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ST. CHARLES PARISH SHERIFF
 Metairie, Louisiana

Financial Report

Year Ended June 30, 1997

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Release Date ~~4-10-2000~~ - 2

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INDEPENDENT AUDITOR'S REPORT

The Honorable Gregory Champagne
St. Charles Parish Sheriff
Hahnville, Louisiana

We have audited the accompanying general purpose financial statements of the St. Charles Parish Sheriff, as of and for the year ended June 30, 1987, as listed in the table of contents. These general purpose financial statements are the responsibility of the St. Charles 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 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 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 St. Charles Parish Sheriff, as of June 30, 1987, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated December 3, 1987, on our consideration of the St. Charles 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 performed for the purpose of forming an opinion on the general purpose financial statements of St. Charles Parish (State), 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. 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 stated in all material respects in relation to the general purpose financial statements taken as a whole.

The financial information for the preceding year which is included for comparative purposes was taken from the financial statements for that year which were audited by other auditors whose report dated September 27, 1996 expressed an unqualified opinion on those statements.



Hayes, Butler, Anderson & Brown
Harvey, Louisiana
December 18, 1997

GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)

ST. CHARLES PARISH BUDGET
 Receipts, Louisiana

Combined Balance Sheet -- All Fund Types and Account Groups

	Governmental Fund Type General Fund	Fiduciary Fund Type Agency Funds	Asset Group		Totals	
			General Fixed Assets	General Long-Term Debt	(Macrosystem 2001)	
			1997	1996	1997	1996
ASSETS AND OTHER DEBITS						
Assets						
Cash and cash equivalents	\$ 800,048	\$ 800,719	\$ -	\$ -	\$ 1,600,767	\$ 1,600,767
Investments	5,000,000	-	-	-	5,000,000	-
Receivables:						
Accrued interest	40,403	-	-	-	40,403	19,219
Due from other governmental units	221,084	-	-	-	221,084	264,070
Due from agency funds	3,773	-	-	-	3,773	600
Other	40,000	-	-	-	40,000	40,000
Inventory	8,413	-	-	-	8,413	8,211
Prepaid expenses	22,100	-	-	-	22,100	9,293
Vehicles, office furniture and equipment	-	-	4,402,284	-	4,402,284	3,217,205
Other debts - amount to be provided for retirement of general long-term obligations	-	-	-	260,272	260,272	134,000
Total assets and other debits	\$ 8,285,628	\$ 820,719	\$ 4,402,284	\$ 260,272	\$ 13,829,223	\$ 13,000,201
LIABILITIES, EQUITY AND OTHER CREDITS						
Liabilities:						
Accounts payable	\$ 475,181	\$ -	\$ -	\$ -	\$ 475,181	\$ 50,816
Claims payable	25,000	-	-	-	25,000	25,000
Other accrued liabilities	-	-	-	-	-	1,108
Due to General Fund	-	3,773	-	-	3,773	895
Due to taxing bodies (and others)	-	197,823	-	-	197,823	1,600,270
Due to inmates	-	19,219	-	-	19,219	20,121
Concentrated resources payable	-	-	-	268,272	268,272	128,204
Total liabilities	499,981	200,716	-	268,272	1,078,965	2,026,814
Equity and other credits:						
Investment in general fund assets	-	-	4,402,284	-	4,402,284	3,217,205
Fund balances:						
Reserved for inventory	8,413	-	-	-	8,413	8,211
Reserved for prepaid items	22,100	-	-	-	22,100	9,293
Unreserved:						
Designated for constitutional activities	314,768	-	-	-	314,768	320,110
Unassigned	4,268,836	-	-	-	4,268,836	2,859,147
Total equity and other credits	4,593,917	-	4,402,284	-	9,261,685	6,996,673
Total liabilities, equity and other credits	\$ 9,285,628	\$ 820,719	\$ 4,402,284	\$ 268,272	\$ 13,829,223	\$ 13,000,201

The accompanying notes are an integral part of this statement.

ST. CHARLES-PARISH GOVT
Metairie, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance -
Budget (BAP Based) and Actual
Governmental Fund Type - General Fund
Year Ended June 30, 1997
With Comparative Actual Amounts for Year Ended June 30, 1996

	1997		Variance	1996
	Budget	Actual	(Unfavorable)	Actual
Revenues				
All revenues properly taxed	\$ 18,800,000	\$ 18,894,880	\$ 94,880	\$ 1,800,487
Intergovernmental				
Participants	175,000	99,880	(75,120)	110,880
State revenue sharing - net	283,200	283,200	-	287,800
State supplemental pay	940,000	837,207	(1,022,800)	800,150
Federal supplemental pay	300,000	304,378	4,378	283,850
Sales poker	80,000	87,607	7,607	88,000
Fees, charges, and commissions for services:				
City/parish control fees	880,000	878,927	(1,073)	484,940
Court attendance	80,000	88,380	8,380	86,400
Feeding and keeping prisoners	200,000	218,248	18,248	191,150
Transporting prisoners	80,000	81,250	1,250	82,700
Paid details	870,000	847,000	(23,000)	700,000
Telephone commissions and other	27,000	33,357	6,357	27,450
Interest income	288,000	287,807	(1,93)	100,245
Miscellaneous:				
Contributed	11,000	10,980	(20)	90,507
Donations	80,000	80,260	260	3,054
Other	650	3,150	2,500	70,707
TOTAL REVENUES	19,171,850	19,283,988	112,138	18,261,940
Other financing sources:				
Sale of assets	1,000	1,000	-	30,000
Total revenues and other financing sources	19,172,850	19,284,988	112,138	18,291,940
Expenditures				
Current:				
Public safety				
Personal services and related benefits	7,505,400	7,595,150	89,750	8,790,150
Insurance	1,288,571	1,277,378	(11,193)	1,234,200
Operation and maintenance	1,880,000	1,880,000	-	1,880,000
Capital outlay	1,441,288	1,382,418	(58,870)	862,450
Debt service - interest	80,000	80,000	-	80,000
Total expenditures	11,895,259	11,595,002	(34,118)	12,827,800
Excess (deficiency) of revenues and other financing sources over expenditures	7,277,600	7,689,986	412,386	(4,535,860)
Fund balance at beginning of year	2,330,000	2,330,000	-	2,330,000
Fund balance at end of year	\$ 4,607,600	\$ 4,607,600	\$ 412,386	\$ 1,794,140

The accompanying notes are an integral part of this statement.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Financial Statements

5. Summary of Significant Accounting Policies

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

As the chief law enforcement officer of the parish, the Sheriff is responsible for enforcing state and local laws, ordinances, etc. 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, etc. 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 and salators property taxes, parish occupational licenses, state revenue sharing funds, sporting licenses, and fines, costs and bond forfeitures imposed by the district court.

The accompanying general purpose financial statements of the St. Charles Parish Sheriff have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. A summary of significant accounting policies are described as follows.

A. Financial Reporting Entity

For financial reporting purposes, the Sheriff includes all funds, account groups, activities, etc. that are controlled by the Sheriff 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 disbursements of funds. Other than certain operating expenditures of the Sheriff's office that are paid or provided by the parish council as required by Louisiana law, the

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Financial Statements - Continued

A. Financial Reporting Entity - continued

Sheriff is financially independent. Accordingly, the Sheriff is a separate governmental reporting entity. Certain units of the local government, over which the Sheriff 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 financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the Sheriff.

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 the 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 source of revenue is an ad valorem property 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, fees, etc. Disbursements from these funds are made to various parish agencies, litigants in suits, etc. 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.

ST. CHARLES PARISH SHERIFF
Marriville, Louisiana

Notes to Financial Statements - Continued

C. General Fixed Assets and 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 council are not recorded within the 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. Estimated 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.

The two account groups are net funds. They are concerned only with the measurement of financial position and do not involve measurement of results of operations.

D. Basis of Accounting

Basis of accounting refers to when revenues and expenditures 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 accompanying general purpose financial statements have been prepared on the modified accrual basis of accounting, except for the Agency Funds which are prepared on the cash basis of accounting, which approximates the modified accrual basis of accounting. The General Fund uses the following practices in recording revenues and expenditures.

Receipts

Ad valorem property taxes and the related state revenue sharing funds are reported in the year they are due and payable. Ad valorem property 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 each year.

ST. CHARLES PARISH SHERIFF
Mahnville, Louisiana

Notes to Financial Statements - Continued

D. Basis of Accounting - continued

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

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

Other Financing Sources

Proceeds from the sale of fixed assets are accounted for as other financing sources and are recognized when received.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except that principal and interest on general long-term obligations are recognized when due. Purchases of various operating supplies are regarded as expenditures at the time purchased.

E. Budget and Budgetary Accounting

The Sheriff follows these procedures in establishing the budgetary data shown in the 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.

ST. CHARLES PARISH SHERIFF
Molokwe, Louisiana

Notes to Financial Statements - Continued

E. Budget and Budgetary Accounting - continued

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. Such amendments were not material in relation to the original appropriations.

F. Cash and Cash Equivalents

Cash includes cash on hand and amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those other investments with original maturities of 90 days or less. Under state law, the sheriff may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States. Tax collections must be deposited in a bank located in the parish where the funds are collected.

G. Investments

Under state law, the Sheriff may invest in United States bonds, treasury notes, or treasury bills. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost.

H. Inventory

The inventory is stated at cost, which is determined by the first-in, first-out method. Inventory consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are consumed or used. The reported inventory is equally offset by a fund balance reserve which indicates that it does not constitute "available spendable resources" even though it is a component of total assets.

I. Accumulated Absences

Employees of the Sheriff's office earn from 16 - 2 1/2 days per month or 3 - 30 days per year of vacation leave depending on total years of service and number of hours worked. The maximum vacation leave carryover allowed, at the beginning of each fiscal year is 15 days unless otherwise approved. Unused vacation leave is payable upon termination of employment. Employees earn from 16 - 1 1/2 days per month or 3 - 15 days per year of sick leave depending on total years of service and number of hours worked. Sick leave may be accumulated; however, if an employee resigns, retires, or is terminated, the accumulated sick leave is forfeited.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Financial Statements - Continued

J. Compensated Absence - continued

In lieu of payment for overtime work, employees accrue compensatory leave. There is no limitation on the amount of compensatory leave which may be accrued. Upon termination of employment, payment is made for unused compensatory leave.

At June 30, 1997, the accumulated and vested vacation and compensatory leave required to be accrued in accordance with GASB Codification G90 was \$250,738. This amount has been recorded as a general long-term obligation since no portion of the leave privileges is expected to be paid from current resources.

J. Tax Anticipation Borrowing

The Sheriff borrowed a total of \$3,100,000 during the fiscal year ended June 30, 1997. These borrowed funds are referred to as tax anticipation loans (i.e. funds loaned in anticipation of tax revenues to be collected). These funds were borrowed at a rate of 3.75% interest and were paid out, along with \$24,500 of interest, on January 3, 1997.

K. Prepaid Expenses

Prepaid expenses represent items whose cost has been allocated over more than one period. A reserve for prepaid expenses is reported in the fund balance section of the balance sheet which indicates that this asset is not an "available spendable resource" even though it is a component of total assets.

L. 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.

M. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenditures. Actual results could differ from those estimates.

N. Comparative Data

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Sheriff's financial position and operations. However, comparative data have not been presented in all of the statements because their inclusion would make the statements unduly complex and difficult to understand.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Financial Statements - Continued

Q. 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 or results of operations 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.

(1) Cash and Cash Equivalents and Investments

At June 30, 1997, cash, cash equivalents and investments were comprised of the following:

	Cash and Cash Equivalents	Investments
Cash in banks:		
Demand deposits	\$ 30,322	\$ -
Interest-bearing demand deposits	2,880,375	-
Time certificates of deposit	700,000	3,000,000
Cash on hand (petty cash and change funds)	2,029	-
Totals	\$ 2,817,028	\$ 3,000,000

The bank deposits are stated at cost. 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.

At June 30, 1997, the carrying amount of the Sheriff's bank deposits were \$3,817,028 and the bank balances were \$3,029,787. These deposits were secured from risk by \$2-13,713 of federal deposit insurance and \$10,029,716 of securities held by the custodial bank in the name of the fiscal agent bank (GAAP Category 3).

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 90 days of being notified by the Sheriff that the fiscal agent has failed to pay deposited funds upon request.

(2) Ad Valorem Property 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 property taxes attach as an enforceable lien on property as of January 1, of each year. Taxes are billed by the parish government in June and are actually billed to the taxpayers by the Sheriff in October.

ST. CHARLES PARISH SHERIFF
 Metairie, Louisiana

Notes to Financial Statements - Continued

(3) All Voluntary Property Taxes - continued

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 St. Charles Parish and are collected by the Sheriff. The taxes are levied to the appropriate taxing bodies net of deductions for assessor's compensation and pension fund contributions.

All vacant property 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 10.93 mills on property with assessed valuations totaling \$615,573,589.

(4) Due from Other Governmental Units

Amounts due from other governmental units at June 30, 1997, consisted of the following:

New Orleans Aviation Board	\$ 56,743
St. Charles Parish Council	26,274
St. Charles Parish School Board	789
State of Louisiana	24,400
U.S. Treasury:	
Pass through grants	110,555
Other	<u>1,638</u>
	<u>\$277,081</u>

(5) Other Receivables

The balance in other receivables of \$46,687 consists of amounts due for fines and fees.

(6) Lease Obligations

The Sheriff had the following outstanding operating lease agreements at June 30, 1997:

<u>Items Leased</u>	<u>Lease Term</u>	<u>Contract/Lease Date</u>	<u>Annual Lease Amount</u>
Copy machines	30 months	September, 1995	\$ 15,131
Lead for radio tower	60 months	April, 1995	260
Office space	12 months	July, 1997	3,132
Office space	18 months	January, 1997	49,221
Land for storage of seized vehicles	12 months	July, 1997	7,260
Automobiles	36 months	August, 1995	11,500

ST. CHARLES PARISH SHERIFF
 Lakeville, Louisiana

Notes to Financial Statements - Continued

(6) **Lease Obligations - continued**

The minimum future rental payments under these agreements are as follows:

Year Ending <u>June 30,</u>	
1995	\$ 53,541
1996	16,089
2000	<u>2,782</u>
Total	\$ <u>72,412</u>

(7) **Changes in General Fixed Assets**

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

	<u>Vehicles</u>	<u>Office Furniture</u>	<u>Equipment</u>	<u>Total</u>
Balance, June 30, 1995	\$ 2,097,042	\$ 28,227	\$ 1,180,936	\$ 3,317,205
Additions	675,841	82,038	843,237	1,581,116
Reductions	<u>(269,032)</u>	<u>(1,724)</u>	<u>(128,348)</u>	<u>(400,104)</u>
Balance, June 30, 1997	\$ 2,504,851	\$ 118,541	\$ 1,895,825	\$ 4,528,217

Additions include \$18,700 of vehicles acquired by donation or seizure.

(8) **Pension Plans**

Employees of the St. Charles Parish Sheriff participate in two pension plans, descriptions of which follows:

- A. **Plan Description:** The St. Charles Parish Sheriff contributes to the Sheriff's Pension and Relief Fund, a cost-sharing multiple employer defined benefit pension plan administered by the Sheriff's Pension and Relief Fund, a public corporation created in accordance with the provisions of Louisiana Revised Statute 112:171 to provide retirement, disability and survivor benefits to sheriff and deputy sheriff members throughout the State of Louisiana. The Sheriff's Pension and Relief Fund issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Sheriff's Pension and Relief Fund, P.O. Box 2162, Monroe, Louisiana 71270-2162.

Funding Policy: Plan members are required to contribute 8.7% of their annual covered salary and the St. Charles Parish Sheriff is required to contribute at an actuarially determined rate. The rate for the year ended June 30, 1997 was 8.0% of annual covered payroll. The contribution requirements of plan members and the St. Charles Parish Sheriff are established and may be amended by the Sheriff's Pension and Relief Fund. The St. Charles Parish Sheriff's contributions to the retirement plan for the years ended June 30, 1997, 1996, and 1995 were \$ 365,054, \$325,846, and \$287,792, respectively.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Financial Statements - Continued

(8) Pension Plans - continued

B. Plan Description: The Parochial Employees' Retirement System of Louisiana, a Public Employee Retirement System (PERS), is the administrator of a cost sharing multiple employer plan that was established by the Louisiana Legislature, by Act 200 of 1952. The system was revised by Act 705 of 1979, effective January 1, 1980, to create a Plan A Fund and a Plan B Fund to replace the "regular plan" and the "supplemental plan." Plan B replaced the "regular plan." The System is administered by a Board of Trustees consisting of seven members. Employees of the St. Charles Parish Sheriff participate only in Plan A.

Funding Policy: Plan members are required to contribute 5.5% of their annual covered salary and the St. Charles Parish Sheriff is required to contribute at an actuarially determined rate. The rate, which is based on the calendar year, was 7.25% for 1989 and 7.75% for 1997 of annual covered payroll. The contribution requirements of plan members and the St. Charles Parish Sheriff are established and may be amended by the Parochial Employees' Retirement System. The St. Charles Parish Sheriff's contributions to the Retirement System for the years ended June 30, 1987, 1996 and 1995 were \$5,308, \$4,731 and \$5,038, respectively.

(9) Post-retirement 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. At present, fifteen employees are eligible to receive these benefits. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid by the Sheriff. The Sheriff's costs of providing retiree health care and life insurance benefits are recognized as expenditures when the liability accruals are paid. For the years ended June 30, 1987, 1996 and 1995, the costs of retiree benefits totaled \$35,921, \$29,923 and \$28,277, respectively.

(10) Changes in Agency Fund Balances

A summary of changes in the balances due to taxing bodies and others and due to price increases in the various Agency fund follows:

	Old Fund	Tax Excess Fund	Equipment Fund	Books and Fees Fund	Prison Funds Fund
Balance, June 30, 1994	\$ 632,867	\$ 1,184,982	\$ 28,732	\$ 243,428	\$ 21,522
Revisions	(87,755)	(1,088,888)	184,859	(181,122)	(84,921)
Balance, June 30, 1997	\$ 545,112	\$ 99,094	\$ 214,591	\$ 62,306	\$ 13,601

ST. CHARLES PARISH SHERIFF
Molleville, Louisiana

Notes to Financial Statements - Continued

(11) **Changes in General Long-Term Obligations**

During the year ended June 30, 1997, the following changes occurred in liabilities reported in the general long-term obligations account group:

	Balance <u>3/1/96</u>	Net Increase	Balance <u>6/30/97</u>
Compensated absences:			
Vacation leave	\$ 64,895	\$ 43,834	\$108,729
Compensatory time	<u>73,489</u>	<u>75,360</u>	<u>148,849</u>
Total	\$138,384	\$119,194	\$257,578

The components of the net increase in vacation leave are: additions, \$362,172; deductions, \$297,338. The components of the net increase in compensatory time were not readily available.

(12) **Litigation and Claims**

At June 30, 1997, the Sheriff is involved in several lawsuits claiming damages. For many of the cases, in the opinion of the Sheriff's management, the only exposure to the Sheriff would be any costs in defense of the lawsuits with no liability to the Sheriff in excess of insurance coverage. For those cases which have been settled or will be settled, an accrual has been recorded in the general fund and is presented as claims payable.

(13) **Risk Management**

The Sheriff is exposed to risks of loss in areas of general and auto liability, property hazards, and workers' compensation. These risks are covered by purchasing commercial insurance. There have been no significant reductions in insurance coverage during the current fiscal year.

(14) **Expenditures of the Sheriff's Office Paid by the Parish Council**

The Sheriff's office is located in the parish courthouse. The costs of maintaining and operating the parish courthouse, as required by statute, is paid by the St. Charles Parish Council. These expenditures are not included in the accompanying financial statements.

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana

Notes to Financial Statements - Continued

(14) Expenditure of Federal Awards

During the year ended June 30, 1997, the sheriff incurred the following expenditures of federal awards.

<u>Federal Grants/ Pass through Grants/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Expenditure</u>
U.S. Department of Agriculture Passed through Louisiana Department of Agriculture and Forestry: Food Distribution	16.550	\$ 303
U.S. Department of Justice: Direct Programs: Community Oriented Policing Services (COPS)	16.719	54,248
Passed through Louisiana Commission on Law Enforcement: D.A.P.E. Juvenile Officer Training	90.878 90.546	54,466 2,900
Passed through Parish of St. Charles: Local Law Enforcement Block Grants Programs		_38,675
Total U.S. Department of Justice		501,582
Total Expenditure of Federal Awards		4381,683

SUPPLEMENTAL INFORMATION

COMBINING AND INDIVIDUAL FUND STATEMENTS

GENERAL FUND

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

ST. CHARLES PARISH SHERIFF
 Lakeville, Louisiana
 General Fund

Comparative Balance Sheet
 June 30, 1997 and 1996

ASSETS		
	<u>1997</u>	<u>1996</u>
Cash and cash equivalents	\$ 1,890,918	\$ 2,174,529
Investments	3,000,000	-
Receivables:		
Accrued interest	48,431	19,570
Due from other governmental units	227,351	204,971
Due from agency funds	3,771	800
Other	40,537	40,899
Inventory	6,413	6,211
Prepaid expenses	<u>22,102</u>	<u>5,283</u>
Total assets	\$ 5,348,432	\$ 2,458,543
 LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 478,181	\$ 90,618
Claims payable	20,000	20,400
Other accrued liabilities	<u>-</u>	<u>1,128</u>
Total liabilities	\$ 498,181	\$ 112,146
Fund balance:		
Reserved for inventory	6,413	6,211
Reserved for prepaid expenses	22,103	5,283
Unreserved:		
designated for specific purposes	314,769	309,120
Undesignated	<u>4,008,836</u>	<u>2,008,783</u>
Total fund balance	4,349,321	2,338,434
Total liabilities and fund balance	\$ 5,348,432	\$ 2,458,543

ST. CHARLES PARISH SHERIFF
 Metairie, Louisiana
 General Fund

Statement of Expenditures Compared to Budget (GAAP Basis)
Year Ended June 30, 1997
With Comparative Actual Amounts for Year Ended June 30, 1996

	1997		Variance - Favorable	1996
	Budget	Actual		
Current				
Public safety				
Personnel services and related benefits				
Merit salary	\$ 48,000	\$ 48,000	\$ -	\$ 48,000
Employee salaries	8,871,800	8,827,788	(44,012)	8,789,884
Retirement compensation	1,400	1,278	122	1,284
Personnel payroll taxes	81,000	80,270	730	80,770
Merit & payroll allowance	8,000	8,000	-	8,000
Vacation	16,000	16,278	(278)	16,000
	<u>1,219,200</u>	<u>1,200,534</u>	<u>(18,666)</u>	<u>1,200,734</u>
Insurance				
Auto insurance	284,571	281,228	3,343	281,228
Employee liability	700,000	690,348	9,652	690,000
Hospitalization insurance	748,000	738,258	9,742	742,800
Over liability insurance	8,000	8,278	(278)	8,000
	<u>1,740,571</u>	<u>1,718,112</u>	<u>(22,459)</u>	<u>1,742,028</u>
Operations and maintenance				
Auto fuel and oil	278,888	327,888	(49)	238,278
Auto repairs	278,888	278,442	446	280,888
Building maintenance	8,888	8,748	140	8,888
Community service	21,888	21,282	606	21,888
Computer software	18,888	1,888	16,000	48,888
Criminal investigations	8,128	84,571	(76,443)	78,571
Supply, uniforms, supplies, etc.	288,288	288,288	-	281,971
Taxes and subscriptions	31,128	34,284	(3,156)	31,288
Legal fees	48,888	48,281	607	44,571
Litigation settlement	-	1,288	1,288	1,288
Office supplies and expenses	241,200	258,778	(17,578)	260,571
Printer leasing and maintenance	11,200	11,248	(48)	11,278
Rents	11,888	28,271	(16,383)	21,278
Repairs	81,000	77,271	3,729	80,271
Telephone and utilities	178,000	168,844	9,156	78,278
Travel	11,000	5,778	5,222	6,000
Other	14,888	15,888	(1,000)	28,888
	<u>1,888,888</u>	<u>1,888,888</u>	<u>(1,000)</u>	<u>1,888,888</u>
Capital outlay				
Purchase of vehicles	78,888	88,248	(9,360)	88,248
Purchase of radio and other equipment	718,288	888,278	(69,990)	888,278
	<u>797,176</u>	<u>976,526</u>	<u>(78,780)</u>	<u>976,526</u>
Other services				
Interest	(8,288)	(8,288)	-	(8,288)
Total expenditures	<u>\$1,192,211</u>	<u>\$1,192,622</u>	<u>\$ (411)</u>	<u>\$1,028,888</u>

FIDUCIARY FUND TYPE - AGENCY 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.

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.

Installment Fines Fund - To account for the collection of fines paid on an installment basis as authorized by the court. Transfers are made to the Bonds and Fines Fund when the fine has been completely collected and disposition is made by that fund.

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.

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

ST. CHARLES PARISH SHERIFF
Hahnville, Louisiana
Agency Funds

Combining Balance Sheet

June 30, 1969

With Comparative Totals for June 30, 1968

	Civil Fund	Tax Collector Fund	Instalment Fund	Bonds and Fees Fund	Prison Funds	Totals
Cash and cash equivalents	\$ 0	\$ 76,319	\$ 46,663	\$ 673,629	\$ 19,318	\$ 835,329
Total assets	\$ 0	\$ 76,319	\$ 46,663	\$ 673,629	\$ 19,318	\$ 835,329
LIABILITIES						
Due to General Fund	\$ 20	-	\$ 227	\$ 3,624	-	\$ 3,771
Due to other bodies and others	893	76,193	46,436	673,325	-	896,847
Due to inmates	-	-	-	-	19,318	19,318
Total liabilities	\$ 913	\$ 76,193	\$ 46,663	\$ 673,629	\$ 19,318	\$ 835,329

07. County of Santa Clara
 Finance & Accounts
 Agency Funds

Reconciling Statement of Changes in Assets and Liabilities
 Year Ended June 30, 1997
 With Comparative Totals for Year Ended June 30, 1996

	Cost (Less)	Tax Collector Fund	Investment Trust Fund	Goods and Services Fund	Public Works Fund	Totals	
						1996	1997
Balance, beginning of year	\$ 0	\$ 1,194,889	\$ 28,797	\$ 485,578	\$ 21,133	\$ 1,730,407	\$ 1,711,810
ADDENDUM							
Deposits -							
County's open, sale and returns		-	-	-	-	592,500	592,400
Commitments	592,500	-	-	-	-	592,500	592,400
Advance deposits (cash)	1,178	-	-	-	-	1,178	1,178
Grants and fees	-	-	-	1,719,958	-	1,719,958	1,719,958
Investment bonds and notes	-	-	21,984	-	-	21,984	22,212
Interest	-	-	-	-	58,114	58,114	62,680
Taxes, fees, etc. paid to contractor	-	95,799,281	-	-	-	95,799,281	97,288,790
Interest on investments	918	-	1,980	28,282	-	29,200	8,800
Miscellaneous	-	-	-	-	-	-	1,812
Total additions	593,678	95,799,281	23,964	1,748,240	58,114	198,882,146	197,727,140
Dispositions							
Taxes, fees, etc. distributed to taxing bodies and others	-	75,289,000	-	-	-	75,289,000	80,883,719
Deposits utilized by -							
County's General Fund		-	-	918,884	-	918,884	943,917
San Jose City of Court	42,386	-	-	478,820	-	498,328	505,719
San Jose County	-	-	-	284,408	-	284,408	271,977
San Jose County	-	-	-	288,871	-	288,871	274,000
San Jose Superior Court	-	-	-	297,248	-	297,248	285,511
San Jose Superior Court	528,800	-	-	-	-	528,800	480,111
San Jose Superior Court	8,538	-	-	-	-	8,538	82,710
San Jose Superior Court	95,885	-	-	-	-	95,885	94,084
Other publications	11,125	-	-	-	-	11,125	7,000
Lawrence Commission	-	-	-	48,883	-	48,883	31,294
Lawrence Commission	-	-	-	-	-	-	-
San Jose County Public Trust Fund	-	-	-	77,796	-	77,796	48,841
Total Disposed - Total	-	-	-	947,992	-	947,992	977,409
County EMS	-	-	-	48,117	-	48,117	28,000
County Library	-	-	-	19,287	-	19,287	28,710
San Jose Superior Court	-	-	-	-	60,820	60,820	51,880
San Jose Superior Court	-	-	-	-	-	-	28,100
Other publications	8,814	-	-	5,469	-	14,283	28,100
Other Adjustments -							
Transfer deposits and cash fund	-	-	175,487	-	-	175,487	805,480
San Jose Superior Court	-	-	71,789	1,899	-	73,688	11,550
San Jose Superior Court	-	-	5,405	283,838	-	289,243	288,330
San Jose Superior Court	-	-	1,889	-	-	1,889	1,780
San Jose Superior Court	67,128	75,289,000	28,080	233,170	60,820	233,207,000	233,181,990
Balance, end of year	\$ 593,678	\$ 1,119,589	\$ 52,761	\$ 1,719,240	\$ 79,247	\$ 1,995,515	\$ 1,919,710

COMPLIANCE AND INTERNAL CONTROL

USSE, BUTLER, ARCHENEAUX & BOWEN

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

The Honorable Gregory Champagne
St. Charles Parish Sheriff
Hahnville, Louisiana

We have audited the financial statements of St. Charles Parish Sheriff as of and for the year ended June 30, 1997, and have issued our report thereon dated December 3, 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 St. Charles 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 St. Charles 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. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect St. Charles Parish Sheriff's ability to record, process, summarize and report financial data consistent with the assertions of managements in the financial statements. This reportable condition, which was also included in the report of the previous auditor in connection with their audit of the financial statements for the year ended June 30, 1996, is described in the following paragraph.

Reportable Condition - The sheriff does not have an adequate segregation of duties within its department. Because of the limited number of personnel involved in the accounting and financial reporting functions it may not be possible to achieve a complete segregation of duties.

Recommendation - A study should be made to determine whether there could be a shifting of duties among existing employees to provide a greater segregation of duties.

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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is a material weakness.

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

Hyes, Butler, Archbold + Bowen

Harris, Louisiana
December 3, 1997