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ACADIA PARISH SHERIFF
Crowley, Louisiana

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 1988

Under provisions of state law, this report is a public document. A copy of this report is being furnished to the auditor, comptroller, clerk and other appropriate officials. This report is available for public inspection at the State House office of Legislative Public Affairs, where appropriate, at the office of the parish clerk of court.

Release Date.....**FEB 17 1988**

ACADIA PARISH SHERIFF
Covington, Louisiana

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December 30, 1998

INDEPENDENT AUDITORS' REPORT

Honorable Ken Goss
Acadia Parish Sheriff
Covington, Louisiana

We have audited the accompanying general purpose financial statements of the Acadia Parish Sheriff, as of and for the year ended June 30, 1998, as listed in the table of contents. These general purpose financial statements are the responsibility of the Acadia Parish Sheriff's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit. We did not audit the financial statements of the Tax Collector's Fund, which represents 84 percent and 92 percent, respectively, of the assets and revenues of the agency funds. These financial statements were audited by other auditors whose report has been furnished to us, and our opinion on the general purpose financial statements, insofar as it relates to the amounts included for the agency funds, is based on the report of the other auditors.

Except as discussed in the following paragraph, 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. These 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 financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinion.

Governmental Accounting Standards Board Technical Bulletin No-1, *Disclosures about Year 2000 Issues*, requires disclosure of certain matters regarding the year 2000 issue. The Acadia Parish Sheriff has included such disclosures in Note 15. Because of the unprecedented nature of the year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Accordingly, insufficient audit evidence exists to support the Acadia Parish Sheriff's disclosures with respect to the year 2000 issue made in Note 15. Further, we do not provide assurance that the Acadia Parish Sheriff is or will be year 2000 ready, that the Acadia Parish Sheriff's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the Acadia Parish Sheriff does business will be year 2000 ready.

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to examine evidence regarding year 2000 disclosures, based on our audit and the report of other auditors, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Acadia Parish Sheriff as of June 30, 1998, 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 our report dated December 30, 1998 on our consideration of the Acadia 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 for Acadia Parish Sheriff, taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Acadia 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.



Certified Public Accountants

ALCOA PARTS BINDER
 Company Location

COMPANY TO DATE
 ALL ACCOUNTS TO DATE
 AS OF 12/31/2018

TYPE	ASSETS		LIABILITIES		EQUITY		TOTAL	
	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT
ASSETS								
Current Assets								
Cash								
Accounts Receivable								
Inventory								
Prepaid Expenses								
Other Current Assets								
Non-Current Assets								
Property, Plant & Equipment								
Intangible Assets								
Other Non-Current Assets								
LIABILITIES								
Current Liabilities								
Accounts Payable								
Accrued Liabilities								
Deferred Liabilities								
Other Current Liabilities								
Non-Current Liabilities								
Long-Term Debt								
Deferred Tax Liabilities								
Other Non-Current Liabilities								
EQUITY								
Common Equity								
Common Stock								
Retained Earnings								
Other Equity								
Non-Common Equity								
Preferred Stock								
Other Non-Common Equity								
TOTAL ASSETS								
TOTAL LIABILITIES & EQUITY								

NOTE: For accounting items and independent auditor's report.

ACADE PARISH SHERIFF
Covington, Louisiana

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COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2009

	General Fund	Special Revenue Fund	Total (Memorandum Only)
REVENUES:			
All income taxes	\$ 813,441	\$ -	\$ 813,441
Sales taxes	2,108,265	-	2,108,265
Federal grants	37,733	107,735	145,468
State supplemental pay	243,684	-	243,684
Law enforcement grant	208,383	-	208,383
Commission on State revenue sharing	317,082	-	317,082
Civil and criminal fees (net)	279,586	-	279,586
Court attendance	8,020	-	8,020
Transportation of prisoners	8,928	-	8,928
Feeding and keeping of prisoners	1,125,981	-	1,125,981
Interest earned	4,678	-	4,678
Miscellaneous revenues	73,982	-	73,982
Miscellaneous fees	137,381	-	137,381
Total Revenues	\$ 5,474,482	\$ 107,735	\$ 5,582,217
EXPENDITURES:			
Personal services - salaries: Sheriff	\$ 65,080	\$ -	\$ 65,080
Deputy	2,698,044	6,400	2,698,044
Employee related benefits: Pension fund	117,642	-	117,642
Medical/FICA	38,943	-	38,943
Workers compensation	4,648	-	4,648
Fringe benefits - federal funds	-	1,587	1,587
Operating services: Liability insurance	278,718	-	278,718
Hospitalization insurance	447,471	-	447,471
Telephone	68,718	-	68,718
Operating and maintenance: Post expense	182	-	182
Computer expenditures	18,383	-	18,383
Office expenditures	149,729	-	149,729
Books and subscriptions	18,587	-	18,587
Prisoner feeding and maintenance	871,683	-	871,683
Prisoner transportation	2,888	-	2,888
Professional services	18,314	-	18,314
Other direct cost - federal grants	-	31,854	31,854
Deputy: Uniforms	37,271	-	37,271
Equipment and supplies	24,874	1,834	26,548
Training	31,989	-	31,989

NOTE: See accompanying notes and Independent Auditor's report.

COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED JUNE 30, 1998

	General Fund	Special Revenue Fund	Total Memorandum Only
EXPENDITURES (CONT.)			
Automobile:			
Repair and maintenance	170,104	-	170,104
Fuel and oil	181,218	-	181,218
Sheriff's allowance	8,808	-	8,808
Criminal investigations	29,343	-	29,343
Juvenile programs	11,347	-	11,347
Radio maintenance	30,807	-	30,807
Canine maintenance	3,418	-	3,418
Supplies	77,853	-	77,853
Interest expenditures	22,911	-	22,911
Travel expenditures	13,808	28,008	41,816
Capital outlay:			
Automobiles	128,818	-	128,818
Computer	26,418	-	26,418
Radios	13,188	-	13,188
Equipment - federal funds	18,883	23,088	41,971
Leasehold equipment	23,388	-	23,388
Total Expenditures	\$ 5,333,943	\$ 115,088	\$ 5,449,031
EXCESS OF REVENUES OVER EXPENDITURES	\$ 182,888	\$ 32,888	\$ 215,776
OTHER FINANCING SOURCES:			
Proceeds from:			
sale of equipment	\$ 7,881	\$ -	\$ 7,881
Operating transfers in	-	23,887	23,887
Operating transfers out	(13,583)	-	(13,583)
Total Other Financing Sources	\$ (5,925)	\$ 23,887	\$ 17,962
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	\$ 176,963	\$ 56,775	\$ 233,738
FUND BALANCE(DEFICIT) AT BEGINNING OF YEAR	185,442	(32,888)	152,554
FUND BALANCE(DEFICIT) AT END OF YEAR	\$ 363,425	\$ 23,887	\$ 387,312

NOTE: See accompanying notes and Independent Auditor's report.

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1998.**

INTRODUCTION

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 the collector of the parish. The sheriff also administers the parish jail system and exercises duties required by the parish court system, such as providing detainers, executing orders of the court, and serving subpoenas.

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

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

NOTE 9: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying general purpose financial statements of the Acadia 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.

B. REPORTING ENTITY

The sheriff is an independently elected official; however, the sheriff is financially dependent on the Acadia Parish Police Jury. The police jury maintains and operates the parish courthouse in which the sheriff's office is located and provides funds for equipment and furniture of the sheriff's office. Because the sheriff is financially dependent on the police jury, the sheriff was determined to be a component unit of the Acadia Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the sheriff and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. FUND ACCOUNTING

The sheriff uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

(Continued)

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1998**

A fund is a separate accounting entity with self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds of the sheriff are classified into two categories: governmental (General and Special Revenue Fund) and fiduciary (Agency Funds). These funds are described as follows:

General Fund

The General Fund, as provided by Louisiana Revised Statute 30:1421, 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 tax levied by the law enforcement district. Other sources of revenue include contributions on state revenue sharing, state supplemental pay for deputies, civil and criminal fees, fees for court attendance and maintenance of prisoners, et cetera. General operating expenditures are paid from this fund.

Special Revenue Fund

The special revenue fund accounts for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The sheriff implemented the special revenue fund to account for the Violent Crime Intelligence System and training grants directly involving the apprehension of narcotic offenders.

Agency Funds

The agency funds are used as depositories for civil suits, cash bonds, taxes, fees, et cetera. Disbursements from these funds are made to various parish agencies, filipants in suits, et cetera, 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.

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 bases applied. All government funds are accounted for using a flow of current financial resources measurement basis. The accompanying general purpose financial statements have been prepared on the modified accrual basis of accounting, (except for the Tax Collector Agency Fund, which is prepared on the cash basis of accounting, which approximates the modified accrual basis of accounting). The General Fund and the Special Revenue Fund uses the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes, sales taxes and the related commission on state revenue sharing (which is based on population and households in the parish) are recorded in the year the taxes are due and payable. Ad valorem taxes and sales taxes are the sheriff's chief source of

(Continued)

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1988.**

revenue. The ad valorem taxes, which are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The ad valorem taxes are generally collected in December, January, and February of the fiscal year. A 7/2 percent sales tax, based on parish wide sales, is collected monthly by the Acadia Parish School Board and are then disbursed each month to the sheriff. The ad valorem and sales taxes are dedicated to the payment of salaries to deputies and the sheriff's operations in Acadia Parish.

Federal and state grants are recorded when the sheriff is entitled to the funds.

Interest income on interest bearing demand accounts is recorded when earned.

Other operating revenues are recorded in the year they are earned to the extent available to fund current year obligations.

Expenditures

Expenditures are recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for compensated absences which are recognized as expenditures when leave is actually taken or when employees are paid for accrued leave upon termination. The cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group.

Other Financing Sources (Uses)

Insurance recoveries and proceeds from the sale of fixed assets are accounted for as other financing sources and are recognized when received. Fixed assets acquired through capital leases are recorded as expenditures and other financing sources at the time of acquisition. Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) when the transfer is authorized by the sheriff.

B. BUDGET PRACTICES

The proposed budget for the fiscal year ended June 30, 1988, was made available for public inspection on June 8, 1987. The proposed budget, prepared on the modified accrual basis of accounting, was published in the official journal 15 days prior to the public hearing, which was held at the Acadia Parish Sheriff's Office on June 20, 1987, for comments from taxpayers. The budget is legally adopted and amended, as necessary, by the sheriff.

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

Neither encumbrance accounting nor formal integration of the budget into the accounting records is employed as a management device. However, periodic comparisons of budget and actual amounts are made. Budget amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments.

(Continued)

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1998**

F. CASH AND CASH EQUIVALENTS

The cash amount included in the accompanying financial statements consist of demand deposits, interest bearing demand deposits and time deposits which are fully secured through the pledge of bank-owned securities or federal deposit insurance. 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 chartered in the parish where the funds are collected.

G. RESERVE FOR UNCOLLECTIBLE RECEIVABLES

Prior to the fiscal year ending June 30, 1993, the sheriff maintained his civil department on the cash/basis of accounting. With the implementation of new computer software during fiscal year ending June 30, 1993, the sheriff decided that it would be better to record civil fund revenue as it was generated, rather than wait until it was collected. All prior year receivables were assumed to be uncollectible and were not recorded. Since the sheriff is required to provide civil department services for parson cases, the sheriff decided to establish a reasonable reserve for uncollectible receivables to cover both the parson cases and other uncollectible receivables. A review was done by the sheriff's chief financial officer and a reserve for uncollectible receivables was established. As time passes, the sheriff intends to adjust this reserve based on historical performance.

H. GENERAL FIXED ASSETS

General fixed assets are recorded as expenditures at the time purchased, and the related assets are capitalized (reported) in the general fixed assets account group. General fixed assets provided by the parish police jury are not recorded in the general fixed assets account group. General fixed assets are valued at historical cost or estimated cost if historical cost is not available. No depreciation has been provided on general fixed assets.

I. COMPENSATED ABSENCES

The sheriff's office has the following policy relating to vacation and sick leave:

Full-time deputies of the sheriff's office earn four to ten days of vacation leave each calendar year, depending on length of service. Vacation leave must be taken in the year earned and cannot be accumulated. However, unused vacation leave is paid upon termination of employment. Full-time deputies are allowed sick leave at the discretion of the sheriff.

The cost of leave privileges, computed in accordance with GASB Codification Section 060, is recognized as a current year expenditure in the General Fund when leave is actually taken. The cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group. At June 30, 1998, full-time deputies of the sheriff's office had accumulated \$76,816 of employee leave benefits, which was computed in accordance with GASB Codification Section 060. This amount has been recorded as a general long-term obligation not requiring current resources.

(Continued)

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1998**

J. LONG-TERM OBLIGATIONS

Long-term obligations expected to be financed from governmental funds are accounted for in the general long-term obligations account group. Expenditures for principal and interest payments for long-term obligations are recognized in the General Fund when due.

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.

K. TOTAL COLUMN ON BALANCE SHEET

The total column on the balance sheet is captioned Memorandum Only to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

NOTE 2: LEVIED TAXES

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

	Authorized Millage	Levied Millage	Expiration Date
Law Enforcement Regular	7.5	7.5	8/94

NOTE 3: CASH AND CASH EQUIVALENTS

At June 30, 1998, the sheriff has cash and cash equivalents (book balances) totaling \$487,718, as follows:

Demand deposits	\$ 487,718
Total Cash and Cash Equivalents	\$ 487,718

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the remaining book balances) must be insured 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. 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.

At June 30, 1998, the sheriff had \$473,200 in deposits (collected bank balances). These deposits are secured from risk by \$294,732 federal deposit insurance and \$1,891,576 of pledged securities held by the custodial bank in the name of the fiscal agent bank.

Even though pledged securities are considered uncollateralized (Category 1) under the provision of GASB Statement 3, Louisiana Revised Statute 28:1228 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 demand.

(Continued)

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1988

NOTE 4: RECEIVABLES

The receivables of the Acadia Parish Sheriff as of June 30, 1988, are as follows:

Class of Receivable	General Fund
Fees, charges, and commissions	\$ 281,875
Less: Allowance for Uncollectible Receivables	<u>173,647</u>
Net Fees, Charges, and Commissions	\$ 108,228
Ad valorem taxes	2,173
Rates taxes	238,323
Prisoner maintenance	185,183
Due from deputies	625
Due from LSA Grant fund	17,688
Retiree payments	31,188
State/Parish appropriations	<u>42,888</u>
Net Receivables	\$ 1,024,545

NOTE 5: CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets is as follows:

Equipment:

Balance, July 1, 1987	\$ 1,451,878
Additions	281,241
Deletions	<u>(1,862,371)</u>
Balance, June 30, 1988	\$ 870,748

NOTE 6: PENSION PLAN

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

All sheriffs and all deputies who are found to be physically fit, who earn at least \$480 per month, and who were between the ages of 18 and 50 at the time of original employment are required to participate in the System. Employees are eligible to retire at or after age 55 with at least 12 years of credited service and receive a benefit, payable monthly for life, equal to a percentage of their final-average salary for each year of credited service. The percentage factor to be used for each year of service is 2.0% for each year if total service is at least 12 but less than 15 years, 2.75% for each year if total service is at least 15 but less than 20 years, and 3% for each year if total service is at least 20

(Continued)

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1998**

year (Act 1177 of 1995 increased the accrual rate by 0.12% for all service rendered on or after January 1, 1995.) In any case, the retirement benefit cannot exceed 100% of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joint months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination as indicated previously. Employees who terminate with at least 20 years of credited service are also eligible to elect early benefits between ages 50 and 55 with reduced benefits equal to the actuarial equivalent of the benefit to which they would otherwise be entitled at age 55. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Sheriff's Pension and Relief Fund, Post Office Box 1465, Monroe, Louisiana 71220, or by calling (214) 262-2191.

Funding Policy. Plan members are required by state statute to contribute 5.7% of their annual covered salary and the Acadia Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 5.8% of annual covered payroll. Contributions to the System also include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and funds as required and available from insurance premium taxes. The contribution requirements of plan members and the Acadia Parish Sheriff are established and may be amended by state statute. As provided by R.S. 51:193, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Acadia Parish Sheriff's contributions to the System for the years ending June 30, 1996, 1997, and 1998, were \$468,335, \$714,790, and \$713,523, respectively, equal to the required contributions for each year.

NOTE 7: LEASES

Capital Leases

The sheriff records assets acquired through capital lease as an asset and an obligation in its accompanying financial statements. Assets under capital leases total \$143,716 at June 30, 1998. The following is a schedule of the future minimum lease payments under capital leases, together with the net present value of the minimum lease payments as of June 30, 1998.

Minimum Lease Payments (7/06/98 - 98)	\$ 27,428
Less: Amount representing interest at the Sheriff's incremental borrowing rate of interest	_____ 548
Present Value of Minimum Lease Payments at 6/30/98	<u>\$ 26,880</u>

Operating Leases

The sheriff is obligated under certain leases accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations, and therefore the results of the lease agreements are not reflected in the general fixed assets account group.

(Continued)

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDING JUNE 30, 1998**

The Sheriff has operating leases of the following nature:

- a. The sheriff has a lease with Ignacio Garcia for an office building. This Lease is in its second of two (2), four (4) year options. The first option expired June 30, 1994. This lease was subsequently renewed for another four years and currently expires June 30, 2000. This lease has monthly lease payments of \$680.
- b. The sheriff has a lease with Daniel Richard for an office building. The lease expires June 30, 2000 and then the sheriff has an option to renew the lease for an additional five (5) years. This lease has monthly lease payments of \$858.
- c. The sheriff has six (6) leases with Karco for copiers. The copiers have total monthly lease payments of \$294. These leases are generally renewed at the end of each lease period.

The future minimum annual commitments under these non-cancelable operating leases are as follows:

<u>Fiscal Year</u>	
1998-99	\$ 26,282
1999-00	26,282
2000-01	15,952
2001-02	<u>15,952</u>
Total Future Minimum Lease Commitments	\$ 85,468

NOTE 6: CHANGES IN AGENCY FUND BALANCES

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

	Sheriff's Fund	Tax Collector Fund	Bond Fund	Prisoners Fund
Balance at July 5, 1997	\$ 21,064	\$ 504,417	\$ 87,438	\$ 2,816
Additions	362,839	15,184,799	480,689	33,256
Reductions	<u>388,962</u>	<u>13,082,262</u>	<u>582,852</u>	<u>37,254</u>
Balance at June 30, 1998	<u>\$ 26,941</u>	<u>\$ 526,954</u>	<u>\$ 76,221</u>	<u>\$ 818</u>

Schedule 2 presents additional detail for the changes in agency fund balances due to taxing bodies and others during the year.

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDING JUNE 30, 1988**

NOTE 9: LITIGATION AND CLAIMS

The sheriff is a defendant in several lawsuits as of June 30, 1988. In the opinion of the sheriff's legal counsel, litigation pending in all of these lawsuits is either fully covered by insurance or will not involve a substantial liability to the sheriff. Therefore, no provision for any liability has been made in the financial statements.

NOTE 10: EXPENDITURES OF THE SHERIFF'S OFFICE PAID BY THE PARISH POLICE JURY

Certain operating expenditures of the sheriff's office are paid by the Acadia Parish Police Jury and are not included in the accompanying financial statements. The sheriff's office is located in the parish courthouse. The cost of maintaining and operating the parish courthouse is paid for by the Acadia Parish Police Jury.

NOTE 11: SELF-INSURANCE HEALTH PLAN

The Sheriff provides health insurance coverage to its employees and their families through a partially self-insured plan. The sheriff is liable for the first \$10,000 in claims per insured per year and the first \$402,000 in aggregate claims. The sheriff has purchased coverage from an insurance company for all costs above this limit per participant and in aggregate. As of June 30, 1988, pending claims amount to \$58,034. The pending claims payable at June 30, 1988 had already been paid by the completion of the audit and actual expenses were used to calculate pending claims.

NOTE 12: POST-EMPLOYMENT HEALTH CARE BENEFITS

The sheriff provides certain health care and life insurance benefits for retired employees. Substantially all of the sheriff's employees may become eligible for these benefits if they reach retirement age while working for the sheriff. The cost of retiree health care and life insurance benefits is not kept separate from active employees, therefore the cost of such benefits is not available at this time.

NOTE 13: DEFERRED COMPENSATION PLAN

The sheriff offers his employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all government employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights associated with these amounts, and all income attributable to these amounts, property or rights are held and made available to the employee or to other beneficiary (solely the property and rights of the sheriff subject only to the claims of the sheriff's general creditors). Participants' rights under the plan are equal to those of the sheriff in an amount equal to the fair market value of the deferred account for each participant.

The sheriff has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The sheriff believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1998**

NOTE 14: TAXES PAID UNDER PROTEST

The unaffiliated balances due to taxing bodies and others in the agency funds at June 30, 1998, as reflected on Exhibit A, include \$431,598 of taxes paid under protest, plus interest earned to-date on the investment of these funds, totaling \$45,878. These funds are held pending resolution of the protest and are accounted for in the Tax Collector Agency Fund.

NOTE 15: YEAR 2000 ISSUE

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

The Acadia Parish Sheriff has not yet 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 the sheriff's operations. Based on the progress of the inventory, the sheriff is in the assessment stage. They have begun the process of identifying all of its systems and individual components of the systems. Initially, the sheriff plans to identify and check all systems and equipment critical to conducting operations for compliance. It is uncertain as of June 30, 1998, what effects, if any, failing to remediate any such systems will have upon the sheriff's operations and financial reporting.

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

SUPPLEMENTARY INFORMATION

FINANCIAL FUND TYPE - AGENCY FUNDS

SHERIFF'S FUND

The Sheriff's Fund accounts for funds held in civil suits, sheriff's sales, and judgments and payment of these collections to the recipients in accordance with applicable law.

TAX COLLECTOR FUND

Article V, Section 27 of the Louisiana Constitution of 1878 provides that the sheriff will serve as the collector of state and parish taxes and fees. The Tax Collector Fund accounts for the collection and distribution of these taxes and fees to the appropriate taxing bodies.

BOND FUND

The Bond Fund accounts for the collections of bonds, fines, and costs and payment of these collections to the recipients in accordance with applicable law.

PRISONER FUND

The Prisoner Fund is used as a depository for money prisoners had in their possession when booked into jail. These funds are returned to the prisoner when released from jail.

ACADE PARISH SHERIFF
Greene, Louisiana

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FINANCIAL FUND TYPE - AGENCY FUNDS
COMBINED BALANCE SHEET
AS OF JUNE 30, 1998

	SHERIFF'S FUND	TAX COLLECTOR FUND	BOND FUND	FISHERMEN FUND	TOTAL
ASSETS					
Cash	\$ 26,080	\$ 536,346	\$ 74,321	\$ 658	\$ 637,314
LIABILITIES AND FUND EQUITY					
Liabilities - due to testing bodies and others	\$ 26,080	\$ 536,346	\$ 74,321	\$ 658	\$ 637,314
Fund Equity - fund balances	_____	_____	_____	_____	_____
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 26,080</u>	<u>\$ 536,346</u>	<u>\$ 74,321</u>	<u>\$ 658</u>	<u>\$ 637,314</u>

EDGAR PARISH SHERIFF
Covington, Louisiana

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FIDUCIARY FUND TYPE - AGENCY FUNDS
SCHEDULE OF CHANGES IN BALANCES DUE TO TAKING INCOME AND OTHERS
FOR THE YEAR ENDING JUNE 30, 1988

	SHERIFF'S FUND	TAX COLLECTOR	BOND FUND	PERSONNEL FUND
BALANCES AT BEGINNING OF YEAR	\$ 21,894	\$ 214,427	\$ 27,428	\$ 2,028
ADDITIONS:				
Deposits:				
Sheriff's sales	\$ 272,148	\$ -	\$ -	\$ -
Bonds	-	-	422,495	-
Advance deposits (fees)	48,258	-	-	-
Garnishments	70,819	-	-	-
Other deposits	-	-	-	15,264
Taxes, fees, etc., paid to tax collector	-	11,892,544	-	-
Interest earned	-	37,628	-	-
Total additions	\$ 391,225	\$ 11,904,172	\$ 422,495	\$ 15,264
Total Beginning Balance and Additions	\$ 413,119	\$ 12,118,607	\$ 479,923	\$ 17,292
REDUCTIONS:				
Taxes, fees, etc., distributed to taxing agencies and others	\$ -	\$ 11,892,542	\$ -	\$ -
Deposits settled to:				
Sheriff's general fund	57,257	-	78,562	-
Police Jury	-	-	208,025	-
District Attorneys	-	-	87,180	-
Clerk of Court	21,189	-	28,948	-
Indigent Defender Board	-	-	68,100	-
Litigants	682,792	-	224	-
Attorneys, appraisers, etc.	70,619	-	-	-
Other settlements	47,821	-	38,128	37,224
Other reductions:				
Refunds	12,894	-	8,429	-
ADF checks	-	-	2,718	-
Total Reductions	\$ 881,553	\$ 11,892,542	\$ 500,812	\$ 37,224
BALANCES AT END OF YEAR	\$ 531,566	\$ 226,065	\$ 179,111	\$ 17,668

ADDITIONAL REPORT REQUIRED BY GAO

MEMPHIS, MISSISSIPPI, 37203
200 N. BROADWAY, SUITE 1000
MEMPHIS, MISSISSIPPI, 37203

MEMPHIS, MISSISSIPPI, 37203
400 N. BROADWAY, SUITE 1000

MEMPHIS, MISSISSIPPI
P. O. BOX 10000
MEMPHIS, MISSISSIPPI, 37203
TEL. (901) 526-1000
FAX (901) 526-1001

December 30, 1998

**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 Ken Coss
Acadia Parish Sheriff
Covington, Louisiana

We have audited the financial statements of the Acadia Parish Sheriff as of and for the year ended June 30, 1998, and have issued our report thereon dated December 31, 1998, which was qualified because insufficient audit evidence exists to support the Acadia Parish Sheriff's disclosures with respect to the year 2000 issue. We did not audit the financial statements of the Tax Collector's Fund, which represents 84 percent and 92 percent, respectively, of the assets and revenues of the agency funds. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion on these financial statements, insofar as it relates to the amounts included for the agency funds, was based solely on the report of the other auditors. Except as discussed in the above sentence, 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 Acadia 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 Acadia 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. However, we noted other matters involving the internal control over financial reporting that we have reported to management of the Acadia Parish Sheriff in a separate letter dated December 30, 1998.

This report is intended for the information of the audit committee, management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.


Certified Public Accountants

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 1988**

We have audited the financial statements of the Acadia Parish Sheriff as of and for the year ended June 30, 1988, and have issued our report thereon dated December 30, 1988. 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. Our audit of the financial statements as of June 30, 1988 resulted in an unqualified opinion.

SECTION I: SUMMARY OF AUDITOR'S REPORTS

A. Report on Internal Control and Compliance Material to the Financial Statements

There were no internal control weaknesses, reportable conditions or issues of non-compliance material to the financial statements reported.

B. Federal Awards

There were no internal control weaknesses, reportable conditions or issues of non-compliance relating to federal awards reported.

The Acadia Parish Sheriff still not require a single audit in accordance to the provisions within Circular A-133 for the year ending June 30, 1988.

SECTION II: FINANCIAL STATEMENT FINDINGS

There were no internal control weaknesses, reportable conditions or issues of non-compliance relating to financial statements reported.

SECTION III: FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

PROGRAM	FINDINGS/NONCOMPLIANCE
Violent Crime Intelligence System	86-88-B-15-0718
Multi-Jurisdictional Task Force	87-04-B-02-8388 88-04-B-03-8405
SAFE Program	88-4-818
Intensive Incarceration	87-04-B-11-0829
Apprenticeship Training	86-88-B-82-0741

(Continued)

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING JUNE 30, 1999**

Quarterly Financial Status Reports and Monthly Expenditure Reports/Request for Funds Reports have not been filed on a timely basis.

Quarterly financial status reports for grant projects were filed in excess of thirty days after the end of each quarter. Monthly expenditure reports/request for funds reports were filed in excess of fifteen days after the end of each month. Below is a list of reports found to be in violation of this requirement:

<u>Reference Number</u>	<u>Quarterly Financial Status Reports</u>				
1999-1	89-84-016	Due Date	10/31/97	Date Filed	11/02/97
1999-2		Due Date	05/31/98	Date Filed	07/15/98
<u>Monthly Expenditure Reports/ Request for Funds</u>					
1999-3	89-84-015-0720	Due Date	09/15/97	Date Filed	10/06/97
1999-4		Due Date	09/15/97	Date Filed	10/06/97
1999-5		Due Date	10/15/97	Date Filed	10/22/97
1999-6	87-84-010-0008	Due Date	09/15/97	Date Filed	09/09/97
1999-7		Due Date	11/15/97	Date Filed	12/01/97
1999-8		Due Date	12/15/97	Date Filed	12/21/97
1999-9	89-84-010-0400	Due Date	09/15/98	Date Filed	09/02/98
1999-10	87-84-011-0829	Due Date	09/15/97	Date Filed	12/08/97
1999-11		Due Date	10/15/97	Date Filed	12/08/97
1999-12		Due Date	11/15/97	Date Filed	12/08/97
1999-13		Due Date	01/15/98	Date Filed	01/22/98
1999-14		Due Date	02/15/98	Date Filed	02/18/98
1999-15	89-84-010-0401	Due Date	04/15/98	Date Filed	06/17/98
1999-16		Due Date	05/15/98	Date Filed	06/17/98
1999-17		Due Date	06/15/98	Date Filed	06/17/98
1999-18		Due Date	07/15/98	Date Filed	07/17/98

(Continued)

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 1998**

SECTION I: INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS	
No findings on internal control and compliance material to the financial statements have been reported.	
SECTION II: INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
No findings on internal control and compliance material to federal awards have been reported.	
SECTION III: MANAGEMENT LETTER	
1997-1: Expenditures selected for testing during the audit for testing from the passover accounts were not all supported by proper documentation. Management needed to implement procedures for the procurement and filing of supporting documentation for all expenditures from these funds.	Resolved. Management immediately informed the personnel handling these accounts of the importance of keeping all applicable paperwork and enacted procedures which required all purchases with funds from these accounts to be supported with proper supporting documentation which is then properly retained.
1997-2: Due to limited personnel, there are instances where the assigned duties of personnel were not adequately separated from conflicting duties. Management needs to be constantly aware of the problems that inadequate separation of duties can cause. Constant review of personnel assignments and rotation of duties can provide acceptable control if monitored and adjusted on a continuous basis.	Partially resolved. Management is aware of the problems regarding the lack of separation of duties and try whenever feasible to separate conflicting duties. Constant review of personnel assignments by management is considered a priority and is implemented on a continuous basis.

**CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 1998**

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

No findings on internal control and compliance material to the financial statements have been reported.

SECTION II: INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

No findings on internal control and compliance material to federal awards have been reported.

SECTION III: MANAGEMENT LETTER

1998-19: Due to limited personnel, there are instances where the assigned duties of personnel were not adequately separated from conflicting duties. Management needs to be constantly aware of the problems that inadequate separation of duties can cause. Careful review of personnel assignments and rotation of duties can provide acceptable control if monitored and adjusted on a continuous basis.

Partially resolved. The Sheriff and the Chief Financial Officer are aware of the problems regarding the lack of separation of duties and try whenever feasible to separate conflicting duties. Constant review of personnel assignments by management is considered a priority and is implemented on a continuous basis.

BROADHURST, HAMILTON & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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December 28, 1998

Honorable Ken Goss
Acadia Parish Sheriff
Covington, Louisiana

In planning and performing our audit of the general purpose financial statements of the Acadia Parish Sheriff for the year ended June 30, 1998, we considered the internal control structure to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure.

However, during our audit we became aware a matter that is an opportunity for strengthening internal controls and operating efficiency. The following summarizes our comments and suggestions regarding this matter:

Due to the size of the Acadia Parish Sheriff and the Sheriff's limited number of employees, we have observed instances where the assigned duties of personnel were not adequately separated from conflicting duties. This is a problem the Acadia Parish Sheriff has faced since its inception, and will continue to face until the Acadia Parish Sheriff becomes large enough to require enough personnel to adequately separate conflicting duties.

Recommendation: Management should be constantly aware of the problems that inadequate separation of duties can cause and should continue to do everything possible to eliminate potential problems before they occur. The underlying problem of limited personnel can not be eliminated, but consistent system of personnel assignments and rotation of duties can provide acceptable control if monitored and adjusted on a continuous basis. It is important that management recognize this problem and continually monitor and rotate personnel assignments to limit this potential problem in this area.

This letter does not affect our report dated December 30, 1998, on the financial statements of the Acadia Parish Sheriff.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

Sincerely,

Broadhurst, Hamilton & Company