

# DARNALL, SIKES, KOLDER, FREDERICK & RAINEY

(A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS)

Offices:

E. Larry Sikes, CPA  
C. Burton Kolder, CPA  
Danny P. Frederick, CPA  
Chris Rainey, CPA  
Clayton E. Darnall, CPA  
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Conrad D. Chapman, CPA

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Jennifer S. Ziegler, CPA  
P. Troy Courville, CPA  
Stephen R. Dischler, MBA, CPA

## Independent Auditor's Report on Schedule of Federal Financial Assistance

125 Rue Beauregard  
Lafayette, LA 70508  
(318) 232-3312

1201 Brashear Avenue  
Suite 301  
Morgan City, LA 70380  
(504) 384-6264

408 W. Cotton Street  
Ville Platte, LA 70586  
(318) 363-2792

113 East Bridge Street  
Breaux Bridge, LA 70517  
(318) 332-4020

404 Pere Megret  
Abbeville, LA 70510  
(318) 893-5470

1231 E. Laurel Avenue  
Eunice, LA 70535  
(318) 457-4146

2011 MacArthur Drive  
Building 1  
Alexandria, LA 71301  
(318) 445-5564

The Honorable Donald J. Breaux  
Lafayette Parish Sheriff  
Lafayette, Louisiana

We have audited the general purpose financial statements of the Lafayette Parish Sheriff as of and for the year ended June 30, 1996, and have issued our report thereon dated November 13, 1996. These general purpose financial statements are the responsibility of the Lafayette Parish Sheriff's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements of the Lafayette Parish Sheriff taken as a whole. The accompanying schedule of federal financial assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the general purpose financial statements taken as a whole.

*Darnall, Sikes, Kolder, Frederick & Rainey*

A Corporation of Certified Public Accountants

Lafayette, Louisiana  
November 13, 1996

# DARNALL, SIKES, KOLDER, FREDERICK & RAINEY

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## Independent Auditor's Report on Internal Control Structure Based on an Audit of General Purpose Financial Statements Performed in Accordance with Government Auditing Standards

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Lafayette Parish Sheriff  
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We have audited the general purpose financial statements of the Lafayette Parish Sheriff as of and for the year ended June 30, 1996, and have issued our report thereon dated November 13, 1996.

We conducted our audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The Lafayette Parish Sheriff is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the general purpose financial statements of the Lafayette Parish Sheriff, for the year ended June 30, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk 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 structure. Accordingly, we do not express such an opinion.

We noted a certain matter involving the internal control structure and its operation that we consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

#### Inadequate Segregation of Accounting Functions

##### Finding:

Due to the small number of bookkeeping and accounting employees, the Sheriff did not have adequate segregation of functions within the accounting system.

##### Recommendation:

Based upon the size of the administrative office and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

##### Response:

No response is considered necessary.

A material weakness is a reportable condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities 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.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. We believe the reportable condition described above is a material weakness.

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

*Darnall, Sikes, Kolder, Frederick & Rainey*

A Corporation of Certified Public Accountants

Lafayette, Louisiana  
November 13, 1996

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## Independent Auditor's Report on Compliance Based on an Audit of General Purpose Financial Statements Performed in Accordance with Government Auditing Standards

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The Honorable Donald J. Breaux  
Lafayette Parish Sheriff  
Lafayette, Louisiana

We have audited the general purpose financial statements of the Lafayette Parish Sheriff as of and for the year ended June 30, 1996, and have issued our report thereon dated November 13, 1996.

We conducted our audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Lafayette Parish Sheriff is the responsibility of the Sheriff. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the Lafayette Parish Sheriff's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit was not to provide an opinion on overall compliance with such provisions. 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.

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

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A Corporation of Certified Public Accountants

Lafayette, Louisiana  
November 13, 1996

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## Independent Auditor's Report on the Internal Control Structure Used in Administering Federal Financial Assistance Programs

125 Rue Beauregard  
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The Honorable Donald J. Breaux  
Lafayette Parish Sheriff  
Lafayette, Louisiana

We have audited the general purpose financial statements of the Lafayette Parish Sheriff, as of and for the year ended June 30, 1996, and have issued our report thereon dated November 13, 1996.

We conducted our audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States, and Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

In planning and performing our audit for the year ended June 30, 1996, we considered the internal control structure of the Lafayette Parish Sheriff, in order to determine our auditing procedures for the purpose of expressing our opinions on the general purpose financial statements of the Sheriff and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the general purpose financial statements in a separate report dated November 13, 1996.

The Lafayette Parish Sheriff is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose

financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, we have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

Accounting Controls

Budgeting and budget reporting  
Revenues and cash receipts  
Purchases and cash disbursements  
Inventory control

Administrative Controls

<u>General Requirements</u>	<u>Specific Requirements</u>
Political Activity	Types of services allowed
Civil rights	or not allowed
Cash management	Eligibility
Federal financial reports	Matching
Allowable costs/ cost principles	
Drug-free Workplace Act	
Administrative requirements	

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and we assessed control risk.

During the year ended June 30, 1996, the Lafayette Parish Sheriff had no major federal financial assistance programs and expended 69 percent of its total federal financial assistance under the following nonmajor federal financial assistance programs:

Substance Abuse Education Program  
Drug Abuse Resistance Education Program

We performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for reimbursements and amounts claimed or used for matching that are applicable to the forementioned nonmajor programs. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

We noted a certain matter involving the internal control structure and its operation that we consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgement, could adversely affect the Sheriff's ability to administer federal financial assistance programs in accordance with applicable laws and regulations.

#### Inadequate Segregation of Accounting Functions

##### Finding:

Due to the small number of accounting employees, the Sheriff did not have adequate segregation of functions within the accounting system.

##### Recommendation:

Based on the size of the administrative office and the cost-benefit of additional accounting personnel, it may not be feasible to achieve complete segregation of duties.

##### Response:

No response is considered necessary.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe the reportable condition described above is a material weakness.

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

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A Corporation of Certified Public Accountants

Lafayette, Louisiana  
November 13, 1996

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana

Prior Year Audit Findings  
June 30, 1996

During the audit examination of the June 30, 1995 general purpose financial statements one internal control finding was noted. The following listing indicates the June 30, 1995 finding and/or comment and the status of it as of June 30, 1996.

<u>Finding</u>	<u>Status at June 30, 1996</u>
<p>Internal Control Finding</p> <p>The Sheriff did not have adequate segregation of functions within the accounting system.</p>	<p>This finding was not resolved during the year ended June 30, 1996 and is again mentioned.</p>

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## Independent Auditor's Report on Compliance with Specific Requirements Applicable to Nonmajor Federal Financial Assistance Program Transactions

125 Rue Beauregard  
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We have audited the general purpose financial statements of the Lafayette Parish Sheriff, as of and for the year ended June 30, 1996, and have issued our report thereon dated November 13, 1996.

In connection with our audit of the general purpose financial statement of the Lafayette Parish Sheriff and with our consideration of the Lafayette Parish Sheriff's control structure used to administer federal financial assistance programs, as required by Office of Management and Budget Circular A-128, "Audits of State and Local Governments," we selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended June 30, 1996.

As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed, eligibility and matching that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Lafayette Parish Sheriff's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the Lafayette Parish Sheriff had not complied, in all material respects, with those requirements. Also, the results of our procedures did not disclose any immaterial instances of noncompliance with those requirements.

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

*Darnall, Sikes, Kolder, Frederick & Rainey*

A Corporation of Certified Public Accountants

Lafayette, Louisiana  
November 13, 1996

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana

Schedule of Federal Financial Assistance  
Year Ended June 30, 1996

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Funds Earned</u>	<u>Expended This Year</u>
<u>Federal Assistance Programs:</u>				
Passed-Through Louisiana Commission on Law Enforcement -				
D.A.R.E. Program	16.579	95-B4-B.1-0032	\$31,623	31,623
D.A.R.E. Program	16.579	96-B4-B.01-0009	3,476	3,476
SALT-ECVA	16.579		15,118	15,118
Substance Abuse Education Program	16.579	95-B4-B.11-0021	26,142	26,142
Substance Abuse Education Program	16.579	95-B4-B.13-0039	43,627	43,627
Substance Abuse Education Program	16.579		8,319	8,319
Job Skills Program	16.579		17,679	17,679
Total Department of Justice				
<u>U. S. Department of Agriculture -</u>				
Passed-Through State Department of Agriculture -				
Food Distribution	10.550		<u>15,719</u>	<u>22,493</u>
Total federal financial assistance			<u>\$161,703</u>	<u>168,477</u>

**INTERNAL CONTROL, COMPLIANCE  
AND  
OTHER INFORMATION**

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana  
Capital Projects Fund

Comparative Statement of Revenues, Expenditures, and Changes in Fund Balances  
Years Ended June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
Revenues:		
State grants	\$ 42,737	\$ 47,244
Interest earned	40,099	65,231
Other	-	5,908
Total revenues	<u>82,836</u>	<u>118,383</u>
Expenditures:		
Capital outlay -		
Automobiles	336,525	330,779
Aircraft	2,460	31,572
Technical equipment	18,348	16,063
Computer equipment	61,823	33,873
Office and other equipment	124,809	49,523
Rehabilitation center	42,737	47,244
Buildings	<u>146,012</u>	<u>3,525</u>
Total expenditures	<u>732,714</u>	<u>512,579</u>
Deficiency of revenues over expenditures	(649,878)	(394,196)
Other financing sources:		
Operating transfers in	<u>420,833</u>	<u>-</u>
Deficiency of revenues and other sources over expenditures	(229,045)	(394,196)
Fund balances, beginning	<u>778,650</u>	<u>1,172,846</u>
Fund balances, ending	<u>\$ 549,605</u>	<u>\$ 778,650</u>

LAFAYETTE PARISH SHERIFF  
Lafayette Louisiana  
General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances -  
Budget (GAAP Basis) and Actual  
Year Ended June 30, 1996  
With Comparative Actual Amounts for Year Ended June 30, 1995

	1996		Variance - Favorable (Unfavorable)	1995 Actual
	Budget	Actual		
<b>Revenues:</b>				
Ad valorem taxes	\$ 7,717,000	\$ 7,747,831	\$ 30,831	\$ 7,333,216
Intergovernmental revenues -				
Federal grants	145,000	145,984	984	135,811
State revenue sharing (net)	773,000	773,370	370	762,101
State supplemental pay	957,000	963,494	6,494	923,441
State, city and parish grants	1,066,500	1,155,545	89,045	943,873
Fees charges and commissions for services -				
Civil and criminal fees	990,000	1,069,295	79,295	1,106,474
Court attendance	23,000	23,240	240	23,020
Transporting prisoners	45,000	49,068	4,068	39,621
Feeding and keeping prisoners	4,554,200	4,630,707	76,507	5,032,749
Interest income	400,000	416,378	16,378	414,843
Miscellaneous	54,500	60,314	5,814	42,591
<b>Total revenues</b>	<u>16,725,200</u>	<u>17,035,226</u>	<u>310,026</u>	<u>16,757,740</u>
<b>Expenditures:</b>				
<b>Current -</b>				
<b>Public safety:</b>				
Personal services and related benefits	12,150,200	12,104,267	45,933	11,105,481
Operating services	2,125,082	1,801,666	323,416	1,864,971
Materials and supplies	441,500	407,126	34,374	348,623
Other charges	1,306,000	1,178,171	127,829	1,173,036
Debt service -				
Interest and fiscal charges	-	-	-	47,500
Capital outlay	-	-	-	756
<b>Total expenditures</b>	<u>16,022,782</u>	<u>15,491,230</u>	<u>531,552</u>	<u>14,540,367</u>
<b>Excess of revenues over expenditures</b>	<u>702,418</u>	<u>1,543,996</u>	<u>841,578</u>	<u>2,217,373</u>
<b>Other financing sources (uses):</b>				
Operating transfers out	(810,833)	(810,833)	-	(390,000)
Sale of assets	27,000	32,028	5,028	32,027
<b>Total other financing uses</b>	<u>(783,833)</u>	<u>(778,805)</u>	<u>5,028</u>	<u>(357,973)</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>(81,415)</u>	<u>765,191</u>	<u>846,606</u>	<u>1,859,400</u>
Fund balances, beginning	<u>8,054,466</u>	<u>8,054,466</u>	<u>-</u>	<u>6,195,066</u>
Fund balances, ending	<u>\$ 7,973,051</u>	<u>\$ 8,819,657</u>	<u>\$846,606</u>	<u>\$ 8,054,466</u>

GENERAL FUND

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

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana  
General Fund

Comparative Balance Sheet  
June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
<b>ASSETS</b>		
Current assets:		
Cash	\$ 1,508	\$ 800
Interest-bearing deposits	7,794,410	6,842,909
Receivables -		
Accrued interest	6,185	44,144
Due from other governmental units	1,129,090	921,265
Other	3,105	1,759
Due from other funds	79,043	67,004
Inventory	<u>8,845</u>	<u>15,619</u>
Total current assets	9,022,186	7,893,500
Restricted assets - interest-bearing deposits	<u>-</u>	<u>420,833</u>
Total assets	<u>\$9,022,186</u>	<u>\$8,314,333</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable	\$ 97,429	\$ 89,144
Due to other funds	-	114
Due to other governmental units	28,056	80,000
Other accrued liabilities	<u>77,044</u>	<u>90,609</u>
Total liabilities	<u>202,529</u>	<u>259,867</u>
Fund balance:		
Reserved for inventory	8,845	15,619
Reserved for capital outlay	-	420,833
Unreserved, undesignated	<u>8,810,812</u>	<u>7,618,014</u>
Total fund equity	<u>8,819,657</u>	<u>8,054,466</u>
Total liabilities and fund equity	<u>\$9,022,186</u>	<u>\$8,314,333</u>

# DARNALL, SIKES, KOLDER, FREDERICK & RAINEY

(A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS)

Offices:

E. Larry Sikes, CPA  
C. Burton Kolder, CPA  
Danny P. Frederick, CPA  
Chris Rainey, CPA  
Clayton E. Darnall, CPA  
Eugene H. Darnall, III, CPA  
Russell F. Champagnis, CPA  
Victor R. Slaven, CPA  
Conrad O. Chapman, CPA

RETIRED

Eugene H. Darnall, CPA 1990

Lloyd F. Dore, Jr. CPA  
Paula D. Bihm, CPA  
Christine L. Cousin, CPA  
Stephanie M. Higginbotham, CPA  
Kathleen T. Darnall, CPA  
Jennifer S. Ziegler, CPA  
P. Troy Courville, CPA  
Stephen R. Dischler, MBA, CPA

## Independent Auditor's Report on Compliance with the General Requirements Applicable to Federal Financial Assistance Programs

125 Rue Beaugard  
Lafayette, LA 70508  
(318) 232-3312

1201 Brashear Avenue  
Suite 301  
Morgan City, LA 70380  
(504) 384-6264

408 W. Cotton Street  
Ville Platte, LA 70586  
(318) 363-2792

113 East Bridge Street  
Breux Bridge, LA 70517  
(318) 332-4020

404 Pere Megret  
Abbeville, LA 70510  
(318) 893-5470

1231 E. Laurel Avenue  
Eunice, LA 70535  
(318) 457-4146

2011 MacArthur Drive  
Building 1  
Alexandria, LA 71301  
(318) 445-5564

The Honorable Donald J. Breaux  
Lafayette Parish Sheriff  
Lafayette, Louisiana

We have audited the general purpose financial statements of the Lafayette Parish Sheriff as of and for the year ended June 30, 1996, and have issued our report thereon dated November 13, 1996.

We have applied procedures to test the Sheriff's compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance, for the year ended June 30, 1996: political activity, civil rights, cash management, federal financial reports, allowable costs/cost principles, Drug-free Workplace Act, administrative requirements.

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's "Compliance Supplement for Single Audits of State and Local Governments." Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Sheriff's compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the Lafayette Parish Sheriff had not complied, in all material respects, with those requirements. Also, the results of our procedures did not disclose any immaterial instances of noncompliance with those requirements.

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

*Darnall, Sikes, Kolder, Frederick & Rainey*

A Corporation of Certified Public Accountants

Lafayette, Louisiana  
November 13, 1996

## INTERNAL SERVICE FUND

Group Self-Insurance Fund - To account for monies accumulated to provide group insurance coverage to employees of the Lafayette Parish Sheriff. Employer and employee contributions are used to purchase insurance, pay claims and pay the insurance company for administration of the program.

## SPECIAL REVENUE FUND

Inmate Welfare Fund - The monies in this account are generated primarily from the pay telephones located in the inmate's housing area and from sales of commissary goods. These funds are used to pay salaries to inmate kitchen crews and trustees, to purchase recreation equipment to be used by inmates and to provide miscellaneous benefits for the indigent inmates.

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana  
Special Revenue Fund  
Inmate Welfare Fund

Comparative Balance Sheet  
June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
<b>ASSETS</b>		
Interest-bearing deposits	\$62,529	\$54,813
Receivables:		
Due from other funds	979	831
Other	<u>7,000</u>	<u>20</u>
 Total assets	 <u>\$70,508</u>	 <u>\$55,664</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable	\$ -	\$ 343
Fund balance:		
Unreserved, undesignated	<u>70,508</u>	<u>55,321</u>
 Total liabilities and fund balance	 <u>\$70,508</u>	 <u>\$55,664</u>

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana

Notes to Financial Statements (Continued)

(3) Due From Other Governmental Units

A summary of due from other governmental units of \$1,171,827 at June 30, 1996 follows:

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
Ad valorem taxes	\$ 28,484	\$ -	\$ 28,484
Intergovernmental revenues -			
Federal grants	49,267	-	49,267
State supplemental pay	77,386	-	77,386
Video poker commissions	12,683	-	12,683
State, city and parish grants	361,861	42,737	404,598
Fees, charges and commissions for services -			
Civil and criminal fees	20,418	-	20,418
Court attendance	3,940	-	3,940
Transporting prisoners	6,024	-	6,024
Feeding and keeping prisoners -			
Parish government	38,773	-	38,773
State government	168,525	-	168,525
Federal government	330,511	-	330,511
Miscellaneous	<u>31,218</u>	<u>-</u>	<u>31,218</u>
	<u>\$1,129,090</u>	<u>\$42,737</u>	<u>\$1,171,827</u>

(4) Interfund Receivables - Payables

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$79,043	\$ -
Inmate Welfare Fund	979	-
Capital Projects Fund	-	72,540
Agency Funds:		
Prison Inmate Fund	-	979
Bond Fund	-	-
Sheriff's Fund	<u>-</u>	<u>6,503</u>
	<u>\$80,022</u>	<u>\$80,022</u>

**SCHEDULES OF INDIVIDUAL FUNDS AND ACCOUNT GROUP**

## DEBT SERVICE FUND

The 1992 Certificates of Indebtedness Fund is used to accumulate monies for the payment of \$3,000,000 of Certificates of Indebtedness, Series 1992, which are serial bonds due in annual installments, plus interest, through maturity in 2001. Debt service is financed by the levy of a specific ad valorem tax.

LAFAYETTE PARISH SHERIFF  
 Lafayette, Louisiana  
 Debt Service Fund  
 1992 Certificates of Indebtedness Fund

Comparative Balance Sheet  
 June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
<b>ASSETS</b>		
Interest-bearing deposits	<u>\$64,770</u>	<u>\$77,306</u>
Fund balance: Reserved for debt service	<u>\$64,770</u>	<u>\$77,306</u>

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana  
Debt Service Fund  
1992 Certificates of Indebtedness Fund

Comparative Statement of Revenues, Expenditures, and Changes in Fund Balances  
Years Ended June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
Revenues:		
Interest	\$ 3,411	\$ 4,768
Expenditures:		
Principal paid	285,000	270,000
Interest and fiscal charges	<u>120,947</u>	<u>136,209</u>
Total expenditures	<u>405,947</u>	<u>406,209</u>
Deficiency of revenues over expenditures	(402,536)	(401,441)
Other financing sources:		
Operating transfers in	<u>390,000</u>	<u>390,000</u>
Deficiency of revenues and other sources over expenditures	(12,536)	(11,441)
Fund balances, beginning	<u>77,306</u>	<u>88,747</u>
Fund balances, ending	<u>\$ 64,770</u>	<u>\$ 77,306</u>

LAFAYETTE PARISH SHERIFF  
 Lafayette, Louisiana  
 Internal Service Fund  
 Group Self-Insurance Fund

Comparative Balance Sheet  
 June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
<b>ASSETS</b>		
Current assets:		
Interest-bearing deposits	<u>\$980,594</u>	<u>\$540,642</u>
<b>LIABILITIES AND FUND EQUITY</b>		
Current liabilities:		
Claims payable	\$227,187	\$216,281
Fund equity:		
Retained earnings - Unreserved	<u>753,407</u>	<u>324,361</u>
Total liabilities and fund equity	<u>\$980,594</u>	<u>\$540,642</u>

LAFAYETTE PARISH SHERIFF  
 Lafayette, Louisiana  
 Capital Projects Fund

Comparative Balance Sheet  
 June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
ASSETS		
Interest-bearing deposits	\$579,547	\$817,067
Due from other governmental units	<u>42,737</u>	<u>22,242</u>
Total assets	<u>\$622,284</u>	<u>\$839,309</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Due to other funds	\$ 72,540	\$ 60,659
Other	<u>139</u>	<u>-</u>
Total liabilities	<u>72,679</u>	<u>60,659</u>
Fund balance:		
Reserved for capital outlay	<u>549,605</u>	<u>778,650</u>
Total liabilities and fund balance	<u>\$622,284</u>	<u>\$839,309</u>

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana

Comparative Statement of General Long-Term Debt  
June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
AMOUNT AVAILABLE AND TO BE PROVIDED FOR THE RETIREMENT OF GENERAL LONG-TERM OBLIGATIONS		
Amount available in debt service funds for debt retirement	\$ 64,770	\$ 77,306
Amount to be provided for retirement of general long-term obligations	<u>1,779,578</u>	<u>2,000,819</u>
Total available and to be provided	<u>\$1,844,348</u>	<u>\$2,078,125</u>
GENERAL LONG-TERM DEBT PAYABLE		
Bonds payable	\$1,720,000	\$2,005,000
Compensated absences payable	<u>124,348</u>	<u>73,125</u>
	<u>\$1,844,348</u>	<u>\$2,078,125</u>

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana  
Special Revenue Fund  
Inmate Welfare Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances -  
Budget (GAAP Basis) and Actual  
Year Ended June 30, 1996  
With Comparative Actual Totals for Year Ended June 30, 1995

	<u>1996</u>		Variance - Favorable (Unfavorable)	<u>1995 Actual</u>
	<u>Budget</u>	<u>Actual</u>		
<b>Revenues:</b>				
Sales of commissary goods	\$ 9,500	\$10,236	\$ 736	\$25,071
Vending machine income	9,600	10,400	800	5,350
Telephone commission income	66,000	70,035	4,035	53,492
Miscellaneous -				
Interest income	<u>2,000</u>	<u>3,422</u>	<u>1,422</u>	<u>3,375</u>
Total revenues	<u>87,100</u>	<u>94,093</u>	<u>6,993</u>	<u>87,288</u>
<b>Expenditures:</b>				
Current -				
Operating services:				
Purchase of commissary goods	2,500	2,143	357	12,169
Supplies	15,000	13,237	1,763	13,586
Service charges	-	20	(20)	157
Payments to inmate work crews and indigent inmates	61,000	57,843	3,157	52,796
Miscellaneous	<u>7,000</u>	<u>5,087</u>	<u>1,913</u>	<u>5,662</u>
Total operating services	85,500	78,330	7,170	84,370
Capital outlay	<u>5,000</u>	<u>576</u>	<u>4,424</u>	<u>3,712</u>
Total expenditures	<u>90,500</u>	<u>78,906</u>	<u>11,594</u>	<u>88,082</u>
Excess (deficiency) of revenues over expenditures				
	(3,400)	15,187	18,587	(794)
Fund balances, beginning	<u>55,321</u>	<u>55,321</u>	-	<u>56,115</u>
Fund balances, ending	<u>\$51,921</u>	<u>\$70,508</u>	<u>\$18,587</u>	<u>\$55,321</u>

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana  
Internal Service Fund  
Group Self-Insurance Fund

Comparative Statement of Revenues, Expenses and Changes in Retained Earnings  
Years Ended June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
Operating revenues:		
Contributions - employer	\$1,865,323	\$1,804,997
Contributions - employees	291,928	265,589
Other	<u>3,623</u>	<u>44,414</u>
Total operating revenues	<u>2,160,874</u>	<u>2,115,000</u>
Operating expenses:		
Administrative fees and insurance premiums	265,257	295,799
Loss fund payments	1,482,125	1,515,681
Other	<u>19,382</u>	<u>15,878</u>
Total operating expenses	<u>1,766,764</u>	<u>1,827,358</u>
Operating income	394,110	287,642
Nonoperating revenues:		
Interest earned	<u>34,936</u>	<u>18,977</u>
Net income	429,046	306,619
Retained earnings, beginning	<u>324,361</u>	<u>17,742</u>
Retained earnings, ending	<u>\$ 753,407</u>	<u>\$ 324,361</u>

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana  
Internal Service Fund  
Group Self-Insurance Fund

Comparative Statement of Cash Flows  
Years Ended June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
Cash flows from operating activities:		
Operating income	\$394,110	\$ 287,642
Adjustments to reconcile operating income to net cash provided by operating activities -		
Changes in assets and liabilities:		
Decrease (increase) in stop loss receivable	-	177,711
Decrease (increase) in other receivable	-	5,517
Increase (decrease) in claims payable	<u>10,906</u>	<u>(157,446)</u>
Total adjustments	<u>10,906</u>	<u>25,782</u>
Cash provided by operating activities	405,016	313,424
Cash flows from investing activities:		
Interest earned	<u>34,936</u>	<u>18,977</u>
Increase in cash and cash equivalents	439,952	332,401
Cash and cash equivalents, beginning of year	<u>540,642</u>	<u>208,241</u>
Cash and cash equivalents, end of year	<u>\$980,594</u>	<u>\$ 540,642</u>

FIDUCIARY FUND TYPE - AGENCY FUNDS

Sheriff's Fund - To account for funds held in connection with civil suits, Sheriff's sales, and garnishments and payment of these collections to the Sheriff's General Fund and other recipients in accordance with applicable laws.

Tax Collector Fund - Article V, Section 27 of the Louisiana Constitution of 1974, provides that the Sheriff will serve as the collector of state and parish taxes and fees. The Tax Collector Fund is used to collect and distribute these taxes and fees to the appropriate taxing bodies.

Deferred Compensation Fund - To account for funds held by the Hartford Insurance Company and Transamerica Life Companies for employees who have deferred compensation under Internal Revenue Code Section 457. The deferred compensation is not available to employees until termination, retirement, death, or proof of hardship.

Deputy Fund - To account for the receipt and subsequent disbursement of commissions received from vending machine sales, fees received for a benefit golf tournament and other deputy activities.

Bond Fund - To account for the collection of bonds, fines, and costs and payment of these collections to the Sheriff's General Fund and other recipients in accordance with applicable laws.

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

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana  
Fiduciary Fund Type - Agency Funds

Combining Balance Sheet  
June 30, 1996  
With Comparative Totals for June 30, 1995

	Sheriff's Fund	Tax Collector Fund	Deferred Compensation Fund	Deputy Fund	Bond Fund	Prison Inmate Fund	Totals 1996	Totals 1995
<b>ASSETS</b>								
Cash	\$28,809	\$ -	\$ -	\$11,595	\$ -	\$58,007	\$ 98,411	\$ 34,791
Interest-bearing deposits	-	1,061,783	1,065,703	4,527	141,444	-	2,273,457	2,351,108
Due from other funds	-	-	-	-	-	-	-	114
<b>Total assets</b>	<b>\$28,809</b>	<b>\$1,061,783</b>	<b>\$1,065,703</b>	<b>\$16,122</b>	<b>\$141,444</b>	<b>\$58,007</b>	<b>2,371,868</b>	<b>\$2,386,013</b>
<b>LIABILITIES</b>								
Due to taxing bodies and others	\$22,306	\$1,061,783	\$ -	\$16,122	\$141,444	\$ -	\$1,241,655	\$1,432,032
Due to plan participants	-	-	1,065,703	-	-	-	1,065,703	895,286
Due to prisoners	-	-	-	-	-	57,028	57,028	51,519
Due to other funds	6,503	-	-	-	-	979	7,482	7,176
<b>Total liabilities</b>	<b>\$28,809</b>	<b>\$1,061,783</b>	<b>\$1,065,703</b>	<b>\$16,122</b>	<b>\$141,444</b>	<b>\$58,007</b>	<b>\$2,371,868</b>	<b>\$2,386,013</b>

Deputy Fund	Bond Fund	Prison Inmate Fund	Totals	
			1996	1995
<u>\$10,259</u>	<u>\$ 150,056</u>	<u>\$ 52,350</u>	<u>\$ 2,386,013</u>	<u>\$ 2,048,794</u>
-	-	-	1,929,493	2,114,572
-	1,525,462	-	1,525,462	1,593,200
-	-	-	36,053	42,211
-	-	-	152,091	137,099
-	-	647,418	647,418	620,946
-	-	-	41,072,222	39,617,645
137	12,617	-	122,497	138,417
4,359	-	-	4,359	6,427
22,190	-	-	22,190	19,798
4,865	-	-	4,865	6,261
<u>31,551</u>	<u>1,538,079</u>	<u>647,418</u>	<u>45,516,650</u>	<u>44,296,576</u>
<u>10,259</u>	<u>1,688,135</u>	<u>699,768</u>	<u>47,902,663</u>	<u>46,345,370</u>
-	-	-	41,379,622	39,509,637
-	228,113	-	972,082	1,078,163
-	546,767	-	546,767	602,107
-	136,961	-	136,961	150,832
-	30,838	-	30,838	33,915
-	168,555	-	168,555	169,614
-	30,686	-	30,686	33,290
-	10,601	-	10,601	6,678
-	23,175	-	23,175	26,250
-	24,378	-	24,378	26,840
-	-	-	18,030	18,558
-	-	-	27,514	24,176
-	-	-	37,297	36,505
-	35,143	-	35,143	38,487
-	83,888	-	83,888	93,003
-	-	-	15,635	85,913
-	-	-	359	2,725
-	-	-	1,733	1,599
-	-	641,761	641,761	622,358
-	-	-	384,260	370,883
-	-	-	671,826	722,608
-	97,575	-	97,575	89,070
-	129,509	-	146,714	142,091
25,688	502	-	45,395	74,055
<u>25,688</u>	<u>1,546,691</u>	<u>641,761</u>	<u>45,530,795</u>	<u>43,959,357</u>
<u>\$16,122</u>	<u>\$ 141,444</u>	<u>\$ 58,007</u>	<u>\$ 2,371,868</u>	<u>\$ 2,386,013</u>
*****	*****	*****	*****	*****

GENERAL LONG-TERM DEBT ACCOUNT GROUP

To account for compensated absences payable and unmatured principal amounts on general long-term debt expected to be financed from General Fund revenues. Payment of maturing bonds, including interest, are accounted for in the debt service fund.

## CAPITAL PROJECTS FUND

To account for the financing of acquiring, constructing, and improving a detention facility and acquiring the necessary site and furnishings thereof, and other capital needs. Financing was provided by 1992 certificates of indebtedness bond proceeds and federal and state grants.

In accordance with Government Auditing Standards, we have also issued a report dated November 13, 1996 on our consideration of the Sheriff's internal control structure and a report dated November 13, 1996 on the Sheriff's compliance with laws and regulations.

The financial information for the preceding year which is included for comparative purposes was taken from the financial report for that year in which we expressed an unqualified opinion on the general purpose financial statements.

*Darnall, Sikes, Kolder, Frederick & Rainey*  
A Corporation of Certified Public Accountants

Lafayette, Louisiana  
November 13, 1996

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana

Notes to Financial Statements (Continued)

A. Federal Social Security System

All employees who are not eligible to participate in the Louisiana Sheriffs' 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, 1996, amounted to \$107,676.

B. Louisiana Sheriffs' Pension and Relief Fund

Plan Description-

The Lafayette Parish Sheriff contributes to the Sheriff's Pension and Relief Fund (Retirement System), a cost-sharing multiple employer defined benefit pension plan administered by the Sheriff's Pension and Relief Fund, a public corporation created in accordance with the provisions of Louisiana Revised Statute 11:2171 to provide retirement, disability and survivor benefits to sheriff and deputy sheriff members throughout the State of Louisiana. The Sheriffs' Pension and Relief Fund issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Sheriffs' Pension and Relief Fund, P.O. Box 3163, Monroe, Louisiana 71210-3136.

Funding Policy-

Plan members are required to contribute 7.0% of their annual covered salary and the Lafayette Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 6.0% of annual covered payroll. The contribution requirements of plan members and the Lafayette Parish Sheriff are established and may be amended by the Sheriffs' Pension and Relief Fund. The Lafayette Parish Sheriff's contributions to the Retirement System for the years ended June 30, 1996, 1995, and 1994 were \$505,081, \$387,3319 and \$362,505, respectively.

(8) Deferred Compensation Plan

The Sheriff offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457 which is reported as an agency fund in the Sheriff's financial statements. The plan, available to all Sheriff employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or proof of hardship.

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana

Notes to Financial Statements (Continued)

(10) Changes in General Long-Term Obligations

The following is a summary of the long-term obligations transactions of the Lafayette Parish Sheriff for the year ended June 30, 1996.

	<u>Certificates of Indebtedness</u>	<u>Compensated Absences</u>	<u>Total</u>
Long-term obligations payable at June 30, 1995	\$2,005,000	\$ 73,125	\$2,078,125
Additions	-	51,223	51,223
Deductions	<u>285,000</u>	<u>-</u>	<u>285,000</u>
Long-term obligations payable June 30, 1996	<u>\$1,720,000</u>	<u>\$124,348</u>	<u>\$1,844,348</u>

Bonds payable at June 30, 1996 is comprised of the following individual issue:

\$3,000,000 Certificates of Indebtedness dated March 1, 1991; due in annual installments of \$285,000 to \$390,000 through March 1, 2001; interest at 5.80 to 6.2 percent, secured by an irrevocable pledge and dedication of funds derived from a parishwide special tax of 19.68 mills	<u>\$1,720,000</u>
---	--------------------

The annual requirements to amortize all bonds outstanding as of June 30, 1996, including interest payments of \$327,565, are as follows:

<u>Year Ending June 30,</u>	<u>Certificates of Indebtedness</u>
1997	\$ 409,040
1998	406,045
1999	406,845
2000	411,455
2001	<u>414,180</u>
Total	<u>\$2,047,565</u>

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana

Notes to Financial Statements (Continued)

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the Sheriff (without being restricted to the provisions of benefits under the plan) subject only to the claims of the Sheriff's general creditors. Participants' rights under the plan are equal to those of general creditors of the Sheriff in an amount equal to the fair market value of the deferred account for each participant.

(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>Sheriff's Fund</u>	<u>Tax Collector Fund</u>	<u>Deferred Compensation Fund</u>
Balances, June 30, 1995	\$ 23,867	\$ 1,254,195	\$ 895,286
Additions	1,929,493	41,181,965	188,144
Reductions	<u>1,924,551</u>	<u>41,374,377</u>	<u>17,727</u>
Balances, June 30, 1996	<u>\$ 28,809</u>	<u>\$ 1,061,783</u>	<u>\$1,065,703</u>

  

	<u>Deputy Fund</u>	<u>Bond Fund</u>	<u>Prison Inmate Fund</u>
Balances, June 30, 1995	\$10,259	\$ 150,056	\$ 52,350
Additions	31,551	1,538,079	647,418
Reductions	<u>25,688</u>	<u>1,546,691</u>	<u>641,761</u>
Balances, June 30, 1996	<u>\$16,122</u>	<u>\$ 141,444</u>	<u>\$ 58,007</u>

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana

Notes to Financial Statements (Continued)

(5) 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 property 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 or November. 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 Lafayette 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 levied and billed. For the year ended June 30, 1996, law enforcement taxes applicable to the Sheriff's General Fund, were levied at the rate of 19.68 mills on property with assessed valuations totaling \$374,982,463.

Total law enforcement taxes levied during 1996 were \$7,380,356. Total ad valorem taxes receivable recorded in the General fund at June 30, 1996 amount to \$28,484.

(6) Changes in General Fixed Assets

A summary of changes in general fixed assets follows:

	<u>Vehicles and Equipment</u>	<u>Buildings</u>	<u>Construction in Progress</u>	<u>Total Fixed Assets</u>
Balance, June 30, 1995	\$5,290,689	\$2,645,015	\$ 53,249	\$7,988,953
Additions	552,331	-	180,959	733,290
Reductions	<u>(417,413)</u>	<u>-</u>	<u>-</u>	<u>(417,413)</u>
Balance, June 30, 1996	<u>\$5,425,607</u>	<u>\$2,645,015</u>	<u>\$234,208</u>	<u>\$8,304,830</u>

(7) Retirement Commitments

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

Federal Social Security System  
Louisiana Sheriffs' Pension and Relief Fund

Pertinent information relative to each plan follows:

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana

Notes to Financial Statements (Continued)

These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times 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, 1996, are secured as follows:

Bank balances	<u>\$11,716,618</u>
Federal deposit insurance	\$ 365,888
Pledged securities (category 3)	<u>32,972,829</u>
Total	<u>33,338,717</u>
Excess of federal insurance and pledged securities over bank balances	<u>\$21,622,099</u>

Pledged securities in Category 3 include uninsured or unregistered investments for which the securities are held by the bank, 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.

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana

Notes to Financial Statements (Continued)

O. Comparative Data

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Sheriff's financial position and results of operations. However, comparative (i.e., presentation of prior year totals by fund type) data have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

P. Total Columns on Combined Statements - Overview

Total columns on the Combined Statements - Overview are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Q. Adoption of GASB Statement No. 27

During the year ended June 30, 1996, the Sheriff adopted GASB Statement No. 27, Accounting for Pensions by State and Local Government Employees. Although, this statement is effective for periods beginning after June 15, 1997, the Governmental Accounting Standards Board is encouraging early implementation.

(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, 1996, the Sheriff has cash and interest-bearing deposits (book balances) totaling \$11,855,266, as follows:

Demand deposits and cash on hand	\$ 99,919
Money market accounts	4,255,307
Time deposits	<u>7,500,000</u>
Total	<u>\$11,855,226</u>

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana

Notes to Financial Statements (Continued)

employees shall not be paid for accrued but unused sick leave and family time upon leaving the employ of the Sheriff's office. At June 30, 1996, the Sheriff has accrued vested leave benefits as required to be reported in accordance with GASB statement No. 16, "Accounting for Compensated Absences".

K. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Sheriff as an extension of formal budgetary integration in the funds.

L. Post-Retirement Health Care and Life Insurance Benefits

The Sheriff has no established policy regarding the payment or cost of providing continuing health care and life insurance benefits for the retired employees. Should an officer become disabled in the line of duty, the Sheriff will waive one-half of the cost of the officer's health insurance. At June 30, 1996, four officers are receiving waivers due to disability incurred in the line of duty.

M. Capitalization of Interest Expense

It is the policy of the Lafayette Parish Sheriff to capitalize material amounts of interest resulting from borrowings in the course of the construction of fixed assets.

N. Fund Equity

1. Reserves

Reserves represent those portions of fund equity not appropriable for expenditures or legally segregated for a specific future use.

2. Designated Fund Balances

Designated fund balances represent tentative plans for future use of financial resources.

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana

Notes to Financial Statements (Continued)

F. Interest-Bearing Deposits

Interest-bearing deposits are stated at cost, which approximates market.

G. Statement of Cash Flows

For purposes of the statement of cash flows, the Internal Service Fund considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

H. Interfund Receivables/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.

I. 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 costs (first-in, first-out) or market and commodities are assigned values based on information provided by the United States Department of Agriculture and Forestry.

J. Vacation and Sick Leave

Full-time employees of the Sheriff's office earn from 10 to 16 hours of annual compensated leave per month depending on total years of service. Annual compensated leave shall be granted in lieu of vacation, sick leave, and family time. Part-time employees hired prior to December 31, 1992, earn 5 hours of annual compensated leave per month. Part-time employees hired subsequent to December 31, 1992, do not earn annual compensated leave. Prior to July 1, 1995, employees were allowed to carry forward a maximum of 480 hours of annual compensated leave beyond the end of the calendar year. Effective, July 1, 1995, accumulated annual leave must be converted to sick leave and family time in order to be carried forward subsequent to the fiscal year end. However,

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana

Notes to Financial Statements (Continued)

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

D. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The accompanying general purpose financial statements have been prepared on the modified accrual basis of accounting, except for the Agency Funds which are prepared on the cash basis of accounting, which approximates the modified accrual basis of accounting. The General Fund and the special revenue funds use the following practices in recording revenues and expenditures:

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.

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

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

Expenditures

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

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana

Notes to Financial Statements (Continued)

of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the loss can be reasonably estimated. Changes in the Fund's claims liability amount in fiscal years 1995 and 1996 were:

<u>Year Ended</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Current-Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at Fiscal Year End</u>
June 30, 1995	\$373,727	\$1,097,430	\$1,254,876	\$216,281
June 30, 1996	216,281	1,262,221	1,251,315	227,187

(15) Joint Venture

The Sheriff is a participant with the City of Lafayette, the University of Southwestern Louisiana and the District Attorney of the Fifteenth Judicial District in a joint venture to perform investigations and analytical studies of controlled substances and when necessary under lawful rules, take into custody all persons accused of committing criminal violations with the emphasis on controlled substances. The Lafayette Metro Narcotics Agency (Agency) was formed under a joint powers agreement entered into by the four government units listed above on November 17, 1988. The Agency is governed by an eight member board composed of three appointees from the Sheriff, three appointees from the City of Lafayette and one appointee from the University of Southwestern Louisiana and the Fifteenth Judicial District Attorney, respectively. The Sheriff and the City of Lafayette have agreed to appropriate \$80,000 and \$50,000 respectively, on an annual basis to supplement the Agency's operating revenues. The Sheriff does not hold an equity interest in the Agency at June 30, 1996. For the fiscal year ended December 31, 1995, the Agency reported a deficiency of revenues over expenditures in its General Fund of \$13,822 and an ending fund balance of \$318,120. Complete financial statements for the Agency can be obtained from the Lafayette Parish Sheriff's Department at 316 West Main Street, Lafayette, Louisiana.

# DARNALL, SIKES, KOLDER, FREDERICK & RAINEY

(A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS)

Offices:

E. Larry Sikes, CPA  
C. Burton Kolder, CPA  
Danny P. Frederick, CPA  
Chris Rainey, CPA  
Clayton E. Darnall, CPA  
Eugene H. Darnall, III, CPA  
Russell F. Champagne, CPA  
Victor R. Slaven, CPA  
Conrad O. Chapman, CPA

RETIRED

Eugene H. Darnall, CPA 1990

Lloyd F. Dore, Jr., CPA  
Paula D. Bihm, CPA  
Christine L. Cousin, CPA  
Stephanie M. Higginbotham, CPA  
Kathleen T. Darnall, CPA  
Jennifer S. Ziegler, CPA  
P. Troy Courville, CPA  
Stephen R. Dischler, MBA, CPA

## Independent Auditor's Report

125 Rue Beauregard  
Lafayette, LA 70508  
(318) 232-3312

1201 Brashear Avenue  
Suite 301  
Morgan City, LA 70380  
(504) 384-6264

408 W. Cotton Street  
Ville Platte, LA 70586  
(318) 363-2792

113 East Bridge Street  
Breaux Bridge, LA 70517  
(318) 332-4020

404 Pere Megret  
Abbeville, LA 70510  
(318) 893-5470

1231 E. Laurel Avenue  
Eunice, LA 70535  
(318) 457-4146

2011 MacArthur Drive  
Building 1  
Alexandria, LA 71301  
(318) 445-5564

The Honorable Donald J. Breaux  
Lafayette Parish Sheriff  
Lafayette, Louisiana

We have audited the accompanying general purpose financial statements of the Lafayette Parish Sheriff, as of and for the year then ended June 30, 1996. These general purpose financial statements are the responsibility of the Lafayette Parish Sheriff. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Lafayette Parish Sheriff, as of June 30, 1996, and the results of its operations and the cash flows of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying financial information listed as "Supplemental Information" in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the Lafayette Parish Sheriff. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the respective general purpose financial statements taken as a whole.

**SUPPLEMENTAL INFORMATION**

**GENERAL PURPOSE FINANCIAL STATEMENTS  
(COMBINED STATEMENTS - OVERVIEW)**

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana

Combined Balance Sheet - All Fund Types and Account Groups  
June 30, 1996

	Governmental Fund Types			Proprietary Fund Type		Fiduciary Fund Type		Account Groups			Totals	
	General	Special Revenue	Debt Service	Capital Projects	Internal Service	Agency Funds	General Assets	General Long-Term Debt	1996	(Memorandum Only) 1995		
Cash	\$ 1,508	\$ -	\$ -	\$ -	\$ -	\$ 98,411	\$ -	\$ -	\$ 99,919	\$ 35,591		
Interest-bearing deposits	7,794,410	62,529	64,770	579,547	980,594	2,273,457	-	-	11,755,307	10,683,845		
Receivables:												
Accrued interest	6,185	-	-	-	-	-	-	-	6,185	44,144		
Due from other funds	79,043	979	-	-	-	-	-	-	80,022	67,949		
Due from other governmental units	1,129,090	-	-	42,737	-	-	-	-	1,171,827	943,507		
Other	3,105	7,000	-	-	-	-	-	-	10,105	1,779		
Buildings, vehicles and equipment	-	-	-	-	-	-	8,070,622	-	8,070,622	7,935,704		
Construction in progress	-	-	-	-	-	-	234,208	-	234,208	53,249		
Inventory	8,845	-	-	-	-	-	-	-	8,845	15,619		
Restricted assets - interest-bearing deposits	-	-	-	-	-	-	-	-	-	420,833		
Amount available in debt service fund for debt retirement	-	-	-	-	-	-	-	64,770	64,770	77,306		
Amount to be provided for retirement of general long-term obligations	-	-	-	-	-	-	-	1,779,578	1,779,578	2,000,819		
Total assets and other debits	\$9,022,186	\$70,508	\$64,770	\$622,284	\$980,594	\$2,371,868	\$8,304,830	\$1,844,348	\$23,281,388	\$22,280,345		

(continued)

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana

Combined Balance Sheet - All Fund Types and Account Groups (Continued)  
June 30, 1996

	Governmental Fund Types			Proprietary Fund Type		Fiduciary Fund Type		Account Groups			Totals	
	General	Special Revenue	Debt Service	Capital Projects	Internal Service	Agency Funds	General Long-Term Debt	General Fixed Assets	General Long-Term Debt	(Memorandum Only)		
										1996	1995	
<b>LIABILITIES AND FUND EQUITY</b>												
<b>Liabilities:</b>												
Accounts payable	\$ 97,429	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 97,429	\$ 89,487	
Claims payable	-	-	-	-	227,187	-	-	-	-	227,187	216,281	
Due to other governmental units	28,056	-	-	-	-	-	-	-	-	28,056	80,000	
Due to taxing bodies and others	-	-	-	-	-	1,241,655	-	-	-	1,241,655	1,432,032	
Due to plan participants	-	-	-	-	-	1,065,703	-	-	-	1,065,703	895,286	
Due to prisoners	-	-	-	-	-	57,028	-	-	-	57,028	51,519	
Due to other funds	-	-	-	72,540	-	7,482	-	-	-	80,022	67,949	
Other accrued liabilities	77,044	-	-	139	-	-	-	-	-	77,183	90,609	
Long-term debt -												
Bonds payable	-	-	-	-	-	-	-	-	1,720,000	1,720,000	2,005,000	
Compensated absences payable	-	-	-	-	-	-	-	-	124,348	124,348	73,125	
Total liabilities	<u>202,529</u>	<u>-</u>	<u>-</u>	<u>72,679</u>	<u>227,187</u>	<u>2,371,868</u>	<u>-</u>	<u>1,844,348</u>	<u>-</u>	<u>4,718,611</u>	<u>5,001,288</u>	
<b>Fund equity:</b>												
Investment in general fixed assets	-	-	-	-	-	-	-	-	8,304,830	8,304,830	7,988,953	
Retained earnings -												
Unreserved, undesignated	-	-	-	-	753,407	-	-	-	-	753,407	324,361	
Fund balance -												
Reserved for capital outlay	-	-	-	549,605	-	-	-	-	-	549,605	1,199,483	
Reserved for debt service	-	-	64,770	-	-	-	-	-	-	64,770	77,306	
Reserved for inventory	8,845	-	-	-	-	-	-	-	-	8,845	15,619	
Unreserved, undesignated	8,810,812	70,508	-	-	-	-	-	-	-	8,881,320	7,673,335	
Total fund balances	<u>8,819,657</u>	<u>70,508</u>	<u>64,770</u>	<u>549,605</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,504,540</u>	<u>8,965,743</u>	
Total fund equity	<u>8,819,657</u>	<u>70,508</u>	<u>64,770</u>	<u>549,605</u>	<u>753,407</u>	<u>-</u>	<u>-</u>	<u>8,304,830</u>	<u>-</u>	<u>18,562,777</u>	<u>17,279,057</u>	
Total liabilities and fund equity	<u>\$9,022,186</u>	<u>\$70,508</u>	<u>\$64,770</u>	<u>\$622,284</u>	<u>\$980,594</u>	<u>\$2,371,868</u>	<u>\$1,844,348</u>	<u>\$8,304,830</u>	<u>\$23,281,388</u>	<u>\$22,280,345</u>	<u>\$22,280,345</u>	

The accompanying notes are an integral part of this statement.

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -  
All Governmental Fund Types  
Year Ended June 30, 1996

	General	Special Revenue	Debt Service	Capital Projects	Totals (Memorandum Only)	
					1996	1995
<b>Revenues:</b>						
Ad valorem taxes	\$ 7,747,831	\$ -	\$ -	\$ -	\$ 7,747,831	\$ 7,333,216
Intergovernmental revenues -						
Federal grants	145,984	-	-	-	145,984	135,811
State revenue sharing (net)	773,370	-	-	-	773,370	762,101
State supplemental pay	963,494	-	-	-	963,494	923,441
State, city and parish grants	1,155,545	-	-	42,737	1,198,282	991,117
Fees, charges, and commissions for services -						
Civil and criminal fees	1,069,295	-	-	-	1,069,295	1,106,474
Court attendance	23,240	-	-	-	23,240	23,020
Transporting prisoners	49,068	-	-	-	49,068	39,621
Feeding and keeping prisoners	4,630,707	-	-	-	4,630,707	5,032,749
Sales of commissary goods	-	10,236	-	-	10,236	25,071
Vending machine income	-	10,400	-	-	10,400	5,350
Telephone commission income	-	70,035	-	-	70,035	53,492
Interest income	416,378	3,422	3,411	40,099	463,310	488,217
Miscellaneous	60,314	-	-	-	60,314	48,499
Total revenues	<u>17,035,226</u>	<u>94,093</u>	<u>3,411</u>	<u>82,836</u>	<u>17,215,566</u>	<u>16,968,179</u>
<b>Expenditures:</b>						
Current -						
Public safety:						
Personal services and related benefits	12,104,267	-	-	-	12,104,267	11,105,481
Operating services	1,801,666	78,330	-	-	1,879,996	1,949,341
Materials and supplies	407,126	-	-	-	407,126	348,623
Other charges	1,178,171	-	-	-	1,178,171	1,173,036
Debt service -						
Principal retirement	-	-	285,000	-	285,000	270,000
Interest and fiscal charges	-	-	120,947	-	120,947	183,709
Capital outlay	-	576	-	732,714	733,290	517,047
Total expenditures	<u>15,491,230</u>	<u>78,906</u>	<u>405,947</u>	<u>732,714</u>	<u>16,708,797</u>	<u>15,547,237</u>
Excess (deficiency) of revenues over expenditures	<u>1,543,996</u>	<u>15,187</u>	<u>(402,536)</u>	<u>(649,878)</u>	<u>506,769</u>	<u>1,420,942</u>
Other financing sources (uses):						
Operating transfers in	-	-	390,000	420,833	810,833	390,000
Operating transfers out	(810,833)	-	-	-	(810,833)	(390,000)
Sale of assets	32,028	-	-	-	32,028	32,027
Total other financing sources (uses)	<u>(778,805)</u>	<u>-</u>	<u>390,000</u>	<u>420,833</u>	<u>32,028</u>	<u>32,027</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	765,191	15,187	(12,536)	(229,045)	538,797	1,452,969
Fund balances, beginning	<u>8,054,466</u>	<u>55,321</u>	<u>77,306</u>	<u>778,650</u>	<u>8,965,743</u>	<u>7,512,774</u>
Fund balances, ending	<u>\$ 8,819,657</u>	<u>\$ 70,508</u>	<u>\$ 64,770</u>	<u>\$ 549,605</u>	<u>\$ 9,504,540</u>	<u>\$ 8,965,743</u>

The accompanying notes are an integral part of this statement.

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances -  
Budget (GAAP Basis) and Actual - Governmental Fund Types - General Fund and Special Revenue Fund  
Year Ended June 30, 1996

	General Fund			Special Revenue Fund		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
<b>Revenues:</b>						
Ad valorem taxes	\$ 7,717,000	\$ 7,747,831	\$ 30,831	\$ -	\$ -	\$ -
Intergovernmental revenues -						
Federal grants	145,000	145,984	984	-	-	-
State revenue sharing (net)	773,000	773,370	370	-	-	-
State supplemental pay	957,000	963,494	6,494	-	-	-
State, city and parish grants	1,066,500	1,155,545	89,045	-	-	-
Fees, charges, and commissions for services -						
Civil and criminal fees	990,000	1,069,295	79,295	-	-	-
Court attendance	23,000	23,240	240	-	-	-
Transporting prisoners	45,000	49,068	4,068	-	-	-
Feeding and keeping prisoners	4,554,200	4,630,707	76,507	-	-	-
Sales of commissary goods	-	-	-	9,500	10,236	736
Vending machine income	-	-	-	9,600	10,400	800
Telephone commission income	-	-	-	66,000	70,035	4,035
Interest income	400,000	416,378	16,378	2,000	3,422	1,422
Miscellaneous	54,500	60,314	5,814	-	-	-
Total revenues	<u>16,725,200</u>	<u>17,035,226</u>	<u>310,026</u>	<u>87,100</u>	<u>94,093</u>	<u>6,993</u>
<b>Expenditures:</b>						
Current -						
Public safety:						
Personal services and related benefits	12,150,200	12,104,267	45,933	-	-	-
Operating services	2,125,082	1,801,666	323,416	85,500	78,330	7,170
Materials and supplies	441,500	407,126	34,374	-	-	-
Other charges	1,306,000	1,178,171	127,829	-	-	-
Debt service -						
Interest and fiscal charges	-	-	-	-	-	-
Capital outlay	-	-	-	5,000	576	4,424
Total expenditures	<u>16,022,782</u>	<u>15,491,230</u>	<u>531,552</u>	<u>90,500</u>	<u>78,906</u>	<u>11,594</u>
Excess (deficiency) of revenues over expenditures	<u>702,418</u>	<u>1,543,996</u>	<u>841,578</u>	<u>(3,400)</u>	<u>15,187</u>	<u>18,587</u>
<b>Other financing sources (uses):</b>						
Operating transfers out	(810,833)	(810,833)	-	-	-	-
Sale of assets	27,000	32,028	5,028	-	-	-
Total other financing sources (uses)	<u>(783,833)</u>	<u>(778,805)</u>	<u>5,028</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(81,415)</u>	<u>765,191</u>	<u>846,606</u>	<u>(3,400)</u>	<u>15,187</u>	<u>18,587</u>
Fund balances, beginning	<u>8,054,466</u>	<u>8,054,466</u>	<u>-</u>	<u>55,321</u>	<u>55,321</u>	<u>-</u>
Fund balances, ending	<u>\$ 7,973,051</u>	<u>\$ 8,819,657</u>	<u>\$846,606</u>	<u>\$51,921</u>	<u>\$70,508</u>	<u>\$18,587</u>
	=====	=====	=====	=====	=====	=====

The accompanying notes are an integral part of this statement.

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana  
Internal Service Fund  
Group Self-Insurance Fund

Comparative Statement of Revenues, Expenses and Changes in Retained Earnings  
Years Ended June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
Operating revenue:		
Contributions - employer	\$1,865,323	\$1,804,997
Contributions - employees	291,928	265,589
Other	<u>3,623</u>	<u>44,414</u>
Total operating revenue	<u>2,160,874</u>	<u>2,115,000</u>
Operating expenses:		
Administrative fees and insurance premiums	265,257	295,799
Loss fund payments	1,482,125	1,515,681
Other	<u>19,382</u>	<u>15,878</u>
Total operating expenses	<u>1,766,764</u>	<u>1,827,358</u>
Operating income	394,110	287,642
Nonoperating revenue:		
Interest earned	<u>34,936</u>	<u>18,977</u>
Net income	429,046	306,619
Retained earnings, beginning	<u>324,361</u>	<u>17,742</u>
Retained earnings, ending	<u>\$ 753,407</u>	<u>\$ 324,361</u>

The accompanying notes are an integral part of this statement.

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana  
Internal Service Fund  
Group Self-Insurance Fund

Comparative Statement of Cash Flows  
Years Ended June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
Cash flows from operating activities:		
Operating income	\$394,110	\$ 287,642
Adjustments to reconcile operating income to net cash provided by operating activities -		
Changes in assets and liabilities:		
Decrease (increase) in stop loss receivable	-	177,711
Decrease (increase) in other receivable	-	5,517
Increase (decrease) in claims payable	<u>10,906</u>	<u>(157,446)</u>
Total adjustments	<u>10,906</u>	<u>25,782</u>
Cash provided by operating activities	405,016	313,424
Cash flows from investing activities:		
Interest earned	<u>34,936</u>	<u>18,977</u>
Increase in cash and cash equivalents	439,952	332,401
Cash and cash equivalents, beginning of year	<u>540,642</u>	<u>208,241</u>
Cash and cash equivalents, end of year	<u>\$980,594</u>	<u>\$ 540,642</u>

The accompanying notes are an integral part of this statement.

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the Lafayette 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 Lafayette Parish Sheriff conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the industry audit guide, "Audits of State and Local Governmental Units."

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

For financial reporting purposes, the Sheriff includes all funds, account groups, 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. Other than certain operating expenditures of the Sheriff's office that are paid or provided by the parish council as required by Louisiana law, the Sheriff is financially independent. Accordingly, the Sheriff is a separate governmental reporting entity. Certain units of local government, over which the Sheriff exercises no oversight responsibility, such as the parish

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana  
General Fund

Statement of Expenditures Compared to Budget (GAAP Basis)  
Year Ended June 30, 1996  
With Comparative Actual Amounts for Year Ended June 30, 1995

	1996		Variance - Favorable (Unfavorable)	1995 Actual
	Budget	Actual		
Current:				
Public safety -				
Personal services and related benefits:				
Sheriff salary	\$ 65,000	\$ 65,000	\$ -	\$ 55,000
Deputies salaries	9,587,200	9,549,194	38,006	8,750,323
Pension and payroll taxes	621,500	618,412	3,088	489,661
Sheriff's expense allowance	6,500	6,500	-	5,500
Hospitalization insurance	1,870,000	1,865,161	4,839	1,804,997
Total personal services and related benefits	<u>12,150,200</u>	<u>12,104,267</u>	<u>45,933</u>	<u>11,105,481</u>
Operating services:				
Auto insurance	202,500	170,597	31,903	171,084
Other liability insurance	655,000	651,831	3,169	603,599
Automobile rental	1,000	648	352	139,468
Leases	73,082	70,919	2,163	75,945
Telephone and utilities	175,000	164,043	10,957	149,531
Auto fuel and oil	201,000	178,801	22,199	189,425
Auto maintenance	128,500	121,377	7,123	120,508
Computer maintenance	30,000	24,249	5,751	27,727
Maintenance and repairs	151,000	138,636	12,364	127,246
Legal fees	250,000	26,448	223,552	10,303
Other professional fees	112,000	113,433	(1,433)	107,138
Office expense	90,000	85,336	4,664	81,704
Tax notices	56,000	55,348	652	61,293
Total operating services	<u>2,125,082</u>	<u>1,801,666</u>	<u>323,416</u>	<u>1,864,971</u>
Materials and supplies:				
Uniforms	133,000	122,657	10,343	93,417
Office supplies	25,000	23,825	1,175	15,469
Small equipment and supplies	256,000	231,020	24,980	219,554
Publications	12,500	14,253	(1,753)	10,197
Ordnance (ammunition)	15,000	15,371	(371)	9,986
Total materials and supplies	<u>441,500</u>	<u>407,126</u>	<u>34,374</u>	<u>348,623</u>
Other charges:				
Prisoner feeding and maintenance	1,034,000	913,771	120,229	968,641
Extraditions	3,000	44	2,956	253
Criminal investigation expense	84,000	82,364	1,636	83,968
Training	100,000	104,350	(4,350)	83,043
Travel and conventions	3,500	3,088	412	772
Dues	15,000	15,416	(416)	14,358
Juvenile programs	36,500	31,081	5,419	22,001
Appropriation to parish government	30,000	28,057	1,943	-
Total other charges	<u>1,306,000</u>	<u>1,178,171</u>	<u>127,829</u>	<u>1,173,036</u>
Debt service:				
Interest	-	-	-	47,500
Capital outlay:				
Equipment	-	-	-	756
Total expenditures	<u>\$16,022,782</u>	<u>\$15,491,230</u>	<u>\$531,552</u>	<u>\$14,540,367</u>

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana

Notes to Financial Statements (Continued)

Capital Projects Funds

Capital projects funds are used to account for financial resources to be used for, and the payment of costs related to, the acquisition, construction or renovation of major capital facilities.

Fiduciary Funds -

Agency Funds

The agency funds are used as depositories for civil suits, cash bonds, taxes, fees, deferred compensation programs, inmate monies, et cetera. Disbursements from these funds are made to various parish agencies, litigants in suits, plan participants, inmates, deputies, et cetera, in the manner prescribed by law. The agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Proprietary Funds

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities provided to other departments or agencies primarily within the Lafayette Parish Sheriff are accounted for in internal service funds.

C. General Fixed Assets and Long-Term Obligations

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in the General Fund. General fixed assets provided by the parish council are not recorded within the general fixed assets account group. No depreciation has been provided on general fixed assets.

All purchased fixed assets are stated at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are stated at their estimated fair market value on the date donated. Estimated amounts are immaterial in relation to total fixed assets.

Long-term obligations expected to be financed from governmental funds are accounted for in the general long-term debt account group, not in the General Fund.

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana

Notes to Financial Statements (Continued)

Other Financing Sources

General fixed assets acquired through capital lease agreements are recognized as other financing sources and capital outlay expenditures at the time of acquisition. Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) when the transfer is authorized by the Sheriff. Also, proceeds from long-term loans and the sale of fixed assets are recognized as other financing sources when received.

E. 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 and submits it to the Sheriff for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for a hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the Sheriff. Such amendments were not material in relation to the original appropriations.

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LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana

Notes to Financial Statements (Continued)

government, parish school board, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the parish Sheriff.

B. Fund Accounting

The accounts of the Sheriff are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The funds presented in the financial statements are described as follows:

Governmental Funds -

General Fund

The General Fund, as provided by Louisiana Revised Statute 33:1422, is the principal fund of the Sheriff's office and accounts for the operations of the Sheriff's office. The Sheriff's primary source of revenue is an ad valorem tax levied by the law enforcement district. Other sources of revenue include state revenue sharing, state supplemental pay for deputies, civil and criminal fees, and fees for court attendance and maintenance of prisoners. General operating expenditures are paid from this fund.

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

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.

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**LAFAYETTE PARISH SHERIFF**  
Lafayette, Louisiana

Financial Report

Year Ended June 30, 1996

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 ~~FEB 12 1997~~

LAFAYETTE PARISH SHERIFF  
Lafayette, Louisiana

Notes to Financial Statements (Continued)

(11) Taxes Paid Under Protest

The unsettled balances due to taxing bodies and others in the agency funds at June 30, 1996, include \$478,317 of taxes paid under protest plus interest earned to date on the investment of these funds. These funds are held pending resolution of the protest and are accounted for in the Tax Collector Agency Fund (see note 9).

(12) Litigation and Claims

At June 30, 1996, the Sheriff is involved in several lawsuits claiming damages. In the opinion of the Sheriff's legal counsel, resolution of these lawsuits would not create a liability to the Sheriff in excess of insurance coverage.

(13) Expenditures of the Sheriff's Office Paid by the Parish Government

The Sheriff's administrative office and jail is located in buildings owned by the Lafayette Parish Government. The cost of maintaining and operating these buildings, as required by statute, is paid by the Lafayette Parish Government. These expenditures are not included in the accompanying financial statements.

(14) Risk Management - Group Self-Insurance Hospitalization

During fiscal year ending June 30, 1993, the Sheriff established a Group Self-Insurance Fund (an internal service fund) to account for and finance the uninsured risk of loss for commercial group health insurance. The plan year ends on March 31 of each calendar year and is being administered by Employee Benefit Services, Inc. The fund provided coverage for specific claims for up to a maximum of \$100,000 for each employee or employee dependent and aggregate claims up to a maximum of \$1,750,848 and \$1,878,082 for the plan years ended March 31, 1996 and 1995, respectively. The Sheriff purchased commercial insurance for claims in excess of coverage provided by the Fund.

Payments made by the General Fund to the Group Self-Insurance Fund are based on amounts needed to pay prior and current year claims. The Claims liability of \$227,187 reported in the fund at June 30, 1996 is based on the requirements of Governmental Accounting Standards Board Statement No. 10, that a liability for claims be reported if information prior to the issuance