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AVOUELLES PARISH SHERIFF

Marksville, Louisiana

Financial Report

Year Ended June 30, 2004

Under provisions of state law this report is a public document. A copy of the report has been submitted to the 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 1-26-05

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INDEPENDENT AUDITORS' REPORT

The Honorable Bill Belt
Avoyelles Parish Sheriff
Marksville, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Avoyelles Parish Sheriff as of and for the year ended June 30, 2004, which collectively comprise the Sheriff's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Avoyelles Parish Sheriff. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Avoyelles Parish Sheriff as of June 30, 2004, and the respective changes in financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated October 22, 2004, on our consideration of the Avoyelles Parish Sheriff's internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

The required supplementary information on pages 32 and 33 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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The Avoyelles Parish Sheriff has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be a part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Sheriff's basic financial statements. The other supplementary information on pages 35 through 50 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
October 22, 2004

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Comparative Statement of Net Assets
June 30, 2004 and 2003

ASSETS	<u>2004</u>	<u>2003</u>
Cash and interest-bearing deposits	\$ 78,287	\$ 37,083
Cash with paying agent	93,533	85,375
Receivables	46,494	34,962
Due from other governmental units	856,229	994,492
Inventory	42,270	14,780
Other assets	4,998	50
Capital assets:		
Land	174,400	174,400
Capital assets, net	<u>5,266,135</u>	<u>5,284,801</u>
Total assets	<u>6,562,346</u>	<u>6,625,943</u>
LIABILITIES		
Cash overdraft	54,934	119,120
Accounts and other accrued payables	1,083,116	837,972
Interest payable	47,796	101,308
Long-term liabilities:		
Due within one year	645,562	436,236
Due after one year	<u>1,087,387</u>	<u>1,440,000</u>
Total liabilities	<u>2,918,795</u>	<u>2,934,636</u>
NET ASSETS		
Invested in capital assets, net of related debt	3,707,586	3,582,965
Restricted	107,352	-
Unrestricted	<u>(171,387)</u>	<u>108,342</u>
Total net assets	<u>\$3,643,551</u>	<u>\$3,691,307</u>

The accompanying notes are an integral part of the basic financial statements.

AVOUELLES PARISH SHERIFF
Marksville, Louisiana

Statement of Activities
For the Year Ended June 30, 2004

Activities	Program Revenues			Net (Expense) Revenues and Changes in Net Assets
Governmental activities:	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Governmental Activities
Public safety	\$12,241,672	\$ 8,333,051	\$ 662,036	\$(3,246,585)
Interest on long-term debt	40,035	-	-	(40,035)
Total	<u>\$12,281,707</u>	<u>\$ 8,333,051</u>	<u>\$ 662,036</u>	<u>(3,286,620)</u>
General revenues:				
Taxes -				
Property taxes, levied for debt service				493,100
Sales and use taxes, levied for general purposes				1,557,864
State revenue sharing				120,219
Grants and contributions not restricted to specific programs -				
Federal sources				62,850
State sources				24,451
Interest and investment earnings				1,384
Miscellaneous				978,996
Total general revenues				<u>3,238,864</u>
Change in net assets				(47,756)
Net assets - July 1, 2003				<u>3,691,307</u>
Net assets - June 30, 2004				<u>\$ 3,643,551</u>

The accompanying notes are an integral part of the basic financial statements.

FUND FINANCIAL STATEMENTS (FFS)

MAJOR FUND DESCRIPTIONS

General Fund

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

Special Revenue Fund

1994 Sales Tax Fund

To account for the receipt and use of proceeds of the Sheriff's 1994 one-half percent sales and use tax. These taxes are dedicated to the following purposes: establishing, acquiring, constructing, improving, maintaining, staffing and operating equipment and facilities necessary to provide enhanced 911 emergency telephone, ambulance, dispatch and other services for the benefit of the residents of the Parish.

AVOUELLES PARISH SHERIFF
Marksville, Louisiana

Balance Sheet - Governmental Funds
June 30, 2004
With Comparative Totals as of June 30, 2003

	1994		Totals	
	General	Sales Tax	Other Governmental	Memorandum Only
ASSETS				
Cash and interest-bearing deposits	\$ 48,673	\$ -	\$ 29,614	\$ 78,287
Cash with paying agent	-	-	93,533	93,533
Receivables:				
Due from other governmental agencies	730,531	125,698	-	856,229
Other -				
Telephone commissions	26,514	-	-	26,514
Summer camp grant	15,000	-	-	15,000
Miscellaneous	4,980	-	-	4,980
Inventory	42,270	-	-	42,270
Other assets	4,998	-	-	4,998
Total assets	<u>\$ 872,966</u>	<u>\$125,698</u>	<u>\$123,147</u>	<u>\$1,121,811</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Cash overdraft	\$ 47,166	\$ 7,768	\$ -	\$ 54,934
Accounts payable	1,063,334	19,782	-	1,083,116
Interest payable	32,001	-	-	32,001
Total liabilities	<u>1,142,501</u>	<u>27,550</u>	<u>-</u>	<u>1,170,051</u>
Fund balances (deficit) -				
Reserved for inventory	42,270	-	-	42,270
Reserved for debt service	-	-	123,147	123,147
Unreserved, undesignated	(311,805)	98,148	-	(213,657)
Total fund balances	<u>(269,535)</u>	<u>98,148</u>	<u>123,147</u>	<u>196,647</u>
Total liabilities and fund balances	<u>\$ 872,966</u>	<u>\$125,698</u>	<u>\$123,147</u>	<u>\$1,121,811</u>

The accompanying notes are an integral part of the basic financial statements.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
June 30, 2004

Total fund balances for governmental funds at June 30, 2004	\$ (48,240)
Total net assets reported for governmental activities in the statement of net assets is different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:	
Land	\$ 174,400
Buildings and improvements, net of \$1,072,915 accumulated depreciation	4,406,450
Equipment and furniture, net of \$1,241,730 accumulated depreciation	623,013
Vehicles, net of \$428,163 accumulated depreciation	<u>236,672</u> 5,440,535
Long-term liabilities at June 30, 2004:	
Certificates of indebtedness payable	\$ (535,000)
Sales tax bonds payable	(715,000)
Short-term notes payable	(400,015)
Capital lease payable	(82,934)
Accrued interest payable	<u>(15,795)</u> <u>(1,748,744)</u>
Total net assets of governmental activities at June 30, 2004	<u>\$3,643,551</u>

The accompanying notes are an integral part of the basic financial statements.

AVOUELLES PARISH SHERIFF
Marksville, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds
Year Ended June 30, 2004

	General	1994 Sales Tax	Other Governmental	Totals (Memorandum Only)	
				2004	2003
Revenues:					
Ad valorem taxes	\$ 493,100	\$ -	\$ -	\$ 493,100	\$ 464,632
Sales taxes	-	1,255,111	302,753	1,557,864	1,486,940
Intergovernmental revenues -					
Federal grants	62,850	-	-	62,850	30,000
State grants:					
State revenue sharing (net)	120,219	-	-	120,219	119,900
State supplemental pay	145,724	-	-	145,724	153,824
Other	24,451	-	-	24,451	14,442
Fees, charges, and commissions for services -					
Civil and criminal	351,996	-	-	351,996	264,485
Feeding and keeping prisoners	7,981,055	-	-	7,981,055	6,606,581
Miscellaneous -					
Indian affairs	516,312	-	-	516,312	752,399
Interest income	1,052	-	332	1,384	1,405
Other	972,437	6,559	-	978,996	696,296
Total revenues	<u>10,669,196</u>	<u>1,261,670</u>	<u>303,085</u>	<u>12,233,951</u>	<u>10,590,904</u>
Expenditures:					
Current -					
Public safety:					
Personal services and related benefits	6,691,052	380,570	-	7,071,622	5,911,251
Operating services	1,218,110	46,667	-	1,264,777	1,108,560
Operations and maintenance	3,305,219	314,083	-	3,619,302	2,734,562
Debt service -					
Principal	75,457	-	190,000	265,457	284,985
Interest and fiscal charges	36,197	-	76,348	112,545	129,509
Capital outlay	227,835	39,470	-	267,305	42,200
Total expenditures	<u>11,553,870</u>	<u>780,790</u>	<u>266,348</u>	<u>12,601,008</u>	<u>10,211,067</u>
Excess (deficiency) of revenues over expenditures	<u>(884,674)</u>	<u>480,880</u>	<u>36,737</u>	<u>(367,057)</u>	<u>379,837</u>
Other financing sources (uses):					
Proceeds from capital lease	122,170	-	-	122,170	-
Transfers in	464,671	-	-	464,671	594,671
Transfers out	-	(464,671)	-	(464,671)	(594,671)
Total other financing sources (uses)	<u>586,841</u>	<u>(464,671)</u>	<u>-</u>	<u>122,170</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(297,833)</u>	<u>16,209</u>	<u>36,737</u>	<u>(244,887)</u>	<u>379,837</u>
Fund balances (deficit), beginning	<u>28,298</u>	<u>81,939</u>	<u>86,410</u>	<u>196,647</u>	<u>(183,190)</u>
Fund balances (deficit), ending	<u>\$ (269,535)</u>	<u>\$ 98,148</u>	<u>\$ 123,147</u>	<u>\$ (48,240)</u>	<u>\$ 196,647</u>

The accompanying notes are an integral part of the basic financial statements.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended June 30, 2004

Total net changes in fund balances at June 30, 2004 per Statement of Revenues, Expenditures and Changes in Fund Balances	\$(284,357)
 The change in net assets reported for governmental activities in the statement of activities is different because:	
 Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 306,775
Depreciation expense for the year ended June 30, 2004	<u>(285,971)</u> 20,804
Bond principal retirement considered as an expenditure on Statement of Revenues, Expenditures and Changes in Fund Balances	265,457
Proceeds from capital lease considered as an other financing source on Statement of Revenues, Expenditures and Changes in Fund Balances	(122,170)
Difference between interest on long-term debt on modified accrual basis versus interest on long-term debt on an accrual basis	<u>72,510</u>
Total changes in net assets at June 30, 2004 per Statement of Activities	<u>\$ (47,756)</u>

The accompanying notes are an integral part of the basic financial statements.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
June 30, 2004

	<u>Agency Funds</u>
ASSETS	
Cash and interest-bearing deposits	<u>\$ 254,567</u>
LIABILITIES	
Due to taxing bodies, prisoners and others	<u>\$ 254,567</u>

The accompanying notes are an integral part of the basic financial statements.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements

INTRODUCTION

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the Avoyelles Parish Sheriff (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, et cetera.

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

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

The accounting and reporting policies of the Avoyelles Parish Sheriff conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures conform to the requirements of the industry audit guide, Audits of State and Local Governments.

(1) Summary of Significant Accounting Policies

A. Reporting Entity

For financial reporting purposes, the Sheriff includes all funds, activities, et cetera that are controlled by the Sheriff as an independently elected parish official. As an independently elected parish official, the Sheriff is solely responsible for the operations of his office, which include the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. *The Sheriff is not fiscally dependent on the Avoyelles Parish Police Jury.* As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the Avoyelles Parish Sheriff (the primary government). There are no component units to be included in the Sheriff's reporting entity.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

B. Basis of Presentation

The accompanying basic financial statements of the Avoyelles Parish Sheriff have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, "Basic Financial Statements-and Management's Discussion and Analysis—for State and Local Governments", issued in June 1999. As a result, an entirely new financial presentation format has been implemented.

Government-Wide Financial Statements (GWFS)

The Statement of Net Assets and the Statement of Activities display information about the Sheriff as a whole. They include all funds of the reporting entity, which are considered to be governmental activities. Fiduciary funds are reported only in the Statement of Fiduciary Assets and Liabilities at the fund financial statement level.

The statement of activities presents a comparison between direct expenses and program revenues for each of the functions of the Sheriff's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of services offered by the Sheriff, and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements (FFS)

The Sheriff uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Sheriff functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The various funds of the Sheriff are classified into two categories: governmental and fiduciary. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Sheriff or its total assets, liabilities, revenues, or expenditures of the individual governmental fund is at least 10 percent of the corresponding total for all governmental funds.

AVOUELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

The Sheriff reports the following major governmental funds:

The General Fund is the primary operating fund of the Sheriff. It accounts for all financial resources except those that are required to be accounted for in other funds.

The 1994 Sales Tax Special Revenue Fund accounts for the proceeds of a one-half percent sales and use tax that is legally restricted to expenditures for specific purposes.

Additionally, the Sheriff reports the following fund types:

Debt Service Funds

Debt service funds are used to account for the accumulation of resources for *and the payment of general long-term debt principal, interest and related costs.*

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The only funds accounted for in this category by the Sheriff are agency funds. The agency funds account for assets held by the Sheriff as an agent for various taxing bodies (tax collections) and for deposits held pending court action. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency funds have no measurement focus, but use the accrual basis of accounting.

C. Measurement Focus/Basis of Accounting

The amounts reflected in the governmental fund financial statements are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of Sheriff operations.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

The amounts reflected in the governmental fund financial statements use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Sheriff considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

The government-wide financial statements are accounted for using an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets and financial position. All assets and liabilities (whether current or noncurrent) associated with their activities are reported.

The government-wide financial statements are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

D. Assets, Liabilities and Equity

Cash and Interest-bearing Deposits

Cash and interest-bearing deposits include amounts in demand deposits, interest-bearing demand deposits, and time deposits. These deposits are stated at cost, which approximates market.

Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

Inventory

Inventory of the Sheriff's General Fund consists of food purchased by the Sheriff and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as revenues when received; however, all inventory items are recorded as expenses when consumed. All purchased inventory items are valued at the lower of cost (first-in, first-out) or market, and commodities are assigned values based on information provided by the United States Department of Agriculture and Forestry.

Capital Assets

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available (or describe other method of valuation). Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Sheriff maintains a threshold level of \$5,000 or more for capitalizing capital assets.

Capital assets are recorded in the Statement of Net Assets and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Buildings and improvements	30-60
Office, equipment, and furniture	7-20
Vehicles	7

Compensated Absences

Each employee of the Sheriff's office is granted 10 days of vacation leave and 6 days of sick leave each year after one year of service. Neither vacation nor sick leave may be accumulated.

There are no accumulated and vested vacation and sick leave benefits at June 30, 2004, which require disclosure to conform with generally accepted accounting principles.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

Equity Classifications

In the government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

E. Revenues, Expenditures, and Expenses

Program Revenues

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the Sheriff's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Sheriff's general revenues.

Revenues

Ad valorem taxes and the related state revenue sharing are recorded in the year taxes are due and payable. Ad valorem 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 the fiscal year.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

Sales taxes are considered as “measurable” when in the hands of sales tax collector and are recognized as revenue at that time.

Intergovernmental revenues and fees, charges and commissions for service 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.

Expenditures

The Sheriff’s primary expenditures include salaries and insurance, which are recorded when the liability is incurred. Capital expenditures and purchases of various operating supplies are regarded as expenditures at the time purchased.

Other Financing Sources

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.

F. Budget and Budgetary Accounting

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

1. The chief administrative deputy prepares a proposed budget for the general and special revenue fund on the modified accrual basis of accounting 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 budgets is published and the public is notified that the proposed budgets are available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budgets 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 budgets, the budgets are legally adopted prior to the commencement of the fiscal year for which the budgets are being adopted.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

5. All budgetary appropriations lapse at the end of each fiscal year.
6. The budgets are 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.

The proposed budget for June 30, 2004 was made available for public inspection and was published in the official journal ten days before the public hearing, which was held on June 17, 2003 at the Avoyelles Parish Sheriff's office for comments from taxpayers. The budget was amended and published in the official journal ten days before the public hearing, which was held on June 21, 2004 at the Avoyelles Parish Sheriff's office for comments from taxpayers.

G. Grant Revenue

In general, grants received by the Sheriff are reimbursable type grants, and revenues are recognized as earned only when the expenditures to be reimbursed have been incurred.

H. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require 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 amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

I. Report Classification

Certain previously reported amounts for the year ended June 30, 2003 have been reclassified to conform to the June 30, 2004 classifications.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

(2) Cash and Interest – Bearing Deposits

Under state law, the Sheriff may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Sheriff may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2004, the Sheriff has cash and interest-bearing deposits (book balances net of overdrafts) totaling \$277,920 as follows:

	Government-wide Statement of Net Assets	Fiduciary Funds Statement of Net Assets	Total
Demand deposits	\$ 2,087	\$114,311	\$116,398
Interest-bearing deposits	76,200	140,256	216,456
Total cash and interest-bearing deposits	78,287	254,567	332,854
Less: overdrafts	(54,934)	-	(54,934)
Net	\$ 23,353	\$254,567	\$277,920

These deposits are stated at cost, which approximates fair value. 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 fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2004, are secured as follows:

Bank balances	\$ 776,853
Federal deposit insurance	\$ 297,260
Pledged securities (category 3)	479,593
Total federal insurance and pledged securities	\$ 776,853

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

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

(3) Ad Valorem Taxes

The Sheriff is the ex-officio tax collector of the parish and is responsible for the collection and distribution of ad valorem taxes. Ad valorem taxes attach as an enforceable lien on property as of January 1, of each year. Taxes are levied by the parish government in June and are actually billed to the taxpayers by the Sheriff in October. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Tax Assessor of Avoyelles Parish and are collected by the Sheriff. The taxes are remitted to the appropriate taxing bodies net of deductions for assessor's compensation and pension fund contributions.

Ad valorem taxes are budgeted and recorded in the year for which levied and billed. For the year ended June 30, 2004, law enforcement taxes applicable to the Sheriff's General Fund, were levied at the rate of 6.41 mills on property with assessed valuations totaling \$119,745,500.

Total law enforcement taxes levied during 2004 were \$458,779. There were no taxes receivable in the General Fund at June 30, 2004.

(4) Due from Other Governmental Units

Amounts due from other governmental agencies totaling \$856,229 at June 30, 2004, consisted of the following:

	General	Special Revenue
Department of Public Safety and Corrections	\$ 414,670	\$ 29,928
Department of Treasury	94,904	-
Avoyelles Parish Police Jury	130,793	-
Avoyelles Parish School Board	-	95,770
Various parishes and cities	82,480	-
Federal	7,684	-
	<u>\$ 730,531</u>	<u>\$ 125,698</u>

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

(5) Capital Assets

Capital asset activity for the year ended June 30, 2004 was as follows:

	<u>Balance</u> 07/01/03	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> 06/30/04
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 174,400	\$ -	\$ -	\$ 174,400
Other capital assets:				
Buildings and improvements	5,479,365	-	-	5,479,365
Equipment and furniture	1,877,487	13,270	26,014	1,864,743
Vehicles	<u>467,051</u>	<u>254,035</u>	<u>56,251</u>	<u>664,835</u>
Totals	<u>7,998,303</u>	<u>267,305</u>	<u>82,265</u>	<u>8,183,343</u>
Less accumulated depreciation				
Buildings and improvements	979,876	93,039	-	1,072,915
Equipment and furniture	1,129,107	138,637	26,014	1,241,730
Vehicles	<u>430,119</u>	<u>54,295</u>	<u>56,251</u>	<u>428,163</u>
Total accumulated depreciation	<u>2,539,102</u>	<u>285,971</u>	<u>82,265</u>	<u>2,742,808</u>
Governmental activities, capital assets, net	<u>\$5,459,201</u>			<u>\$5,440,535</u>

Depreciation expense in the amount of \$285,808 was charged to public safety.

(6) Dedication of Proceeds and Flow of Funds – Sales and Use Tax

Proceeds of the one-half cent sales and use tax (2004 collections - \$1,557,863; 2003 collections - \$1,486,940) approved by voters on November 19, 1992 and levied by the Sheriff beginning January 1, 1993 are dedicated to the following purposes:

Establishing, acquiring, constructing, improving, maintaining, staffing and operating equipment and facilities necessary to provide enhanced 911 emergency telephone, ambulance, dispatch and other services for the benefit of the residents of the Parish.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

Each month there will be set aside into a "Bond and Interest Sinking Fund", also called the "Sinking Fund", an amount consisting of 1/12 of the next maturing installment of principal and interest on the outstanding bonds. Such transfers must be made on or before the 20th day of each month to assure the prompt payment of principal and interest as they become due and may be used only for such payments.

During the year ended June 30, 2004, the Sheriff violated the "Sinking Fund" requirement when he failed to make the monthly deposits on or before the 20th day of the month.

At June 30, 2004, \$125,647 of sales tax receivable is reflected on the 1994 Sales Tax Fund's balance sheet.

(7) Retirement Commitments

All employees are members of one of the following retirement systems:

Federal Social Security System
Louisiana Sheriff's Pension and Relief Fund

Pertinent information relative to each plan follows:

A. Federal Social Security System

All employees who are not eligible to participate in the Louisiana Sheriff's Pension and Relief Fund are members of the Federal Social Security System. The Sheriff and its employees contribute a percentage of each employee's compensation to the System (7.65% contributed by the Sheriff; 7.65% by the employee). The Sheriff's contribution during the year ended June 30, 2004 amounted to \$263,003.

B. Louisiana Sheriff's Pension and Relief Fund

Plan Description-

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

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

All sheriffs and all deputies who are found to be physically fit, who earn at least \$400 per month, and who were between the ages of 18 and 50 at the time of original employment are required to participate in the Retirement 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 to be used for each year of service is 2.5% for each year if total service is at least 12 but less than 15 years, 2.75% each year if total service is at least 15 years but less than 20 years, and 3% for each year if total service is at least 20 years (Act 1117 of 1995 increased the accrual rate to 0.25% for all service rendered on or after January 1, 1980). In any case, the retirement benefit cannot exceed 100% 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 do not withdraw their employee contributions may retire at or after the 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 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 Retirement System also provides death and disability benefits. Benefits are established or amended by state statute.

The Retirement System issues an annual publicly available financial report that includes financial statements and required supplementary information for the Retirement System. That report may be obtained by writing to the Louisiana Sheriffs Pension and Relief Fund, Post Office Box 3163, Monroe, Louisiana 71220, or by calling (318) 362-3191.

Funding Policy-

Plan members are required to contribute 8.7% of their annual covered salary and the Avoyelles Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 5.0% of annual covered payroll. Contributions to the Retirement System also included 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 premiums. The contribution requirements of the plan members and the Avoyelles Parish Sheriff are established and may be amended by state statute. As provided by R.S. 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 Avoyelles Parish Sheriff's contributions to the Retirement System for the years ended June 30, 2004, 2003 and 2002 were \$554,557, \$250,185 and \$276,285 respectively, equal to the required contributions for each year.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

(8) Postretirement Health Care Insurance Benefits

The Sheriff provides certain health care insurance benefits for its retired employees. Substantially all of the Sheriff's employees are eligible for these benefits if they reach normal retirement age while working for the Sheriff. These benefits for retirees and similar benefits for active employees are provided through an insurance company where the monthly premium is paid by the Sheriff. The cost of providing retirees' health care insurance benefits are recognized as expenses when the monthly premiums are paid and as revenue when reimbursement is received from the retiree. For the year ended June 30, 2004, the amount of retiree benefits totaled \$33,082.

(9) Changes in Agency Fund Balances

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

	<u>Civil Fund</u>	<u>Bond Fund</u>	<u>Fines and Costs Fund</u>
Balances, July 1, 2003	\$ 9,594	\$ 13,300	\$ 72,435
Additions	1,511,745	1,605	193,099
Reductions	<u>1,513,694</u>	<u>-</u>	<u>219,215</u>
Balances, June 30, 2004	<u>\$ 7,645</u>	<u>\$ 14,905</u>	<u>\$ 46,319</u>
	<u>12th Judicial Court Fines Fund</u>	<u>Tax Collector Fund</u>	<u>Inmate Fund</u>
Balances, July 1, 2003	\$ 1,001	\$ 7,288	\$ 127,380
Additions	592,693	5,349,110	1,818,658
Reductions	<u>592,452</u>	<u>5,347,084</u>	<u>1,770,896</u>
Balances, June 30, 2004	<u>\$ 1,242</u>	<u>\$ 9,314</u>	<u>\$ 175,142</u>

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

(10) Long-Term Debt

The Sheriff's long-term debt is attributable to governmental activities. The following is a summary of the long-term debt transactions for the year ended June 30, 2004:

	<u>Balance</u> <u>07/01/03</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>06/30/04</u>	<u>Due Within</u> <u>One Year</u>
Certificates of indebtedness	\$ 605,000	\$ -	\$ 70,000	\$ 535,000	\$ 80,000
Public improvement sales tax bonds	835,000	-	120,000	715,000	125,000
Capital Lease	-	122,170	39,236	82,934	40,547
Notes payable	<u>436,236</u>	<u>-</u>	<u>36,221</u>	<u>400,015</u>	<u>400,015</u>
Total	<u>\$ 1,876,236</u>	<u>\$ 122,170</u>	<u>\$ 265,457</u>	<u>\$ 1,732,949</u>	<u>\$ 645,562</u>

During the fiscal year ending June 30, 2004, the Sheriff entered into a lease agreement in the amount of \$122,170 to purchase vehicles. In accordance with Financial Accounting Standard No. 13, the lease met the criteria for recordation as a capital lease. At June 30, 2004, these assets had a value of \$104,717 (net of \$17,453 of accumulated depreciation), which is included in the vehicles capital asset class.

Long-term debt outstanding at June 30, 2004 is comprised of the following:

\$1,650,000 Public Improvement Sales Tax Bonds, Series 1994; principal due in annual installments of \$90,000 to \$160,000 through May 1, 2009; interest due semi-annually at 4.70 to 5.90 percent, secured by an irrevocable pledge and dedication of one-half percent sales tax.	\$ 715,000
\$800,000 Certificates of Indebtedness dated September 1, 1999; due in annual installments of \$60,000 to \$100,000 through September 1, 2009; interest at 5.04 percent; secured by an irrevocable pledge and dedication of funds derived from a parishwide special tax of 6.41 mills.	535,000
\$750,000 original notes payable, consists of a short-term note with Union Bank which bears interest at a rate of 8% and has a maturity date of July 11, 2004; secured by an irrevocable pledge and dedication of general fund revenues.	400,015
\$122,170 Capital Lease dated July 9, 2003; due in monthly installments of \$3,618 through July 9, 2006; interest at 4.45 percent, secured by general fund revenues.	<u>82,934</u>
Total general long-term debt	<u>\$1,732,949</u>

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

Annual debt service requirements to maturity are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2005	\$ 645,562	\$ 101,624	\$ 747,186
2006	257,387	55,910	313,297
2007	235,000	43,037	278,037
2008	240,000	30,236	270,236
2009	255,000	16,874	271,874
2010	100,000	2,520	102,520
	<u>\$ 1,732,949</u>	<u>\$ 250,201</u>	<u>\$1,983,150</u>

(11) Litigation and Claims

At June 30, 2004, the Sheriff is involved in several lawsuits claiming damages which are not covered by insurance. The Sheriff's legal advisor is unable to estimate the ultimate resolution of these matters. Any unfavorable resolution, if any, would not materially affect the financial statements.

(12) Risk Management

The Sheriff's office 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 Sheriff was unable to obtain law enforcement liability insurance at a cost it considered to be economically justifiable. Management believes it is more economical to manage its risk internally and set aside assets for claim settlement in its General Fund. As of June 30, 2004, no funds were designated for law enforcement liability claims and incidental costs. In the opinion of management and the Sheriff's legal counsel, no events have occurred that give rise to report any claim liability at June 30, 2004.

The Sheriff continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past four fiscal years.

(13) Interfund Transactions

Transfers consisted of \$464,671 transferred from the 1994 Sales Tax Special Revenue Fund to the General Fund for reimbursement of personnel services and related benefits.

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Notes to the Basic Financial Statements (Continued)

(14) Excess of Expenditures Over Appropriations

The following individual funds had actual expenditures over budgeted appropriations for the year ended June 30, 2004.

<u>Funds</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund	\$9,235,180	\$11,232,505	\$11,553,870	\$ 321,365
1994 Sales Tax Fund	\$ 665,900	\$ 659,156	\$ 780,790	\$ 121,634

(15) Deficit Fund Balance

The General Fund has a deficit fund balance of \$269,535 as of June 30, 2004. The deficit will be eliminated by increasing revenues and/or reducing expenditures.

(16) Subsequent Event

In September 2004 the Avoyelles Parish Sheriff issued \$150,000 Taxable Sales Tax Bonds, Series 2004A and \$1,310,000 Sales Tax Bonds, Series 2004B. These bonds are secured by and payable solely from an irrevocable pledge and dedication of the proceeds of the one-half percent sales and use tax now being levied and collected pursuant to an election held on November 3, 1992, subject to the prior payment of the reasonable and necessary costs and expenses of collecting and administering sales tax. The bonds are being issued for the purpose of (i) establishing, acquiring, constructing, improving, maintaining, staffing and operating equipment and facilities, necessary to provide enhanced 911 emergency telephone, ambulance, dispatch and other services for the benefit of the residents of Avoyelles Parish, (ii) refunding the outstanding Public Improvement Sales Tax Bonds, Series 1994, (iii) providing a reserve for the bonds, and (iv) paying the costs of issuance of the bonds.

**REQUIRED SUPPLEMENTARY
INFORMATION**

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

General Fund
Budgetary Comparison Schedule
Year Ended June 30, 2004

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Ad valorem taxes	\$ 460,000	\$ 464,000	\$ 493,100	\$ 29,100
Intergovernmental revenues -				
Federal grants	43,000	46,340	62,850	16,510
State grants:				
State revenue sharing	119,500	120,215	120,219	4
State supplemental pay	155,000	150,100	145,724	(4,376)
Other	5,000	22,251	24,451	2,200
Fees, charges, and commissions for services -				
Civil and criminal	372,000	395,225	351,996	(43,229)
Feeding and keeping prisoners	6,461,000	7,650,205	7,981,055	330,850
Miscellaneous -				
Indian affairs	640,000	575,000	516,312	(58,688)
Interest income	-	-	1,052	1,052
Other	534,000	1,140,432	972,437	(167,995)
Total revenues	<u>8,789,500</u>	<u>10,563,768</u>	<u>10,669,196</u>	<u>105,428</u>
Expenditures:				
Current -				
Public Safety:				
Personal services and related benefits	5,710,700	6,630,460	6,691,052	(60,592)
Operating services	1,021,000	1,118,000	1,218,110	(100,110)
Operations and maintenance	2,288,500	3,199,372	3,305,219	(105,847)
Debt service	166,480	156,032	111,654	44,378
Capital outlay	48,500	128,641	227,835	(99,194)
Total expenditures	<u>9,235,180</u>	<u>11,232,505</u>	<u>11,553,870</u>	<u>(321,365)</u>
Deficiency of revenues over expenditures	(445,680)	(668,737)	(884,674)	(215,937)
Other financing sources:				
Proceeds from capital lease	-	-	122,170	122,170
Transfers in	650,000	668,000	464,671	(203,329)
Total other financing sources	<u>650,000</u>	<u>668,000</u>	<u>586,841</u>	<u>(81,159)</u>
Excess (deficiency) of revenues and other sources over expenditures	204,320	(737)	(297,833)	(297,096)
Fund balance, beginning	<u>28,298</u>	<u>28,298</u>	<u>28,298</u>	-
Fund balance (deficit), ending	<u>\$ 232,618</u>	<u>\$ 27,561</u>	<u>\$ (269,535)</u>	<u>\$ (297,096)</u>

AVOUELLES PARISH SHERIFF
Marksville, Louisiana

Special Revenue Fund - 1994 Sales Tax Fund
Budgetary Comparison Schedule
Year Ended June 30, 2004

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Sales taxes	\$ 1,323,000	\$ 1,324,500	\$ 1,255,111	\$ (69,389)
Miscellaneous -				
Other	-	4,750	6,559	1,809
Total revenues	<u>1,323,000</u>	<u>1,329,250</u>	<u>1,261,670</u>	<u>(67,580)</u>
Expenditures:				
Current -				
Public safety:				
Personal services and related benefits	354,300	368,000	380,570	(12,570)
Operating services	57,000	-	46,667	(46,667)
Operations and maintenance	248,600	236,725	314,083	(77,358)
Capital outlay	6,000	54,431	39,470	14,961
Total expenditures	<u>665,900</u>	<u>659,156</u>	<u>780,790</u>	<u>(121,634)</u>
Excess of revenues over expenditures	657,100	670,094	480,880	(189,214)
Other financing uses:				
Transfers out	<u>(650,000)</u>	<u>(668,000)</u>	<u>(464,671)</u>	<u>203,329</u>
Excess of revenues over expenditures and other uses	7,100	2,094	16,209	14,115
Fund balance, beginning	<u>81,939</u>	<u>81,939</u>	<u>81,939</u>	<u>-</u>
Fund balance, ending	<u>\$ 89,039</u>	<u>\$ 84,033</u>	<u>\$ 98,148</u>	<u>\$ 14,115</u>

OTHER SUPPLEMENTARY INFORMATION

AVOYELLES PARISH SHERIFF
Marksville, Louisiana
General Fund

Schedule of Expenditures
Amended Budget (GAAP Basis) and Actual
Year Ended June 30, 2004
With Comparative Actual Amounts for Year Ended June 30, 2003

	2004		Variance - Positive (Negative)	2003
	Amended Budget	Actual		
Public safety:				
Personal services and related benefits -				
Sheriff salary	\$ 109,559	\$ 109,559	\$ -	\$ 74,113
Deputies salaries	5,615,104	5,768,263	(153,159)	5,023,637
Pension and payroll taxes	905,797	813,230	92,567	468,714
Total personal services and related benefits	<u>6,630,460</u>	<u>6,691,052</u>	<u>(60,592)</u>	<u>5,566,464</u>
Operating services -				
Deputy liability insurance	1,000	5,224	(4,224)	39,100
Hospitalization insurance	877,000	835,326	41,674	765,867
Auto insurance	240,000	340,280	(100,280)	225,249
Other insurance	-	37,280	(37,280)	27,251
Total operating services	<u>1,118,000</u>	<u>1,218,110</u>	<u>(100,110)</u>	<u>1,057,467</u>
Operations and maintenance -				
Auto maintenance and fuel	280,500	331,844	(51,344)	276,186
Deputy uniforms and supplies	89,034	92,114	(3,080)	32,408
Office supplies and expenses	338,288	343,552	(5,264)	240,543
Telephone	36,000	40,605	(4,605)	45,801
Prisoner feeding and maintenance	1,270,500	1,308,797	(38,297)	874,350
Legal fees	69,000	86,789	(17,789)	88,909
Other professional fees	90,000	96,604	(6,604)	73,184
Criminal investigation	2,000	11,993	(9,993)	11,719
Jail maintenance, utilities, and lease	866,500	929,888	(63,388)	793,056
Dues and subscriptions	13,500	13,294	206	30
Other	144,050	49,739	94,311	-
Total operations and maintenance	<u>3,199,372</u>	<u>3,305,219</u>	<u>(105,847)</u>	<u>2,436,186</u>

(continued)

AVOYELLES PARISH SHERIFF
 Marksville, Louisiana
 General Fund

Schedule of Expenditures
 Amended Budget (GAAP Basis) and Actual (Continued)
 Year Ended June 30, 2004
 With Comparative Actual Amounts for Year Ended June 30, 2003

	2004		Variance - Positive (Negative)	2003
	Amended Budget	Actual		
Debt service -				
Principal	100,000	75,457	24,543	99,985
Interest	<u>56,032</u>	<u>36,197</u>	<u>19,835</u>	<u>43,538</u>
Total debt service	<u>156,032</u>	<u>111,654</u>	<u>44,378</u>	<u>143,523</u>
Capital outlay -				
Autos	128,641	227,835	(99,194)	5,200
Jail equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,000</u>
Total capital outlay	<u>128,641</u>	<u>227,835</u>	<u>(99,194)</u>	<u>42,200</u>
 Total expenditures	 <u>\$ 11,232,505</u>	 <u>\$ 11,553,870</u>	 <u>\$ (321,365)</u>	 <u>\$ 9,245,840</u>

AVOYELLES PARISH SHERIFF
 Marksville, Louisiana
 1994 Sales Tax Fund

Schedule of Expenditures
 Amended Budget (GAAP Basis) and Actual
 Year Ended June 30, 2004
 With Comparative Actual Amounts for the Year Ended June 30, 2003

	2004		Variance - Positive (Negative)	2003
	Amended Budget	Actual		
Public safety:				
Personal services and related benefits -				
Director salary	\$ 39,600	\$ 39,600	\$ -	\$ 39,600
Secretary salary	22,600	22,590	10	21,600
Road crew salary	13,500	13,374	126	7,329
Communication salaries	261,300	252,531	8,769	246,993
Pension and payroll taxes	31,000	52,475	(21,475)	29,265
Total personal services and related benefits	<u>368,000</u>	<u>380,570</u>	<u>(12,570)</u>	<u>344,787</u>
Operating services -				
Deputy hospitalization	-	46,667	(46,667)	51,093
Operations and maintenance -				
Ambulance service	-	9,164	(9,164)	-
Auto maintenance and fuel	5,250	5,962	(712)	1,314
Radio maintenance	60,000	82,799	(22,799)	55,038
Office supplies and expenses	1,000	31,383	(30,383)	29,434
Telephone	144,200	139,147	5,053	146,474
Sales tax collection fee	-	19,689	(19,689)	18,443
Publications, dues and subscriptions	3,800	4,220	(420)	5,414
Utilities	19,175	17,344	1,831	16,749
Uniforms	2,000	1,676	324	1,006
Other	1,300	2,699	(1,399)	1,088
Total operations and maintenance	<u>236,725</u>	<u>314,083</u>	<u>(77,358)</u>	<u>274,960</u>
Capital outlay:				
Automobiles	17,500	26,200	(8,700)	-
Equipment	36,931	13,270	23,661	-
Total capital outlay	<u>54,431</u>	<u>39,470</u>	<u>14,961</u>	<u>-</u>
Total expenditures	<u>\$ 659,156</u>	<u>\$ 780,790</u>	<u>\$(121,634)</u>	<u>\$ 670,840</u>

NONMAJOR FUND DESCRIPTIONS

Debt Service Funds

1994 Sales Tax Bond Sinking and Reserve

To accumulate monies for repayment of the \$1,650,000 Public Improvement Sales Tax Bonds, Series 1994 and interest due semi-annually at 4.70 to 10.0 percent. Payments are derived from the one-half cent sales and use tax approved by the voters on November 19, 1992.

Certificate of Indebtedness, Series 1999

To accumulate monies for payment of the \$800,000 Certificates of Indebtedness, Series 1999, due in annual installments, plus interest, through maturity in 2009. Payments are derived from the one-half cent sales and use tax approved by the voters on November 19, 1992.

AVOYELLES PARISH SHERIFF
 Marksville, Louisiana
 Nonmajor Funds

Combining Balance Sheet
 June 30, 2004
 With Comparative Totals for June 30, 2003

	<u>Sales Tax Bonds Series 1994</u>	<u>Certificates of Indebtedness Series 1999</u>	<u>Totals</u>	
			<u>2004</u>	<u>2003</u>
ASSETS				
Cash and interest-bearing deposits	\$29,614	\$ -	\$ 29,614	\$ 1,035
Cash with paying agent	<u>-</u>	<u>93,533</u>	<u>93,533</u>	<u>85,375</u>
Total assets	<u>\$29,614</u>	<u>\$93,533</u>	<u>\$123,147</u>	<u>\$86,410</u>
FUND BALANCE				
Fund balance:				
Reserved for debt service	<u>\$29,614</u>	<u>\$93,533</u>	<u>\$123,147</u>	<u>\$86,410</u>

AVOYELLES PARISH SHERIFF
 Marksville, Louisiana
 Nonmajor Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Year Ended June 30, 2004
 With Comparative Totals for June 30, 2003

	Sales Tax Bonds Series 1994	Certificates of Indebtedness Series 1999	Totals	
			2004	2003
Revenues:				
Sales taxes	\$ 195,660	\$ 107,093	\$ 302,753	\$ 264,409
Miscellaneous -				
Interest income	<u>239</u>	<u>93</u>	<u>332</u>	<u>485</u>
Total revenues	<u>195,899</u>	<u>107,186</u>	<u>303,085</u>	<u>264,894</u>
Expenditures:				
Debt service -				
Principal	120,000	70,000	190,000	185,000
Interest	47,320	28,728	76,048	85,671
Paying agent fees	<u>-</u>	<u>300</u>	<u>300</u>	<u>300</u>
Total expenditures	<u>167,320</u>	<u>99,028</u>	<u>266,348</u>	<u>270,971</u>
Excess (deficiency) of revenues over expenditures	28,579	8,158	36,737	(6,077)
Fund balances, beginning	<u>1,035</u>	<u>85,375</u>	<u>86,410</u>	<u>92,487</u>
Fund balances, ending	<u>\$ 29,614</u>	<u>\$ 93,533</u>	<u>\$ 123,147</u>	<u>\$ 86,410</u>

FIDUCIARY 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.

Bond Fund

To account for the collection of bonds, fines, and costs and payment of these collections to the Sheriff's 12th Judicial Court Fines Fund.

Fines and Cost Fund

To account for the collection of fines and costs and payment of these collections to the Sheriff's 12th Judicial Court Fines Fund.

12th Judicial Court Fines Fund

To account for the collection of fines and costs 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.

Inmate Fund

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

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Agency Funds
Combining Statement of Fiduciary Assets and Liabilities
June 30, 2004
With Comparative Totals for June 30, 2003

	Civil Fund	Bond Fund	Fines and Cost Fund	12th Judicial Court Fines Fund	Tax Collector Fund	Inmate Fund	Totals
							2004 2003
ASSETS							
Cash and interest-bearing deposits	<u>\$ 7,645</u>	<u>\$ 14,905</u>	<u>\$ 46,319</u>	<u>\$ 1,242</u>	<u>\$ 9,314</u>	<u>\$ 175,142</u>	<u>\$ 254,567</u> <u>\$ 230,998</u>
LIABILITIES							
Due to taxing bodies and others	\$ 7,645	\$ 14,905	\$ 46,319	\$ 1,242	\$ 9,314	\$ -	\$ 79,425 \$ 103,618
Due to prisoners	-	-	-	-	-	<u>175,142</u>	<u>175,142</u> <u>127,380</u>
Total liabilities	<u>\$ 7,645</u>	<u>\$ 14,905</u>	<u>\$ 46,319</u>	<u>\$ 1,242</u>	<u>\$ 9,314</u>	<u>\$ 175,142</u>	<u>\$ 254,567</u> <u>\$ 230,998</u>

AVOUELLES PARISH SHERIFF
Marksville, Louisiana

Agency Funds

Statement of Changes in Assets and Liabilities

With Comparative Totals for Year Ended June 30, 2004

	Civil Fund	Bond Fund	Fines and Costs Fund	12th Judicial Court Fines Fund	Tax Collector Fund	Inmate Fund	Totals	
							2004	2003
Balances, beginning of year	\$ 9,594	\$ 13,300	\$ 72,435	\$ 1,001	\$ 7,288	\$ 127,380	\$ 230,998	\$ 273,882
Additions:								
Deposits -								
Sheriff's sales, suits, and seizures	1,384,571	111	336	-	-	-	1,385,018	688,710
Advance deposits	30,694	-	-	-	-	-	30,694	25,468
Clerk of court fees	72,452	-	-	-	-	-	72,452	62,732
Bonds	-	1,384	-	-	-	-	1,384	5,838
Fines and costs	-	-	192,267	592,421	-	-	784,688	531,165
Outside and garnishment collections	24,028	-	-	-	-	-	24,028	25,067
Taxes, fees, etc. paid to tax collector	-	-	-	-	5,349,110	-	5,349,110	4,927,921
Prisoner deposits	-	-	-	-	-	952,284	952,284	770,603
Work release program	-	-	-	-	-	865,975	865,975	666,461
Interest on investments	-	110	496	272	-	399	1,277	2,641
Transfers from fines and cost fund	-	-	-	-	-	-	-	312,521
Total additions	1,511,745	1,605	193,099	592,693	5,349,110	1,818,658	9,466,910	8,019,127
Totals	1,521,339	14,905	265,534	593,694	5,356,398	1,946,038	9,697,908	8,293,009

(continued)

AVOUELLES PARISH SHERIFF
 Marksville, Louisiana
 Fiduciary Fund Type - Agency Funds

Statement of Changes in Assets and Liabilities (Continued)
 Year Ended June 30, 2004
 With Comparative Totals for Year Ended June 30, 2003

	Civil Fund	Bond Fund	Fines and Costs Fund	12th Judicial Court Fines Fund	Tax Collector Fund	Inmate Fund	2004	2003
Reductions:								
Taxes, fees, etc. distributed to taxing bodies and others	-	-	-	-	5,347,084	-	5,347,084	4,925,502
Notary	5,227	-	-	-	-	-	5,227	4,425
Sheriff's General Fund and Clerk of Court	308,830	-	-	88,620	-	-	397,450	301,072
Litigants and attorneys	1,125,872	-	-	-	-	-	1,125,872	540,550
Appraisers	20,416	-	-	-	-	-	20,416	15,635
Wrecker and storage	11,808	-	-	-	-	-	11,808	9,369
Official publications	21,203	-	-	-	-	-	21,203	14,137
Prisoner distribution	-	-	-	-	-	1,770,228	1,770,228	1,390,322
Other parishes	20,170	-	-	-	-	-	20,170	3,290
Other settlements	168	-	172	57,092	-	668	58,100	64,140
District attorney	-	-	-	124,763	-	-	124,763	150,025
Police jury	-	-	-	145,334	-	-	145,334	149,855
Judges	-	-	-	62,400	-	-	62,400	62,400
Judges judicial expense fund	-	-	-	19,998	-	-	19,998	22,270
Court recording clerk	-	-	-	1,440	-	-	1,440	1,440
Indigent defender fund	-	-	-	29,043	-	-	29,043	55,300
Indigent defender fee	-	-	-	49,792	-	-	49,792	22,320
Louisiana Commission on Law Enforcement	-	-	-	7,340	-	-	7,340	4,260
Louisiana enforcement - Training	-	-	-	-	-	-	-	4,358
Louisiana Department of Wildlife and Fisheries	-	-	-	65	-	-	65	210
Coroner	-	-	-	6,530	-	-	6,530	8,610
Transfers to fines and costs fund	-	-	-	35	-	-	35	-
Transfers to 12th Judicial Court fines	-	-	219,043	-	-	-	219,043	312,521
Total reductions	<u>1,513,694</u>	<u>-</u>	<u>219,215</u>	<u>592,452</u>	<u>5,347,084</u>	<u>1,770,896</u>	<u>9,443,341</u>	<u>8,062,011</u>
Balances, end of year	<u>\$ 7,645</u>	<u>\$14,905</u>	<u>\$ 46,319</u>	<u>\$ 1,242</u>	<u>\$ 9,314</u>	<u>\$ 175,142</u>	<u>\$ 254,567</u>	<u>\$ 230,998</u>

AVOYELLES PARISH SHERIFF
 Marksville, Louisiana
 Tax Collector Agency Fund

Statement of Collections, Distributions, and Unsettled Balances
 Year Ended June 30, 2004

Unsettled balances, July 1, 2003	<u>\$ 7,288</u>
Collections:	
Ad valorem taxes	4,190,175
Interest on -	
Interest-bearing deposits	2,205
Delinquent taxes	7,094
Parish licenses	182,942
State revenue sharing	870,586
Redemptions	13,602
Tax notices, etc.	17,767
Payment in lieu of taxes	<u>64,738</u>
Total collections	<u>5,349,109</u>
Total	<u>5,356,397</u>
Distributions:	
Avoyelles Parish -	
Police Jury	1,269,767
School Board	1,315,862
Assessor	494,759
Clerk of Court	925
Sheriff	642,465
Hospital Service District No. 1	77,371
City of Marksville	248,435
Ward I Fire District	34,862
Fire Protection District No. 2	658,961
Red River Waterway District Treasurer	233,682
Southwest Water District	15,952
Gravity Drainage District	15,771
Levee District Treasurer	183,976
Louisiana Forestry Commission	9,436
Louisiana Tax Commission	2,338
Pension funds	130,550
Redemptions	11,101
Refunds	<u>870</u>
Total Distributions	<u>5,347,083</u>
Unsettled balances at June 30, 2004	<u>\$ 9,314</u>

**COMPLIANCE
AND
INTERNAL CONTROL**

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**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 Bill Belt
Avoyelles Parish Sheriff
Marksville, Louisiana

We have audited the financial statements of the Avoyelles Parish Sheriff as of and for the year ended June 30, 2004, and have issued our report thereon dated September 24, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Avoyelles 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 instances of noncompliance that are required to be reported under Government Auditing Standards, which are described in the accompanying Schedule of Current and Prior Year Findings and Corrective Action Plan as items 00-1(C) and 04-1(C).

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Avoyelles Parish Sheriff's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose 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 general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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This report is intended solely for the information of the Avoyelles Parish Sheriff's management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
October 22, 2004

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Summary Schedule of Current and Prior Audit Year Findings
and Corrective Action Plan
Year Ended June 30, 2004

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
CURRENT YEAR (06/30/04) --						
<u>Compliance:</u>						
00-1(C)	1998	The monthly sinking fund and reserve fund requirements as required by the 1994 Sales Tax Bond Agreements were not funded. Four of the twelve monthly sinking fund payments were not made. The reserve fund requirement was unfunded by \$166,663. The annual debt service payments were paid.		The reserve fund requirement was funded in September 2004 and the Director of Finance noted that all monthly sinking fund requirements since November 2003 were funded in accordance with the bond agreements.	Beryl Holmes, Comptroller	September 2004
04-1(C)	2004	The Avoyelles Parish Sheriff did not amend the special revenue 1994 Sales Tax Fund budget in accordance by LSA-R.S. 39:1311(A)(1) & (2) that states when total revenue plus projected revenue and other sources for the remainder of the year are failing to meet total budgeted revenues by five percent or more and when total actual expenditures plus projected expenditures exceed budgeted expenditures by five percent or more the budget must be amended. Total revenues failed to meet budgeted revenues by 5% or \$67,580 and total expenditures exceeded budgeted expenditures by \$121,634 or 18.5%.		The Avoyelles Parish Sheriff will closely monitor budget to actual financial statements and amend the budget when necessary.	Beryl Holmes, Comptroller	June 30, 2005

Internal Control:

There were no matters involving the internal control over financial reporting to be reported.

(Continued)

AVOYELLES PARISH SHERIFF
Marksville, Louisiana

Summary Schedule of Current and Prior Audit Year Findings
and Corrective Action Plan (Continued)
Year Ended June 30, 2004

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
PRIOR YEAR (06/30/03) --						
<u>00-1(C)</u>	1998	The monthly sinking fund and reserve fund requirements as required by the 1994 Sales Tax Bond Agreements were not funded monthly.	No	See current year finding 00-1(C).		

Internal Control:

There were no matters involving the internal control over financial reporting to be reported.