

RECEIVED
SEP 15 1999
9:06:06

**OFFICIAL
FILE COPY**

DO NOT SEND OUT

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

**NATCHITOCHE PARISH SHERIFF
NATCHITOCHE PARISH DETENTION CENTER
NATCHITOCHE, LOUISIANA
FINANCIAL REPORT
FOR THE YEAR ENDED
JUNE 30, 1999**

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

Release Date SEP 15 1999

NATCHITOCHE PARISH SHERIFF
NATCHITOCHE PARISH DETENTION CENTER
NATCHITOCHE, LOUISIANA
TABLE OF CONTENTS
JUNE 30, 1999

| | <u>EXHIBIT</u> | <u>SCHEDULE</u> | <u>PAGE</u> |
|---|----------------|-----------------|-------------|
| General Purpose Financial Statements | - | - | 1 |
| Independent Auditors' Report | - | - | 2 |
| Comparative Balance Sheet - Proprietary Fund Type | A | - | 3 |
| Comparative Statement of Revenues, Expenditures, and Changes in Retained Earnings - Proprietary Fund Type | B | - | 4 |
| Comparative Statement of Cash Flows - Proprietary Fund Type | C | - | 6 |
| Notes to the Financial Statements | - | - | 7 |
| Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u> | - | - | 13 |
| Summary Schedule of Prior Audit Findings | - | 1 | 14 |
| Corrective Action Plan for Current Year Audit Findings | - | 2 | 15 |

GENERAL PURPOSE FINANCIAL STATEMENTS

HINES, JACKSON & HINES

CERTIFIED PUBLIC ACCOUNTANTS
P.O. BOX 2188 • 133 EAST FIFTH STREET
NATCHITOCHES, LA 71457

Telephone (318) 352-6458
FAX (318) 352-0404
hjhcpa@worldnetla.net

A. NEILL JACKSON, JR., CPA
1926-1999

FRANK S. HINES, CPA
LEWIS C. HINES, CPA
E. MERLIN SQUYRES, CPA
JAY H. SHEFFIELD, CPA

INDEPENDENT AUDITORS' REPORT

Honorable Boyd Durr
Natchitoches Parish Sheriff
Natchitoches Parish Detention Center
299 Edwina Drive
Natchitoches, Louisiana 71457

We have audited the accompanying general purpose financial statements of the Natchitoches Parish Detention Center proprietary fund of the Natchitoches Parish Sheriff, Natchitoches, Louisiana, as of and for the year ended June 30, 1999, as listed in the table of contents. These financial statements are the responsibility of the Natchitoches Parish Sheriff and his management. Our responsibility is to express an opinion on these 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Natchitoches Parish Detention Center proprietary fund of the Natchitoches Parish Sheriff, Natchitoches, Louisiana, as of June 30, 1999, and the results of its operations and cash flows 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 August 23, 1999, on our consideration of the Natchitoches Parish Detention Center's internal control over financial reporting and our tests of its compliance with laws, regulations, contracts and grants.

The financial information for the year ended June 30, 1998, which is included for comparative purposes, was taken from the financial report for that year in which we expressed an unqualified opinion dated August 13, 1998, on the general purpose financial statements of the Natchitoches Parish Detention Center proprietary fund of the Natchitoches Parish Sheriff.

Hines, Jackson & Hines
Natchitoches, Louisiana
August 23, 1999

NATCHITOCHE PARISH SHERIFF
NATCHITOCHE PARISH DETENTION CENTER
NATCHITOCHE, LOUISIANA
COMPARATIVE BALANCE SHEET - PROPRIETARY FUND TYPE
JUNE 30, 1999 AND 1998

| | <u>1999</u> | <u>1998</u> |
|--|----------------------------|----------------------------|
| ASSETS | | |
| Cash | \$ 100,556 | \$ 50,133 |
| Investments | 705,261 | 573,160 |
| Receivables | | |
| Revenues | 277,427 | 271,311 |
| Prepaid leases | 1,567 | 0 |
| Fixed assets, net of accumulated depreciation for 1999 and 1998 of \$689,367 and \$465,842, respectively | 2,847,857 | 3,007,731 |
| Deferred debt expense, net of accumulated amortization for 1999 and 1998 of \$32,312 and \$21,832, respectively | <u>177,280</u> | <u>187,760</u> |
| Total Assets | <u>\$ 4,109,948</u> | <u>\$ 4,090,095</u> |
| LIABILITIES AND FUND EQUITY | | |
| LIABILITIES | | |
| Accounts payable | \$ 116,837 | \$ 90,791 |
| Accrued liabilities | 27,044 | 32,815 |
| Due to general fund | 226,240 | 468,161 |
| Notes and lease obligations | <u>3,638,899</u> | <u>3,922,839</u> |
| Total Liabilities | 4,009,020 | 4,514,606 |
| FUND EQUITY | | |
| Retained earnings, unreserved | <u>100,928</u> | <u>(424,511)</u> |
| Total Fund Equity | <u>100,928</u> | <u>(424,511)</u> |
| Total Liabilities and Fund Equity | <u>\$ 4,109,948</u> | <u>\$ 4,090,095</u> |

The accompanying notes are an integral part of this statement.

EXHIBIT B

NATCHITOCHE PARISH SHERIFF
NATCHITOCHE PARISH DETENTION CENTER
NATCHITOCHE, LOUISIANA
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN RETAINED EARNINGS - PROPRIETARY FUND TYPE
FOR THE YEARS ENDED JUNE 30, 1999 AND 1998

| | <u>1999</u> | <u>1998</u> |
|---------------------------------|------------------|------------------|
| OPERATING REVENUES | | |
| Charges for Services | | |
| Department of Corrections | \$ 3,167,467 | \$ 2,724,484 |
| Natchitoches Parish Police Jury | 239,398 | 239,212 |
| City of Natchitoches | 2,394 | 7,242 |
| Inmate Commissary | 425,252 | 308,803 |
| Farming | 23,405 | 11,656 |
| Vending Machine | 14,464 | 14,910 |
| Other | <u>4,113</u> | <u>3,924</u> |
| Total Operating Revenues | 3,876,493 | 3,310,231 |
| OPERATING EXPENSES | | |
| Amortization | 10,480 | 10,480 |
| Bank charges | 4,744 | 5,019 |
| Contract labor | 6,332 | 12,425 |
| Depreciation | 223,435 | 220,606 |
| Farm expense | 23,623 | 20,039 |
| Food | 454,192 | 360,491 |
| Inmate clothing and linens | 22,989 | 13,628 |
| Inmate commissary | 331,993 | 229,112 |
| Insurance | 129,371 | 156,197 |
| Insurance - employees | 278,341 | 260,837 |
| Janitorial supplies | 40,222 | 41,022 |
| Lease expense | 3,133 | 0 |
| Maintenance and repairs | 54,698 | 38,691 |
| Medical | 119,518 | 93,806 |
| Miscellaneous | 0 | 2,788 |
| Office supplies | 15,763 | 20,330 |
| Oil and gas | 7,772 | 9,795 |
| Payroll expense | 18,382 | 17,961 |
| Professional services | 32,417 | 25,357 |
| Retirement | 49,684 | 43,826 |
| Salaries | 1,061,231 | 960,154 |
| Supplies and Materials | 46,863 | 27,116 |
| Telephone | 21,124 | 16,901 |
| Training | 8,318 | 8,105 |
| Travel | 4,192 | 4,470 |
| Uniforms | 11,090 | 12,845 |
| Utilities | 136,850 | 129,527 |
| Vending machine | <u>\$ 14,253</u> | <u>\$ 26,512</u> |

The accompanying notes are an integral part of this statement.

NATCHITOCHE PARISH SHERIFF
NATCHITOCHE PARISH DETENTION CENTER
NATCHITOCHE, LOUISIANA
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN RETAINED EARNINGS - PROPRIETARY FUND TYPE (CONTINUED)
FOR THE YEARS ENDED JUNE 30, 1999 AND 1998

| | <u>1999</u> | <u>1998</u> |
|--|-------------------|---------------------|
| Total Operating Expenses | \$ 3,131,010 | \$ 2,768,040 |
| Operating Income | 745,483 | 542,191 |
| Nonoperating Revenues/(Expenses) | | |
| Interest Income | 33,526 | 30,240 |
| Interest Expense | <u>(253,570)</u> | <u>(278,584)</u> |
| Total Nonoperating Revenues/(Expenses) | <u>(220,044)</u> | <u>(248,344)</u> |
| Net Income | 525,439 | 293,847 |
| Retained Earnings, Beginning of year | <u>(424,511)</u> | <u>(718,358)</u> |
| Retained Earnings, End of year | <u>\$ 100,928</u> | <u>\$ (424,511)</u> |

The accompanying notes are an integral part of this statement.

NATCHITOCHE PARISH SHERIFF
NATCHITOCHE PARISH DETENTION CENTER
NATCHITOCHE, LOUISIANA
COMPARATIVE STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE
FOR THE YEARS ENDED JUNE 30, 1999 AND 1998

| | <u>1999</u> | <u>1998</u> |
|---|-------------------|------------------|
| Cash Flows Provided By/(Used in) Operating Activities | | |
| Net Operating Income | \$ 745,483 | \$ 542,191 |
| Adjustments to reconcile net operating income to net cash provided by/(used in) operating activities | | |
| Depreciation | 223,435 | 220,606 |
| Amortization | 10,480 | 10,480 |
| (Increase)/decrease in operating assets | | |
| Accounts Receivable | | |
| Revenue | (6,116) | (34,691) |
| Other | (1,477) | 0 |
| Increase/(decrease) in operating liabilities | | |
| Accounts Payable | 26,046 | (6,107) |
| Accrued liabilities | <u>(5,771)</u> | <u>(883)</u> |
| Net Cash Provided By/(Used in) Operating Activities | 992,080 | 731,596 |
| Cash Flows Provided By/(Used in) Capital and Related Financing Activities | | |
| Payment on borrowing-Natchitoches Parish Sheriff, general fund | (241,921) | (64,473) |
| Payment on note and lease obligations | (283,940) | (188,125) |
| Payment for capital acquisition-land | 0 | (31,131) |
| Payment for capital acquisition-building | (18,403) | (15,963) |
| Payment for capital acquisition-equipment | (31,267) | (13,335) |
| Payment for capital acquisition-furniture and fixtures | (10,221) | (6,386) |
| Payment for capital acquisition-vehicles | (3,760) | (1,500) |
| Interest paid | <u>(253,570)</u> | <u>(278,584)</u> |
| Net Cash Provided By/(Used in) Capital and Related Financing Activities | (843,082) | (599,497) |
| Cash Flows Provided By/(Used in) Investing Activities | | |
| Receipt of interest | 33,526 | 30,240 |
| Purchase of investments | <u>(132,101)</u> | <u>(130,979)</u> |
| Net Cash Provided By/(Used in) Investing Activities | <u>(98,575)</u> | <u>(100,739)</u> |
| INCREASE/(DECREASE) IN CASH | 50,423 | 31,360 |
| CASH, Beginning of year | <u>50,133</u> | <u>18,773</u> |
| CASH, End of year | <u>\$ 100,556</u> | <u>\$ 50,133</u> |

The accompanying notes are an integral part of this statement.

NATCHITOCHE PARISH SHERIFF
NATCHITOCHE PARISH DETENTION CENTER
NATCHITOCHE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 1 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, which includes administering the parish jail system. Construction of the facility was completed and the first prisoners were received on June 18, 1996.

The accounting and reporting policies of the Natchitoches Parish Detention Center conform with generally accepted accounting principles 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. Such accounting and reporting procedures also conform to the requirements set forth in the Louisiana Governmental Audit Guide and to the industry audit guide, Audits of State and Local Governmental Units.

A. REPORTING ENTITY

The Natchitoches Parish Detention Center is a component unit, proprietary fund, of the Natchitoches Parish Sheriff. Information included in these financial statements are also included in the Sheriff's annual general purpose financial statements.

B. FUND ACCOUNTING

Proprietary Fund Types - Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary and useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. The Detention Center applies all GASB pronouncements as well as the Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

Enterprise Fund

The enterprise fund is used to account for operations

- a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or
- b) where the governing body has decided the periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, or other purposes.

C. FIXED ASSETS

Property, plant, and equipment acquired for the proprietary funds is capitalized in the respective funds to which it applies.

Proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity is included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund operating statements present increases (revenues) and decreases (expenses) in net total assets.

NATCHITOCHE PARISH SHERIFF
NATCHITOCHE PARISH DETENTION CENTER
NATCHITOCHE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 1999

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. FIXED ASSETS (CONTINUED)

Depreciation of all exhaustible fixed assets used by the enterprise fund is charged as an expense against its operations. Accumulated depreciation is reported on the enterprise fund balance sheet. Depreciation has been provided over the estimated useful lives using the straight line method. Expenditures for maintenance, repairs and minor renewals are charged to earnings as incurred. Major expenditures for renewals and betterments are capitalized.

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 financial statements have been prepared using the modified accrual basis of accounting. Revenues are accrued when earned and measurable. Expenditures are generally recognized when the related fund liability is incurred and measurable.

E. CASH

Cash includes not only cash on hand but also demand deposits with banks or other financial institutions and other kinds of accounts that have the general characteristics of demand deposits in that the customer may deposit additional funds at any time and also effectively withdraw funds at any time without prior notice or penalty.

State law authorizes the sheriff to deposit funds in, interest bearing accounts, certificates of deposit or other investments as permitted by law with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

F. DUE TO AND DUE FROM OTHER FUNDS

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. As June 30, 1999, the Detention Center, proprietary fund, owed the general fund \$226,240.

G. DEFERRED DEBT EXPENSE

Bond issue costs and bond discounts are capitalized and amortized over the terms of the respective bonds using a method which approximates the effective interest method. Total bond issue costs and bond discounts (deferred debt expense) paid by the Natchitoches Parish Sheriff was \$209,592. The amortization expense related to deferred debt expense for the year ended June 30, 1999 was \$10,480.

H. RECEIVABLES

All receivables are reported at their gross value and, where applicable are reduced by the estimated portion that is expected to be uncollectible.

NATCHITOCHE PARISH SHERIFF
NATCHITOCHE PARISH DETENTION CENTER
NATCHITOCHE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 1999

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. ESTIMATES

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

J. 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 Natchitoches Parish Detention Center.

NOTE 2 CASH

As of June 30, 1999, the Natchitoches Parish Detention Center had cash totaling \$100,556, as follows:

| | |
|----------------------------------|--------------------------|
| Petty cash | \$ 100 |
| Demand deposits | 54,788 |
| Interest bearing demand deposits | <u>45,668</u> |
| Totals | <u>\$ 100,556</u> |

Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. As of June 30, 1999, the Detention Center had \$139,396 in bank deposits. These deposits were secured from risk by \$139,396 of federal deposit insurance.

NOTE 3 INVESTMENTS

Investments, money market accounts which only invest in government backed securities, are stated at cost which approximates market value. At June 30, 1999, the Natchitoches Parish Detention Center had \$705,261 in money market accounts.

NOTE 4 REVENUES RECEIVABLE

At June 30, 1999, the Detention Center had \$277,427 in accounts receivable for charges for services. The estimated amount of receivables determined to be uncollectible at June 30, 1999 is \$0.

NATCHITOCHE PARISH SHERIFF
NATCHITOCHE PARISH DETENTION CENTER
NATCHITOCHE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 1999

NOTE 5 PROPERTY, PLANT AND EQUIPMENT

A summary of the Natchitoches Parish Detention Center's property, plant and equipment at June 30, 1999 follows:

| | <u>Straight-Line</u> | <u>Cost</u> | <u>Accumulated Depreciation</u> | <u>Net</u> | <u>Depreciation This Year</u> |
|----------------------------|----------------------|---------------------|-------------------------------------|---------------------|-----------------------------------|
| Land | | \$ 146,089 | \$ 0 | \$ 146,089 | \$ 0 |
| Buildings | 20 years | 2,884,725 | 444,388 | 2,440,337 | 145,456 |
| Equipment | 3 - 7 years | 135,071 | 61,609 | 73,462 | 19,598 |
| Furniture & Fixtures | 7 years | 300,624 | 139,543 | 161,081 | 44,785 |
| Vehicles | 5 years | <u>70,715</u> | <u>43,827</u> | <u>26,888</u> | <u>13,596</u> |
| Total | | <u>\$ 3,537,224</u> | <u>\$ 689,367</u> | <u>\$ 2,847,857</u> | <u>\$ 223,435</u> |
| Changes during year: | | | | | |
| Balance, Beginning of year | | \$ 3,473,573 | \$ (465,932) | \$ 3,007,641 | |
| Additions: | | | | | |
| Land | | 0 | 0 | 0 | |
| Buildings | | 18,403 | 0 | 18,403 | |
| Equipment | | 31,267 | 0 | 31,267 | |
| Furniture & Fixtures | | 10,221 | 0 | 10,221 | |
| Vehicles | | 3,760 | 0 | 3,760 | |
| Depreciation | | <u>0</u> | <u>(223,435)</u> | <u>(223,435)</u> | |
| Balance, End of year | | <u>\$ 3,537,224</u> | <u>\$ (689,367)</u> | <u>\$ 2,847,857</u> | |

NOTE 6 PENSION PLAN

Substantially all employees of the Natchitoches Parish Detention Center's office are members of the Sheriff's Pension and Relief Fund ("System"), a multiple-employer, cost-sharing public employee retirement system (PERS). The System is a statewide public retirement system for the benefit of sheriffs and their staffs, which is administered and controlled by a separate board of trustees. Contributions of participating sheriffs, together with shared local and state revenues, are pooled within the System to fund accrued benefits, with employer/employee contribution rates approved by the Louisiana Legislature.

All sheriffs and all deputies who are found to be physically fit, who earn at least \$400 per month and who are 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 average final salary for each year of credited service. The percentage factor to be used for each year of service is 2.5 percent if total service is at least 12 but less than 15 years, 2.75 percent if total service is at least 15 but less than 20 years, and 3 percent if total service is at least 20 years. In any case, the retirement benefit cannot exceed 100 percent of the final average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service, and who do not withdraw their employee contributions, may retire at or after age 55 and receive the benefits accrued to their date of termination. Employees who terminate with at least 20 years of credited service are also eligible

NATCHITOCHE PARISH SHERIFF
NATCHITOCHE PARISH DETENTION CENTER
NATCHITOCHE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 1999

NOTE 6 PENSION PLAN (CONTINUED)

to elect early benefits between the ages of 50 and 55 with reduced benefits equal to the actuarial equivalent of the benefit to which they would otherwise be entitled at age 55. The system also provides death and disability benefits. Benefits are established 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 Sheriffs Pension & Relief Fund, Monroe, Louisiana, 71210-3163 or by calling (318) 362-3188.

Contributions to the system include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and a direct appropriation from the state of Louisiana. State statute requires covered employees to contribute 8.7 percent of their salary to the system and requires an employer contribution equal to 5.0 percent of each covered employee's salary. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Natchitoches Parish Detention Center's contributions to the System for the year ending June 30, 1999 was \$49,684, equal to the required contribution for the year.

NOTE 7 RISK MANAGEMENT

The Natchitoches Parish Detention Center is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Natchitoches Parish Detention Center maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Detention Center.

NOTE 8 OBLIGATIONS UNDER CAPITAL AND OPERATING LEASES

The Natchitoches Parish Detention Center was not obligated under any operating or capital leases at June 30, 1999.

NOTE 9 LONG-TERM DEBT

The following is a summary of the long-term debt of the Natchitoches Parish Detention Center for the year ended June 30, 1999:

| | <u>Interest</u> <u>Rate</u> | <u>Maturity</u> <u>Date</u> | <u>Amount</u> <u>Issued</u> | <u>Outstanding</u> |
|-------------------------------|--------------------------------|--------------------------------|--------------------------------|---------------------|
| Revenue Bonds | 5.2%-7.2% | 06/01/15 | \$3,695,000 | \$ 3,360,000 |
| Certificate of indebtednesses | 5.37% | 03/01/06 | 300,000 | 226,000 |
| Construction note | 9.00% | 07/31/01 | <u>129,710</u> | <u>52,899</u> |
| Total | | | <u>\$4,124,710</u> | <u>\$ 3,638,899</u> |

The annual requirements to amortize all debt outstanding as of June 30, 1999, including interest payments are as follows:

NATCHITOCHE PARISH SHERIFF
NATCHITOCHE PARISH DETENTION CENTER
NATCHITOCHE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 1999

NOTE 9 LONG-TERM DEBT (CONTINUED)

| Year Ended June 30, | <u>Revenue Bonds</u> | <u>Certificate of Indebtedness</u> | <u>Construction Note</u> | <u>Total</u> |
|------------------------|----------------------|--|------------------------------|---------------------|
| 2000 | \$ 358,555 | \$ 38,411 | \$ 32,304 | \$ 429,270 |
| 2001 | 356,180 | 38,908 | 20,595 | 415,683 |
| 2002 | 358,380 | 38,323 | 0 | 396,703 |
| 2003 | 359,700 | 38,659 | 0 | 398,359 |
| 2004 | 355,250 | 38,887 | 0 | 394,137 |
| Thereafter | <u>3,938,250</u> | <u>78,030</u> | <u>0</u> | <u>4,016,280</u> |
| Total | <u>\$ 5,726,315</u> | <u>\$ 271,218</u> | <u>\$ 52,899</u> | <u>\$ 6,050,432</u> |

HINES, JACKSON & HINES

CERTIFIED PUBLIC ACCOUNTANTS
P.O. BOX 2188 • 133 EAST FIFTH STREET
NATCHITOCHE, LA 71457

Telephone (318) 352-6458
FAX (318) 352-0404
hjhcpa@worldnetla.net

A NEILL JACKSON, JR., CPA
1926-1999

FRANK S. HINES, CPA
LEWIS C. HINES, CPA
F. MERLIN SQUYRES, CPA
JAY H. SHEFFIELD, CPA

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

Honorable Boyd Durr
Natchitoches Parish Sheriff
Natchitoches Parish Detention Center
299 Edwina Drive
Natchitoches, Louisiana 71457

We have audited the general purpose financial statements of the Natchitoches Parish Detention Center proprietary fund of the Natchitoches Parish Sheriff, Natchitoches, Louisiana, as of and for the year ended June 30, 1999, and have issued our report thereon dated August 23, 1999. 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 Natchitoches Parish Detention Center'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 Natchitoches Parish Detention Center'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 misstatement in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operations that we consider to be material weaknesses.

This report is intended solely for the information and use of the Natchitoches Parish Sheriff and the Legislative Auditor of the State of Louisiana and is not intended to be, and should not be, used by anyone other than the specified parties.

Hines, Jackson & Hines

Natchitoches, Louisiana
August 23, 1999

NATCHITOCHE PARISH SHERIFF
NATCHITOCHE PARISH DETENTION CENTER
NATCHITOCHE, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 1999

| <u>Ref. No.</u> | <u>Fiscal Year Finding Initially Occurred</u> | <u>Description of Finding</u> | <u>Corrective Action Taken (Yes, No, Partially)</u> | <u>Planned Corrective Action/Partial Corrective Action Taken</u> |
|-----------------|---|-------------------------------|---|--|
|-----------------|---|-------------------------------|---|--|

Nothing came to our attention that would require disclosure under Government Auditing Standards.

NATCHITOCHE PARISH SHERIFF
NATCHITOCHE PARISH DETENTION CENTER
NATCHITOCHE, LOUISIANA
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 1999

| <u>Ref. No.</u> | <u>Description of Finding</u> | <u>Correct Action Planned</u> | <u>Name(s) of Contact Person(s)</u> | <u>Anticipated Completion Date</u> |
|-----------------|-------------------------------|-------------------------------|-------------------------------------|------------------------------------|
|-----------------|-------------------------------|-------------------------------|-------------------------------------|------------------------------------|

Nothing came to our attention that would require disclosure under Government Auditing Standards.