

09 11 1998 40:30

**OFFICIAL
FILE COPY**

DO NOT SEND OUT

(Xerox necessary
copies from this
copy and PLACE
BACK in FILE)

CADDO PARISH CORONER
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 1998

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, 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 7-14-99

CONTENTS

	Exhibit	Schedule	Page
UNQUALIFIED OPINION ON GENERAL-PURPOSE FINANCIAL STATEMENTS-GOVERNMENTAL ENTITY	-	-	1 - 2
REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS	-	-	3 - 4
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	-	-	5 - 6
GENERAL PURPOSE FINANCIAL STATEMENTS (COMBINED STATEMENTS ~ OVERVIEW)			
Balance sheet	A	-	7
Statement of revenues, expenses, and changes in retained earnings	B	-	8
Statement of Revenues, expenses, and changes in retained earnings - Budget (GAAP basis) and actual	C	-	9
Statement of Cash Flows	D	-	10
Notes to the financial statements	-	-	11 - 17
ADDITIONAL INFORMATION			
Management's Schedule of Prior Year Findings	-	1	19
Management's Corrective Action Plan	-	2	20
REQUIRED SUPPLEMENTAL INFORMATION - YEAR 2000 SUPPLEMENTARY INFORMATION			21

ELLIOTT & ASSOCIATES, INC.

A Professional Accounting Corporation

P. O. Box 1287

Leesville, Louisiana 71496-1287

(318) 239-2535
(318) 238-5135
Fax 239-2295

W. Micheal Elliott, CPA

UNQUALIFIED OPINION ON GENERAL-PURPOSE FINANCIAL STATEMENTS--GOVERNMENTAL ENTITY

INDEPENDENT AUDITOR'S REPORT

Honorable Dr. George M. McCormick, II
Caddo Parish Coroner
Shreveport, Louisiana

I have audited the accompanying general-purpose financial statements of the Caddo Parish Coroner, as of and for the year ended December 31, 1998, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Caddo Parish Coroner's management. My responsibility is to express an opinion on these general-purpose financial statements based on my audit.

I conducted my 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. Those standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Caddo Parish Coroner as of and for the year ended December 31, 1998, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, I have also issued a report dated June 23, 1999, on my consideration of the Caddo Parish Coroner's internal control over financial reporting and my tests of its compliance with laws, regulations, contracts and grants.

The year 2000 supplementary information on page 21 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and the presentation of the supplementary information. However, I did not audit the information and do not express an opinion on it. In addition, I do not provide assurance that the Caddo Parish Coroner is or will become year 2000 compliant, that the Coroner's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the Coroner does business are or will become year 2000 compliant.

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

Elliott & Assoc. "APAC"

Leesville, Louisiana
June 23, 1999

ELLIOTT & ASSOCIATES, INC.

A Professional Accounting Corporation

P. O. Box 1287

Leesville, Louisiana 71496-1287

(318) 239-2535

(318) 238-5135

Fax 239-2295

W. Micheal Elliott, CPA

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

Honorable Dr. George M. McCormick, II
Caddo Parish Coroner
Shreveport, Louisiana

I have audited the financial statements of the Caddo Parish Coroner as of and for the year ended December 31, 1998, and have issued my report thereon dated June 23, 1999. I conducted my 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 Caddo Parish Coroner's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

This report is intended solely for the information and use of management, others within the organization, the Caddo Parish Coroner, and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties.

Elliott & Assoc. "APAC"

Leesville, Louisiana
June 23, 1999

CADDO PARISH CORONER

BALANCE SHEET

December 31, 1998

ASSETS

Current assets:	
Cash and cash equivalents (Note B)	\$161,916
Receivables:	
Other governmental units (Note C)	3,300
Accrued interest	476
Miscellaneous-payroll tax overpayment	<u>58</u>
Total current assets	<u>165,750</u>
Property, plant and equipment, net (Note D)	<u>31,937</u>
Total assets	<u>\$197,687</u>

LIABILITIES AND CAPITAL

Current liabilities:	
Accounts payable	\$ 7,963
Salaries payable	18,051
State income taxes withheld	49
Deferred compensation payable (Note F)	<u>1,267</u>
Total current liabilities	<u>27,330</u>

EQUITY

Retained earnings - unreserved	<u>170,357</u>
Total equity	<u>170,357</u>
Total liabilities and equity	<u>\$197,687</u>

The accompanying notes are an integral part of this statement.

CADDO PARISH CORONER
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
 RETAINED EARNINGS
 For the year ended December 31, 1998

Operating revenues:	
Fees - City of Shreveport/Caddo Parish Commission	\$669,566
Coroner's emergency commitments	25,400
Other income	<u>5,001</u>
Total operating revenues	<u>699,967</u>
Operating expenses:	
Current:	412,258
Salaries	3,787
Automobile expense	2,456
Supplies	
Professional books, dues and subscriptions	6,742
Conventions, seminars, and travel	6,260
Computer service and maintenance	3,390
Payroll taxes	30,664
Legal and accounting fees	12,870
Insurance	55,238
Other expenses (Note E)	13,602
Professional fees - psychiatric services	72,200
Telephone	12,496
Retirement expense (Note F)	14,484
Contract labor	13,500
Depreciation (Note D)	<u>21,166</u>
Total operating expenses	<u>681,113</u>
Operating income	18,854
Nonoperating revenues (expenses):	
Interest income	<u>2,956</u>
Total nonoperating revenues (expenses)	<u>2,956</u>
Net income	21,810
Retained earnings, beginning	<u>148,547</u>
Retained earnings, ending	<u>\$170,357</u>

The accompanying notes are an integral part of this statement.

CADDO PARISH CORONER
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
RETAINED EARNINGS - BUDGET (GAAP BASIS) AND ACTUAL -
Year ended December 31, 1998

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Operating revenues:			
Fees - City of Shreveport/ Caddo Parish Commission	\$ 669,566	\$669,566	\$ ---
Coroner's emergency commitments	30,000	25,400	(4,600)
Other income	<u>3,500</u>	<u>5,001</u>	<u>1,501</u>
Total operating revenues	<u>703,066</u>	<u>699,967</u>	<u>(3,099)</u>
Operating expenses:			
Current:			
Salaries	443,523	412,258	31,265
Automobile expense	8,000	3,787	4,213
Supplies	2,500	2,456	44
Professional books, dues and subscriptions	3,600	6,742	(3,142)
Conventions, seminars and travel	9,000	6,260	2,740
Computer service and maintenance	2,100	3,390	(1,290)
Payroll taxes	32,843	30,664	2,179
Legal and accounting fees	18,000	12,870	5,130
Insurance	65,500	55,238	10,262
Other expenses	9,800	13,602	(3,802)
Professional fees - psychiatric services	70,000	72,200	(2,200)
Telephone	10,200	12,496	(2,296)
Retirement expense	15,000	14,484	516
Contract labor	12,000	13,500	(1,500)
Depreciation	<u>---</u>	<u>21,166</u>	<u>(21,166)</u>
Total operating expenses	<u>702,066</u>	<u>681,113</u>	<u>20,953</u>
Operating income	1,000	18,854	17,854
Nonoperating income:			
Interest income	<u>---</u>	<u>2,956</u>	<u>2,956</u>
Total nonoperating income	<u>---</u>	<u>2,956</u>	<u>2,956</u>
Net income	1,000	21,810	20,810
Retained earnings, beginning	<u>148,547</u>	<u>148,547</u>	<u>---</u>
Retained earnings, ending	<u>\$ 149,547</u>	<u>\$170,357</u>	<u>\$ 20,810</u>

The accompanying notes are an integral part of this statement.

CADDO PARISH CORONER
Statement of Cash Flows
For the year ended December 31, 1998

CASH FLOWS FROM OPERATING ACTIVITIES	
Operating income	\$ 18,854
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	21,166
Changes in assets and liabilities	
Accounts receivable	(2,000)
Other current assets	225
Accounts payable	2,885
Other current liabilities	<u>(154)</u>
Net cash provided by operating activities	<u>40,976</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	<u>---</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES	
Acquisition of property, plant, and equipment	<u>(240)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	<u>2,538</u>
Increase in cash	43,274
CASH, BEGINNING OF YEAR	<u>118,642</u>
CASH, END OF YEAR	<u><u>\$161,916</u></u>

The accompanying notes are an integral part of this statement.

CADDO PARISH CORONER
Shreveport, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

December 31, 1998

NOTE A--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article V, Section 29 of the Louisiana Constitution of 1974, Coroners are elected by the voters of each parish for terms of four years. They must be a licensed physician, except in any parish in which no licensed physician will accept the office. The Coroner's office holds inquest and investigates all cases of sudden death, deaths due to unknown causes, deaths without attending physicians or other remedial treatments, or deaths in which there is suspicion as to the cause of death. In addition, the Coroner has the right to order an autopsy in any instance where he feels it is necessary to determine the cause of death.

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local government. The accompanying general purpose financial statements have been prepared in accordance with such principles.

1. REPORTING ENTITY

For financial reporting purposes, in conformance with GASB Codification Section 2100, the Coroner includes all funds, account groups, activities, et cetera, that are controlled by the Coroner as an independently elected parish official. As an independently elected parish official, the Coroner is solely responsible for the operations of his office, which include the hiring or retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. Accordingly, the Coroner is a separate governmental reporting entity. Certain units of local government over which the Coroner exercises no oversight responsibility, such as the parish council, parish school board, other independently elected parish officials, and municipalities within the parish are excluded from the accompanying general purpose financial statements. These units of government are considered separate reporting entities and issue general purpose financial statements separate from that of the Parish Coroner.

CADDO PARISH CORONER
Shreveport, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

December 31, 1998

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. FUND ACCOUNTING

The Coroner is organized and operated on a fund basis as a Proprietary Fund Type-Enterprise Fund. In an enterprise fund the accrual basis of accounting is utilized and revenues are recognized when earned and expenses are recognized when incurred. Enterprise Funds are used to account for operations 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.

3. CASH AND CASH EQUIVALENTS

Cash includes amounts in petty cash, demand deposits, interest earning demand deposits, and money market accounts. Cash equivalents include amounts in time deposits, with maturities of three months or less.

4. FIXED ASSETS AND LONG TERM LIABILITIES

The fixed assets and long-term liabilities of the Caddo Parish Coroner are accounted for on the balance sheet of the Enterprise Fund. The fixed assets of the Coroner as shown on the balance sheet are recorded at historical cost. Depreciation is computed by the straight line method based on the estimated useful life of the individual assets. At December 31, 1998, there were no long-term liabilities recorded on the Coroner's books.

5. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The Coroner's accounts are maintained on a cash basis of accounting. However, the Enterprise Fund reported in the accompanying financial statements has been converted to the accrual basis of accounting using the following practices in recording revenues and expenses:

CADDO PARISH CORONER
Shreveport, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

December 31, 1998

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. BASIS OF ACCOUNTING (Continued)

Revenues

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

Revenues are recognized when earned to finance expenses of the fiscal period.

Expenses

Expenses are generally recognized under the accrual basis of accounting when the related liability is incurred.

Proprietary funds follow GAAP prescribed by the Governmental Accounting Standards Board and all Financial Accounting Standards Board's standards issued prior to November 30, 1989. All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets associated with the operation of these funds are included on the balance sheet. Fund equity, (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

5. BUDGET PRACTICES

The Coroner adopts an annual budget for the Enterprise Fund on the accrual basis of accounting. The budget is legally adopted and amended as necessary by the Coroner. All appropriations lapse at year end.

Budget amounts included in the accompanying general purpose financial statements are the original adopted budget, and there were no subsequent amendments.

CADDO PARISH CORONER
Shreveport, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

December 31, 1998

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. VACATION AND SICK LEAVE

Employees of the Coroner's office earn up to twenty-two days of vacation and sick leave each year. Sick leave must be taken in the year earned. Vacation time is not cumulative and cannot be paid after termination.

Upon termination of employment, all unused vacation and sick leave is forfeited. There is no liability for unused leave payable at December 31, 1998.

NOTE B - CASH AND INVESTMENTS

Under state law, the Coroner may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law or national banks having their offices in Louisiana. At December 31, 1998, the Coroner has cash and cash equivalents (book balances) totaling \$161,916 as follows:

At December 31, 1998, the District had cash and investments as follows:

	<u>UNRESTRICTED</u>	<u>RESTRICTED</u>	<u>TOTAL</u>
Cash (demand deposits) and certificate of deposit	<u>\$161,916</u>	<u>\$ ---</u>	<u>\$161,916</u>

At year end, the carrying amount of the District's deposits (demand deposits and certificates of deposit) were \$161,916, and the bank balances were \$182,875. A summary of collateralization of bank balances is presented below.

Insured (Federal deposit insurance)	\$159,256
Uncollateralized (In accordance with GAAP - See below)	<u>23,619</u>
	<u>\$182,875</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 at least equal the amount on deposit with the fiscal agent.

CADDO PARISH CORONER
Shreveport, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

December 31, 1998

NOTE B - CASH AND INVESTMENTS (Continued)

The uncollateralized amount shown above is secured by pledged securities with a market value of \$40,000 held in the name of the pledging fiscal agent banks in holding or custodial banks. Even though the pledged securities are considered uncollateralized under GAAP, Louisiana Revised Statutes impose a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District that the fiscal agent has failed to pay deposited funds upon demand.

NOTE C - DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units at December 31, 1998 consisted of the following:

Bienville Parish	\$ 400	Lincoln Parish	\$ 500
Jackson Parish	200	Natchitoches Parish	1,100
Lafayette Parish	<u>100</u>	Sabine Parish	900
		Union Parish	<u>100</u>
Subtotals	<u>700</u>		<u>2,600</u>
	TOTAL	\$	<u>3,300</u>

NOTE D - PROPERTY, PLANT AND EQUIPMENT

A summary of changes in property, plant and equipment follows:

Balance, December 31, 1997	\$115,101
Additions	240
Deletions	<u>---</u>
Balance, December 31, 1998	<u>115,341</u>
Less: Accumulated depreciation	<u>(83,404)</u>
Net property, plant, and equipment	<u>\$ 31,937</u>

Prior to 1994, all property, plant and equipment utilized by the Coroner was the property of the Caddo Parish Commission. Depreciation expense for 1998 was \$21,166.

CADDO PARISH CORONER
Shreveport, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

December 31, 1998

NOTE E- OTHER EXPENSES

"Other expenses" as detailed in the accompanying income statements consists of:

Category

Office supplies	\$ 5,407
Office equipment lease expense and repairs	3,252
Miscellaneous	2,390
Pauper burial	1,750
Postage	<u>803</u>
Total	<u>\$13,602</u>

NOTE F - DEFERRED COMPENSATION PLAN

The Coroner began an employee deferred compensation plan in 1992, that qualifies under IRS Code 457. Total disbursements for the Coroner's office for the retirement plan for the year ended December 31, 1998, was \$20,374 of which \$14,484 was funded by the Coroner's office and the balance was funded by employee' voluntary contributions. The net assets available for distribution at December 31, 1998 (fair market value) based upon data provided by Public Employees Benefits Service Corporation ("PEBSCO"), the plan trustee, was \$186,711.

Under the provision of the plan, eligible employees are able to defer current taxable income and contribute to the plan. Furthermore, the assets of the plan are held in trust for the exclusive benefits of the employees. The Coroner also contributes on behalf of each eligible employee. By law (IRS Code Section 457K) the total annual contribution for both the office and the employee is limited to \$7,500 per year or 25% of gross annual compensation. Also in accordance with Section 457K, there is no vesting period, each employee is immediately vested into the plan.

CADDO PARISH CORONER
Shreveport, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

December 31, 1998

NOTE G - RISK MANAGEMENT

The Coroner is exposed to various risks of loss related to torts, theft or damage and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Coroner carries commercial insurance as outlined in the following table. Settled claims did not exceed commercial coverage for any of the past three fiscal years.

	LIMITS OF <u>COVERAGE</u>
Workmen's compensation	\$ 200,000
Commercial general liability	3,000,000

The Coroner's auto liability, buildings, and equipment are covered by the Caddo Parish Commission. The Coroner covers all other losses, claim settlements, and judgments from operating resources. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated.

The Coroner was not involved in any litigation nor did it have asserted claims lodged against it.

SUPPLEMENTARY DATA

Caddo Parish Coroner
SCHEDULE OF PRIOR YEAR FINDINGS

For the Year Ended December 31, 1998

**SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE
FINANCIAL STATEMENTS**

The audit report for the year ended December 31 1997, contained a finding related to the report not being issued within the six months of the close of its' December 31, 1997 year-end. This was a violation of LA R.S. #24:513 (A)(5)(a), but did not effect the financial statements. The current year report will be issued to the Legislative Auditor within the statutory period.

**SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL
AWARDS**

There were no prior year findings relating to internal control and compliance material to federal awards.

SECTION III MANAGEMENT LETTER

There was no management letter with prior year audit report.

See Independent Auditor's Report.

Caddo Parish Coroner
MANAGEMENT'S CORRECTIVE ACTION PLAN

For the Year Ended December 31, 1998

**SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE
FINANCIAL STATEMENT**

N/A

**SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL
AWARDS**

N/A

SECTION III MANAGEMENT LETTER

N/A

See Independent Auditor's Report.

Caddo Parish Coroner
Required Supplemental Information
Year 2000 Supplementary Information
December 31, 1998

The Year 2000 issue is the result of shortcomings in many electronic data processing systems and other electronic equipment that may adversely affect the Coroner's operations as early as fiscal year 1999.

The Coroner has completed an inventory of computer systems and other electronic equipment that may be affected by the Year 2000 issue and that are necessary to conducting Coroner operations and has identified such systems as being financial reporting and cash receipts. All necessary modifications and/or additional procedures have been performed in order to make these systems Year 2000 compliant.

The Coroner's general ledger is processed by an outside accounting firm and the Coroner relies on that firm to be Year 2000 compliant. The outside firm has already performed the necessary steps to become Year 2000 compliant.

Because of the unprecedented nature of the Year 2000 issue, its effects and the success of the related remediation efforts will not be fully determinable until the Year 2000 and thereafter. Management cannot assure that the Coroner is or will be Year 2000 ready, the Coroner's remediation efforts will be successful in whole or in part, or that parties with whom the Coroner does business will be Year 2000 ready.

See independent auditor's report.