,478	60,522
Lapses	14,000	83,287	(69,287)
Community expenditures	240,000	222,183	17,817
Other	253,248	255,278	(2,030)
Total operations and maintenance	<u>5,288,908</u>	<u>5,134,312</u>	<u>154,596</u>
<b>Debt service:</b>			
Principal	-	4,333	(4,333)
Interest	30,000	28,286	(1,714)
Total debt service	<u>30,000</u>	<u>32,619</u>	<u>(2,619)</u>
<b>Capital outlay:</b>			
Auto and vehicles	180,000	188,188	(8,188)
Radio	20,000	18,845	1,155
Office equipment	18,000	17,182	(882)
Office equipment	12,000	12,142	(142)
Computer	3,000	2,917	83
Miscellaneous	30,000	29,886	114
Total capital outlay	<u>283,000</u>	<u>289,211</u>	<u>(6,211)</u>
<b>Total expenditures</b>	<u>\$ 10,312,428</u>	<u>\$ 10,212,223</u>	<u>\$ 100,205</u>

SUPPLEMENTAL INFORMATION  
TERREBONNE PARISH SHERIFF

FIDUCIARY FUND TYPE - AGENCY FUNDS

June 30, 1997

Sheriff's 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.

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.

Bonds and Fines Fund

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

Inmate Deposit Fund

To account for funds belonging to individuals incarcerated in the parish prison. The funds are used by prisoners to purchase personal items while incarcerated, and any remaining balances are returned to prisoners upon their release.

Community Service Fund

The Community Service Fund, created on September 15, 1986, accounts for court assessed fees collected from individuals on probation. These fees are used to defray the costs of probation supervision and are paid to the Sheriff's General Fund and the City of Houma.

Moines Piques Account

To account for Moines obtained during drug operations and arrest. Disposition of the money is determined by court order.

### Deferred Compensation Fund

To account for the contributions and withdrawals by government employees who participate in the deferred compensation plan created and organized in accordance with Internal Revenue Code Section 457. The plan is administered by a third party, Public Employees' Benefits Services Corporation. The plan is available to all employees and permits employees to defer the income tax on a portion of their salaries until future years.



TRANSPARENCY FUNDING SHEET  
Houma, Louisiana

Fund(s) Fund Type - Agency Funds

Containing Balance Sheet  
June 30, 1997

ASSETS

Interest-bearing deposits  
Property and rights held under  
deferred compensation plans

Total assets

LIABILITIES

Due to taxing bodies and others  
Obligations to employees under  
deferred compensation plan  
Due to primary

Total liabilities

	Tax Collector Fund	Books & Files Fund	Revenue Deposit Fund	Community Service Fund	Reserve Retiree Account Fund	Deferred Compens- ation Fund	Total
\$ 89,260	\$409,057	\$259,765	\$ 34,474	\$ 2,291	\$ 95,821	\$ -	\$ 1,071,669
-	-	-	-	-	-	179,828	179,828
\$ 89,260	\$409,057	\$259,765	\$ 34,474	\$ 2,291	\$ 95,821	\$179,828	\$1,081,261
\$ 89,260	\$479,087	\$259,765	\$ -	\$ 2,291	\$ 95,821	\$ -	\$ 813,150
-	-	-	34,474	-	-	179,828	214,302
\$ 89,260	\$479,087	\$259,765	\$ 34,474	\$ 2,291	\$ 95,821	\$179,828	\$1,081,261

TELEPHONE FUNDRAISING  
 - Income - Expenses

Priority Fund Type - Agency Funds  
 Condensing Statement of Changes in Assets and Liabilities

Year Ended June 30, 1991

Receipts	Gifts	To Collector Fund	Smith & Finn Fund	June Donor Fund	Community Service Fund	Merwin Trustee Account Fund	Referral Compan- y Fund	Total
Balance, beginning of year	30,843	\$	111,000	\$	129,276	\$	10,847	\$ 282,966
Receipts								
Books	1,413,764	-	-	-	-	-	-	1,413,764
Fines and costs	-	-	263,577	-	-	-	-	263,577
Transfer (payments)	-	-	458,000	-	27,279	-	-	485,279
Total (less, net, gift)	-	-	-	-	41,549	-	-	41,549
To the subcommittee	-	50,000,150	-	-	-	-	-	50,000,150
Deferred compensation contributions	-	-	-	-	-	-	23,819	23,819
Investment income	-	-	-	-	-	-	11,000	11,000
Interest	-	-	-	-	-	-	2,000	2,000
Total additions	1,413,764	50,000,150	2,627	-	69	-	25,819	50,492,429
Total	1,444,577	50,000,150	1,227	-	70,825	-	25,819	50,577,591
Expenditures								
Total (less, net, distribution	-	50,000,150	-	-	-	-	-	50,000,150
to the collector and others	150,700	-	178,176	-	-	-	-	328,876
Deposited with the	75,469	-	22,741	-	18,044	-	-	116,254
Smith's General Fund	-	-	-	-	-	-	-	-
Gifts of SOAT	1,112,879	-	-	-	-	-	-	1,112,879
Colleges	18,883	-	885,888	625,748	150	-	-	1,690,669
Other institutions	-	-	-	-	-	-	-	-
Participant without results	-	-	-	-	-	-	50,000	50,000
Other	-	-	-	-	-	-	2,000	2,000
Total reductions	1,367,931	50,000,150	1,927,925	625,748	18,044	-	52,000	52,634,828
Balance, end of year	30,843	\$	111,000	\$	129,276	\$	10,847	\$ 282,966

**SUPPLEMENTARY FINANCIAL REPORT**

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

The Honorable Jerry L. Laupenter  
Terrebonne Parish Sheriff  
Houma, Louisiana

We have audited the financial statements of the Terrebonne Parish Sheriff as of and for the year ended June 30, 1997, and have issued our report thereon dated December 18, 1997. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

### Compliance

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

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Terrebonne Parish Sheriff's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of management. However, this report is a matter of public record and its distribution is not limited.

*B. J. Simpson*

December 18, 1997