

PLAQUEMINES PARISH SHERIFF
Pointe-A-La-Hache, Louisiana

Notes to Financial Statements (Continued)

Agency Funds

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

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. Infrastructure (streets, sidewalks, etc.) expenditures are not incurred by the Sheriff. Interest costs are not capitalized as they relate to fixed assets.

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

The two account groups are 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. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, when they

PLAQUEMINES PARISH SHERIFF
Pointe-A-La-Hache, 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 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 Plaquemines Parish Sheriff (Sheriff) conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of 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

PLAQUEMINES PARISH SHERIFF
Pointe-A-La-Hache, Louisiana

Notes to Financial Statements (Continued)

H. Short-Term 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. Vacation and Sick Leave

Employees of the Sheriff's office earn from 5 to 10 days of vacation leave each year, depending on their length of service. Vacation leave must be taken in the year it is earned. Additional sick leave is allowed at the discretion of the Sheriff. At June 30, 1996, the Sheriff has no leave benefits required to be reported in accordance with generally accepted accounting principles.

J. Fund Equity

Reserved fund balances represent portions of fund equity not appropriable for expenditures (reserved for inventory and prepaid expenses).

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. 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.

M. 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

PLAQUEMINES PARISH SHERIFF
Pointe-A-La-Hache, Louisiana

Notes to Financial Statements (Continued)

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.

(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 \$1,263,162.

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	\$1,472,276
	=====
Federal deposit insurance	\$ 255,240
Pledged securities (category 3)	<u>2,481,719</u>
Total federal insurance and pledged securities	\$2,736,959
	=====
Excess of federal insurance and pledged securities over bank balances	\$1,264,683
	=====

Pledged securities in Category 3 includes 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

PLAQUEMINES PARISH SHERIFF
Pointe-A-La-Hache, Louisiana

Notes to Financial Statements (Continued)

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.

(3) Investments

At June 30, 1996 the Sheriff had \$2,014,559 invested in the Louisiana Asset Management Pool (LAMP). LAMP is a cooperative endeavor which allows public entities to pool funds for investment purposes. LAMP restricts its investments to securities that are issued or otherwise backed by the U. S. Treasury, the government of the United States or an agency. Because of the safety of these investments, these investments take exception to state law requiring security of federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of these investments approximates carrying value at June 30, 1996.

(4) 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 October and are actually billed to the taxpayers by the Sheriff in 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 Plaquemines 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 15.82 mills on property with assessed valuations totaling \$383,130,977.

Total law enforcement taxes levied during 1996 were \$6,061,140. There were no taxes receivable in the General Fund at June 30, 1996.

PLAQUEMINES PARISH SHERIFF
Pointe-A-La-Hache, Louisiana

Notes to Financial Statements (Continued)

(5) Due From Other Governmental Units

Amounts due from other governmental units at June 30, 1996, consist of the following:

Plaquemines Parish Council	\$ 16,094
State of Louisiana	566,732
Department of Treasury	<u>13,198</u>
	\$596,024
	=====

(6) Changes in General Fixed Assets

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

Balance, June 30, 1995	\$ 5,842,329
Additions	5,223,735
Reductions	<u>(46,519)</u>
Balance, June 30, 1996	\$11,019,545
	=====

(7) Changes in Long-Term Debt

The following is a summary of long-term debt transactions of the Sheriff for the year ended June 30, 1996:

Bonds payable, June 30, 1995	\$7,505,000
Debt assumed	-
Debt retired	<u>(795,000)</u>
Bonds payable, June 30, 1996	\$6,710,000
	=====

Long-term debt at June 30, 1996 is comprised of the following:

\$9,000,000 1993 Certificate of Indebtedness due in annual installments of \$735,000 to \$1,110,000; interest rates of 3.10 percent to 5.10 percent; full maturity at March, 2003.	\$6,710,000
	=====

PLAQUEMINES PARISH SHERIFF
Pointe-A-La-Hache, Louisiana

Notes to Financial Statements (Continued)

The annual requirements to amortize all debt outstanding as of June 30, 1996, including interest payments of \$1,366,969 are as follows:

1997	\$1,138,972
1998	1,145,972
1999	1,149,210
2000	1,153,485
2001	1,158,360
2002 - 2003	<u>2,330,970</u>
Total	\$8,076,969 =====

(8) Pension Plan

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

Funding Policy: Plan members are required to contribute 8.7% of their annual covered salary and the Plaquemines 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 Plaquemines Parish Sheriff are estimated and may be amended by the Sheriff's Pension and Relief Fund. The Plaquemines Parish Sheriff's contributions to the Retirement System for the years ended June 30, 1996, 1995 and 1994 were \$409,561, \$165,172 and \$144,367, respectively.

(9) Postretirement Health Care and Life Insurance Benefits

The Sheriff provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the Sheriff's employees become eligible for those benefits if they reach normal retirement age while working for the Sheriff. These benefits for the seven retirees and similar benefits for 187 active employees are

PLAQUEMINES PARISH SHERIFF
Pointe-A-La-Hache, Louisiana

Notes to Financial Statements (Continued)

provided through a self insurance plan. The Sheriff recognizes the cost of providing the benefits for retirees as an expenditure when the monthly premiums are due. For the year ended June 30, 1996 the amount of retiree benefit expenditures (net of participant contributions of \$30,141) approximated \$26,787.

(10) Self-Insurance Plan

The Sheriff was unable to obtain commercial group health insurance coverage at a cost it considered to be economically justifiable. In March 1993, the Sheriff established a self-insurance health plan to account for and finance its uninsured risk of loss which is administered by Risk Management, Inc. Under this plan, the Lamar Life Insurance Co. agreed to reimburse the Sheriff for specific incurred claims related to any one covered employee or dependent which exceeds the retention by the Sheriff which is \$50,000. Lamar Life Insurance Co. has agreed to reimburse the Sheriff for aggregate incurred claims during the period of insurance, less any amounts paid with respect to the specific incurred claims, which exceeds the greater of \$690,648 or the total of monthly payments by the Sheriff which is calculated based on the number of employees covered multiplied by \$376. At June 30, 1996 a recap of the health plan follows:

Claims liability, June 30, 1995	\$ 161,676
Add: Claims incurred	725,965
Less: Payments on claims	<u>(765,162)</u>
Claims liability, June 30, 1996	\$ 122,479
	=====

Also included in the claims payable account at June 30, 1996 is an amount of \$200,000. This represents an amount which the Sheriff may be required to pay to settle old outstanding claims resulting from the insolvency of a previous insurance carrier.

(11) Changes in Agency Fund Balances

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

PLAQUEMINES PARISH SHERIFF
Pointe-A-La-Hache, Louisiana

Notes to Financial Statements (Continued)

	<u>Civil Fund</u>	<u>Tax Collector Fund</u>	<u>Installment Fines Fund</u>	<u>Bonds and Fines Fund</u>	<u>Prison Inmate Fund</u>
Balances, June 30, 1995	\$ 523,278	\$ 762,498	\$ 86,805	\$ 116,185	\$ 2,315
Additions	2,607,796	21,657,944	60,928	820,246	20,100
Reductions	<u>(2,616,411)</u>	<u>(22,217,737)</u>	<u>(49,916)</u>	<u>(694,068)</u>	<u>(20,632)</u>
Balances, June 30, 1996	\$ 514,663	\$ 202,705	\$ 97,817	\$ 242,363	\$ 1,783
	=====	=====	=====	=====	=====

(12) Litigation and Claims

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

(13) Risk Management

The Sheriff is exposed to risks of loss in the areas of health care, general and auto liability, property hazards, and workers' compensation. Health care risk is handled by a self-insurance health plan (see Note 10). Prior to this fiscal year, the Sheriff had commercial insurance to cover this risk. The other risks are handled by purchasing commercial insurance. There have been no significant reductions in these insurance coverages during the current fiscal year.

PLAQUEMINES PARISH SHERIFF
Pointe-A-La-Hache, Louisiana

Notes to Financial Statements (Continued)

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

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

SUPPLEMENTAL INFORMATION

SCHEDULES OF INDIVIDUAL FUNDS

PLAQUEMINES PARISH SHERIFF
Pointe-A-La-Hache, Louisiana

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget (GAAP Basis) and Actual
General and Capital Projects Fund
Year Ended June 30, 1996

	General Fund			Capital Projects Fund		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:						
Ad valorem taxes	\$5,936,500	\$5,959,457	\$ 22,957	\$ -	\$ -	\$ -
Intergovernmental revenues -						
Federal grants	80,352	147,336	66,984	-	-	-
State revenue sharing (net)	228,375	231,055	2,680	-	-	-
State supplemental pay	320,000	313,609	(6,391)	-	-	-
State grants	-	-	-	-	500,000	500,000
Miscellaneous	-	-	-	-	-	-
Fees, charges, and commissions for services -						
Civil and criminal fees	396,500	478,380	81,880	-	-	-
Court attendance	6,000	3,216	(2,784)	-	-	-
Feeding and keeping prisoners	443,000	423,161	(19,839)	-	-	-
Witness fees	35,000	34,000	(1,000)	-	-	-
Interest income	120,000	96,195	(23,805)	243,670	103,786	(139,884)
Miscellaneous -						
Contraband	10,694	9,492	(1,202)	-	-	-
Video poker	107,000	116,771	9,771	-	-	-
Recovery of contingent liabilities	-	200,890	200,890	-	-	-
Other	560,292	119,515	(440,777)	-	-	-
Total revenues	<u>8,243,713</u>	<u>8,133,077</u>	<u>(110,636)</u>	<u>243,670</u>	<u>603,786</u>	<u>360,116</u>
Expenditures:						
Current -						
Public safety:						
Personal services and related benefits	4,172,600	4,186,525	(13,925)	-	-	-
Operating services	1,435,519	1,347,870	87,649	-	-	-
Operations and maintenance	1,239,220	1,246,296	(7,076)	-	2,707	(2,707)
Travel	10,000	6,827	3,173	-	-	-
Debt service	1,138,388	1,138,388	-	-	-	-
Capital outlay	244,500	370,529	(126,029)	4,600,000	4,853,206	(253,206)
Total expenditures	<u>8,240,227</u>	<u>8,296,435</u>	<u>(56,208)</u>	<u>4,600,000</u>	<u>4,855,913</u>	<u>(255,913)</u>
Excess (deficiency) of revenues over expenditures	3,486	(163,358)	(166,844)	(4,356,330)	(4,252,127)	104,203
Fund balance, beginning	<u>2,140,065</u>	<u>2,140,065</u>	<u>-</u>	<u>4,416,806</u>	<u>4,416,806</u>	<u>-</u>
Fund balances, ending	<u>\$2,143,551</u>	<u>\$1,976,707</u>	<u>\$(166,844)</u>	<u>\$ 60,476</u>	<u>\$ 164,679</u>	<u>\$ 104,203</u>

The accompanying notes are an integral part of this statement.

PLAQUEMINES PARISH SHERIFF
 Pointe-A-La-Hache, Louisiana
 General Fund

Comparative Balance Sheet
 June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
ASSETS		
Cash and interest-bearing deposits	\$ 152,119	\$ 108,205
Investments	2,014,559	2,689,888
Receivables:		
Due from other governmental units	96,024	88,582
Due from other funds	149,419	18,912
Other	<u>28,032</u>	<u>15,139</u>
 Total assets	 \$2,440,153	 \$2,920,726
	=====	=====
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 102,691	\$ 60,946
Claims payable	322,479	661,676
Deferred revenue	-	23,345
Due to employees	<u>38,276</u>	<u>34,694</u>
Total liabilities	<u>463,446</u>	<u>780,661</u>
 Fund balance:		
Fund balance - reserved	184,308	186,869
Unreserved, undesignated	<u>1,792,399</u>	<u>1,953,196</u>
Total fund balance	<u>1,976,707</u>	<u>2,140,065</u>
 Total liabilities and fund balance	 \$2,440,153	 \$2,920,726
	=====	=====

PLAQUEMINES PARISH SHERIFF
Pointe-A-La-Hache, Louisiana

Notes to Financial Statements (Continued)

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

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.

Capital Projects Fund

The capital projects fund was established during fiscal year ended June 30, 1994. This fund is used to account for the construction, improvements, enlargements and maintenance of the jail facility as well as other lawful expenses and operations of the Sheriff's Office.

GENERAL FUND

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

PLAQUEMINES PARISH SHERIFF
Pointe-A-La-Hache, 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's salary	\$ 60,000	\$ 60,000	\$ -	\$ 55,000
Deputies' salaries	3,650,000	3,662,587	(12,587)	3,428,759
Pension and payroll taxes	456,600	457,938	(1,338)	210,023
Sheriff's expense allowance	6,000	6,000	-	5,500
Total personnel service and related benefits	<u>4,172,600</u>	<u>4,186,525</u>	<u>(13,925)</u>	<u>3,699,282</u>
Operating services:				
Hospitalization insurance	885,000	602,154	282,846	438,104
Hospitalization reinsurance/admin. fee	-	174,795	(174,795)	163,778
Life insurance	57,350	71,545	(14,195)	58,113
Auto insurance	220,249	229,122	(8,873)	209,227
Deputy liability insurance	221,000	199,718	21,282	185,439
Other liability insurance	51,920	70,536	(18,616)	14,380
Total operating services	<u>1,435,519</u>	<u>1,347,870</u>	<u>87,649</u>	<u>1,069,041</u>
Operations and maintenance:				
Auto fuel and oil	250,000	262,668	(12,668)	251,169
Auto maintenance	195,000	251,576	(56,576)	132,066
Deputy uniforms, supplies, etc.	80,628	99,967	(19,339)	97,246
Office supplies and expenses	71,000	51,157	19,843	81,215
Recordation expenses	-	1,327	(1,327)	1,954
Tax research expenses	-	4,610	(4,610)	2,820
Title transfer	-	678	(678)	2,063
Beeper expense	-	4,521	(4,521)	4,330
Community services	100	2,556	(2,456)	9,055
Leases, rentals and utilities	45,000	27,061	17,939	19,494
Advertising	-	8,108	(8,108)	9,330
Jury feeding expense	-	1,014	(1,014)	1,382
Telephone	56,000	57,934	(1,934)	61,341
Radio	9,000	22,910	(13,910)	19,237
Prisoner feeding and maintenance	125,150	134,736	(9,586)	127,447
Legal fees	30,000	33,746	(3,746)	29,918
Other professional fees	49,040	47,029	2,011	51,559
Criminal investigation expense	20,000	30,018	(10,018)	25,806
Equipment maintenance	83,000	86,035	(3,035)	75,406
Witness fees	35,000	34,200	800	62,625
Membership dues	13,000	13,526	(526)	10,296
Bond expense	-	-	-	-
Marine patrol	5,500	9,445	(3,945)	11,723
Insurance settlement	93,801	-	93,801	-
Other	78,001	61,474	16,527	50,244
Total operations and maintenance	<u>1,239,220</u>	<u>1,246,296</u>	<u>(7,076)</u>	<u>1,137,726</u>
Travel	<u>10,000</u>	<u>6,827</u>	<u>3,173</u>	<u>9,836</u>

(continued)

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

RETIRED

Eugene H. Darnall, CPA 1990

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

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO NONMAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAM TRANSACTIONS

125 Rue Beauregard
Lafayette, LA 70502
(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

The Honorable Irvin F. Hingle, Jr.
Plaquemines Parish Sheriff
Pointe-A-La-Hache, Louisiana

We have audited the general purpose financial statements of the Plaquemines Parish Sheriff as of and for the year ended June 30, 1996 and have issued our report thereon dated November 21, 1996.

In connection with our audit of the general purpose financial statements of the Plaquemines Parish Sheriff and with our consideration of the Sheriff's control structure used to administer federal financial assistance programs, as required by Office of Management and Budget (OMB) 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, matching, level of effort and/or earmarking requirements 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 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 Plaquemines 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 21, 1996

MEMBER OF
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

PLAQUEMINES PARISH SHERIFF
 Pointe-A-La-Hache, Louisiana
 Fiduciary Fund Type - Agency Funds

Combining Statement of Changes in Assets and Liabilities
 Year Ended June 30, 1996
 With Comparative Totals for Year Ended June 30, 1995

	Civil Fund	Tax Collector Fund	Installment Fines Fund	Bonds and Fines Fund	Prison Inmate Fund	Totals
	1996	1995	1996	1995	1996	1995
Balances, beginning of year	\$ 523,278	\$ 762,498	\$ 86,805	\$ 116,185	\$ 2,315	\$ 2,447,071
Additions:						
Deposits -						
Sheriff's sales, suits, and seizures	2,607,796	-	-	-	-	492,301
Bonds and fines	-	-	-	820,246	-	680,384
Installment bonds and fines	-	-	60,928	-	-	56,621
Inmates	-	-	-	-	20,100	20,757
Taxes, fees, etc., paid to tax collector	-	21,657,944	-	-	-	20,673,159
Total additions	<u>2,607,796</u>	<u>21,657,944</u>	<u>60,928</u>	<u>820,246</u>	<u>20,100</u>	<u>21,923,222</u>
Total	<u>3,131,074</u>	<u>22,420,442</u>	<u>147,733</u>	<u>936,431</u>	<u>22,415</u>	<u>24,370,293</u>
Reductions:						
Taxes, fees, etc., distributed to taxing bodies and others	-	22,217,737	-	-	-	21,471,770
Deposits settled to -						
Litigants, attorneys and others	2,616,411	-	-	589,077	-	1,237,016
Inmates	-	-	-	-	20,632	20,369
Other settlements	-	-	-	104,991	-	82,637
Other reductions -						
Transfer to bonds and fines fund	-	-	49,916	-	-	67,420
Total reductions	<u>2,616,411</u>	<u>22,217,737</u>	<u>49,916</u>	<u>694,068</u>	<u>20,632</u>	<u>22,879,212</u>
Balances, end of year	\$ 514,663	\$ 202,705	\$ 97,817	\$ 242,363	\$ 1,783	\$ 1,491,081

INTERNAL CONTROL, COMPLIANCE

AND

OTHER INFORMATION

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

RETIRED

Eugene H. Darnall, CPA 1990

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

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

125 Rue Beauregard
Lafayette, LA 70502
(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

The Honorable Irvin F. Hingle, Jr.
Plaquemines Parish Sheriff
Pointe-A-La-Hache, Louisiana

We have audited the general purpose financial statements of the Plaquemines Parish Sheriff as of and for the year ended June 30, 1996, and have issued our report thereon dated November 21, 1996.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The Plaquemines 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 Plaquemines 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 an opinion on the internal control structure. Accordingly, we do not express such an opinion.

MEMBER OF
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

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 one or more of the 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.

We also noted other matters involving the internal control structure and its operation that we have reported to the management of Plaquemines Parish Sheriff, in a separate letter dated November 21, 1996.

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 21, 1996

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

RETIRED

Eugene H. Darnall, CPA 1990

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

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

125 Rue Beauregard
Lafayette, LA 70502
(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

The Honorable Irvin F. Hingle, Jr.
Plaquemines Parish Sheriff
Pointe-A-La-Hache, Louisiana

We have audited the general purpose financial statements of the Plaquemines Parish Sheriff as of and for the year ended June 30, 1996, and have issued our report thereon dated November 21, 1996.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to Plaquemines 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 Plaquemines Parish Sheriff's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the general purpose financial statements 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 the following instance of noncompliance that is required to be reported herein under Government Auditing Standards for which the ultimate resolution cannot presently be determined. Accordingly, no provision for any liability that may result has been recognized in the Plaquemines Parish Sheriff's financial statements.

Noncompliance with Louisiana Local Government Budget Act

Finding:

The Plaquemines Parish Sheriff did not comply with certain budget requirements set forth in Louisiana law relating to amending budgets. Louisiana Revised Statutes (LSA-R.S.) 39:1301-1314, known as the Local Government Budget Act, contain various budget requirements for political subdivisions of the state. The Sheriff was not in compliance with the following requirement:

MEMBER OF
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

The budget must be amended when expenditures, plus projected expenditures for the remainder of the year, within a fund exceed budgeted expenditures by five percent or more [LSA-R.S. 39:1310(A)(2)]. The following fund had an unfavorable variance in expenditures of five percent or more:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Percent</u>
Capital Projects Fund	\$4,600,000	\$4,855,913	255,913	5.56%

Recommendation:

The Sheriff should ensure that budgets are amended in accordance with the Local Government Budget Act.

Response:

The Sheriff intends to ensure that budgets are amended in accordance with the Local Government Budget Act.

We considered this instance of noncompliance in forming our opinion on whether the Plaquemines Parish Sheriff's general purpose financial statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles, and this report does not affect our report dated November 21, 1996, on those general purpose financial statements.

We also noted certain immaterial instances of noncompliance that we have reported to the management of the Plaquemines Parish Sheriff in a separate letter dated November 21, 1996.

Except as noted above, the results of our tests disclosed no other 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.

Darnall, Sikes, Kolder, Frederick & Rainey

A Corporation of Certified Public Accountants

Lafayette, Louisiana
November 21, 1996

FIDUCIARY FUND TYPE - AGENCY FUNDS

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

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

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

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

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

DARNALL, SIKES, KOLDER, FREDERICK & RAINEY

(A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS)

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

RETIRED

Eugene H. Darnall, CPA 1990

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

INDEPENDENT AUDITOR'S REPORT ON SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

The Honorable Irvin F. Hingle, Jr.
Plaquemines Parish Sheriff
Pointe-A-La-Hache, Louisiana

We have audited the general purpose financial statements of the Plaquemines Parish Sheriff as of and for the year ended June 30, 1996, and have issued our report thereon dated November 21, 1996. These general purpose financial statements are the responsibility of the Plaquemines 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 (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. 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 Plaquemines 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 21, 1996

MEMBER OF
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

PLAQUEMINES PARISH SHERIFF
 Pointe-A-La-Hache, Louisiana
 Capital Projects Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance -
 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		
Revenues:				
Intergovernmental revenue-				
State grants	\$ -	\$ 500,000	\$ 500,000	\$ -
Interest income	<u>243,670</u>	<u>103,786</u>	<u>(139,884)</u>	<u>281,386</u>
Total revenues	<u>243,670</u>	<u>603,786</u>	<u>360,116</u>	<u>281,386</u>
Expenditures:				
Public safety	-	2,707	(2,707)	-
Capital outlay	<u>4,600,000</u>	<u>4,853,206</u>	<u>(253,206)</u>	<u>2,919,515</u>
Total expenditures	<u>4,600,000</u>	<u>4,855,913</u>	<u>(255,913)</u>	<u>2,919,515</u>
Excess (deficiency) of revenues over expenditures	(4,356,330)	(4,252,127)	104,203	(2,638,129)
Fund balance, beginning	<u>4,416,806</u>	<u>4,416,806</u>	-	<u>7,054,935</u>
Fund balance, ending	\$ 60,476 =====	\$ 164,679 =====	\$ 104,203 =====	\$ 4,416,806 =====

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 21, 1996

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. Staven, CPA

RETIRED

Eugene H. Darnall, CPA 1990

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

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE GENERAL REQUIREMENTS APPLICABLE TO FEDERAL FINANCIAL ASSISTANCE PROGRAMS

125 Rue Beauregard
Lafayette, LA 70502
(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

The Honorable Irvin F. Hingle, Jr.
Plaquemines Parish Sheriff
Pointe-A-La-Hache, Louisiana

We have audited the general purpose financial statements of the Plaquemines Parish Sheriff as of and for the year ended June 30, 1996, and have issued our report thereon dated November 21, 1996.

We have applied procedures to test the Plaquemines Parish 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.

General Requirements

Political activity
Civil rights
Federal financial reports
Allowable costs/cost principles

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 Plaquemines Parish Sheriff 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 Plaquemines 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.

MEMBER OF
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

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 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.

Darnall, Sikes, Kolder, Frederick & Rainey

A Corporation of Certified Public Accountants

Lafayette, Louisiana
November 21, 1996

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:

<u>Accounting Controls</u>	
Receivables and revenues Purchases and disbursements Payroll	
<u>Administrative Controls</u>	
<u>General Requirements</u>	<u>Specific Requirements</u>
Political activity Civil Rights Cash Management Federal financial reports Allowable costs/cost principles Drug-free Workplace Act	Types of service allowed or unallowed Matching, level of effort and/or earmarking requirements Reporting

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 Plaquemines Parish Sheriff had no major federal financial assistance programs and expended 100% of its total federal financial assistance under the following nonmajor federal financial assistance programs:

Safe and Drug Free Schools
Summer Holiday Weekend Overtime Program
Highway Interdiction/Apprehension Project
Cops/Fast Programs
Crime Information Center
D.A.R.E.

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 have considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements and requirements governing claims for advances, reimbursements and amount claimed or used for matching, that are applicable to the aforementioned 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.

PLAQUEMINES PARISH SHERIFF
Pointe-A-La-Hache, Louisiana

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

	<u>General</u>	<u>Capital Projects</u>	<u>Totals (Memorandum Only)</u>	
			<u>1996</u>	<u>1995</u>
Revenues:				
Taxes	\$5,959,457	\$ -	\$ 5,959,457	\$ 5,605,310
Intergovernmental Fees, charges, and commissions for services	692,000	500,000	1,192,000	598,859
Interest income	938,757	-	938,757	845,148
Miscellaneous	96,195	103,786	199,981	401,119
Total revenues	<u>8,133,077</u>	<u>603,786</u>	<u>8,736,863</u>	<u>7,725,604</u>
Expenditures:				
Current -				
Public safety:				
Personal services and related benefits	4,186,525	-	4,186,525	3,699,282
Operating services	1,347,870	-	1,347,870	1,069,041
Operations and maintenance	1,246,296	2,707	1,249,003	1,137,726
Travel	6,827	-	6,827	9,836
Debt service	1,138,388	-	1,138,388	1,129,228
Capital outlay	<u>370,529</u>	<u>4,853,206</u>	<u>5,223,735</u>	<u>2,976,589</u>
Total expenditures	<u>8,296,435</u>	<u>4,855,913</u>	<u>13,152,348</u>	<u>10,021,702</u>
Deficiency of revenues over expenditures	(163,358)	(4,252,127)	(4,415,485)	(2,296,098)
Fund balances, beginning	<u>2,140,065</u>	<u>4,416,806</u>	<u>6,556,871</u>	<u>8,852,969</u>
Fund balances, ending	\$1,976,707	\$ 164,679	\$ 2,141,386	\$ 6,556,871
	=====	=====	=====	=====

The accompanying notes are an integral part of this statement.

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

RETIRED

Eugene H. Darnall, CPA 1990

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

INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL CONTROL STRUCTURE USED IN ADMINISTERING FEDERAL FINANCIAL ASSISTANCE PROGRAMS

125 Rue Beauregard
Lafayette, LA 70502
(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

The Honorable Irvin F. Hingle, Jr.
Plaquemines Parish Sheriff
Pointe-A-La-Hache, Louisiana

We have audited the general purpose financial statements of the Plaquemines Parish Sheriff, as of and for the year ended June 30, 1996, and have issued our report thereon dated November 21, 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 audits 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 Plaquemines Parish Sheriff in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements of the Plaquemines Parish 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 21, 1996.

The Plaquemines 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.

MEMBER OF
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

PLAQUEMINES PARISH SHERIFF
Pointe-A-La-Hache, Louisiana

Notes to Financial Statements (Continued)

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 be used to pay liabilities of the current period. The General Fund uses 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, when susceptible to accrual.

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 obligations are recognized when due. Purchases of various operating supplies are regarded as expenditures at the time purchased.

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. Also, proceeds from long-term loans are recognized as other financing sources when received.

PLAQUEMINES PARISH SHERIFF
Pointe-A-La-Hache, Louisiana

Schedule of Federal Financial Assistance
Year Ended June 30, 1996

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Funds Earned	Expended This Year
<u>Nonmajor Federal Assistance Programs:</u>			
<u>U.S. Department of Education -</u>			
Safe and Drug Free Schools	84.186	\$ 7,939	\$ 7,939
<u>U.S. Department of Transportation -</u>			
Passed through the Louisiana Department of Public Safety and Corrections- Highway Interdiction/Apprehension Project	20.600	11,156	11,156
<u>U.S. Department of Transportation -</u>			
Passed through the Louisiana Department of Public Safety and Corrections- Summer Holiday Weekend Overtime Program	20.600	2,732	2,732
<u>U.S. Department of Justice -</u>			
Cops/Fast Program	16.711	56,415	56,415
<u>U.S. Department of Justice -</u>			
Law Enforcement Assistance - National Crime Information Center	16.304	23,345	23,345
<u>U.S. Department of Justice -</u>			
Passed through the Louisiana Commission on Law Enforcement and Administration of Criminal Justice - D.A.R.E.	16.579	<u>45,749</u>	<u>45,749</u>
Total		\$147,336 =====	\$147,336 =====

DARNALL, SIKES, KOLDER, FREDERICK & RAINEY

(A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS)

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

RETIRED

Eugene H. Darnall, CPA 1990

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

MANAGEMENT LETTER

The Honorable Irvin F. Hingle, Jr.
Plaquemines Parish Sheriff
Pointe-A-La-Hache, Louisiana

During our audit of the general purpose financial statements of the Plaquemines Parish Sheriff as of and for the year ended June 30, 1996, we noted certain areas in which improvements may be desirable.

- (1) Property taxes should be settled within the first ten days of the month following the month of collection in accordance with Louisiana Revised Statute 47:2060.
- (2) Regarding all agency funds, the following should be done:
 - a. All bank accounts should be reconciled monthly.
 - b. The subsidiaries for each fund should be reconciled to the cash balance monthly.
- (3) Regarding the Bond Fund, it was noted that fines are not being deposited timely. Deposits should be made daily.

We would like to express our appreciation to you and your office staff for the courtesies and assistance rendered to us during the performance of our audit. Should you have any questions or need assistance in implementing our recommendations, please feel free to contact us.

Darnall, Sikes, Kolder, Frederick & Rainey

A Corporation of Certified Public Accountants

Lafayette, Louisiana
November 21, 1996

Offices

125 Rue Beauregard
Lafayette, LA 70502
(318) 232-3312

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

408 W. Cotton Street
Ville Platte, LA 70566
(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

PLAQUEMINES PARISH SHERIFF
Pointe-A-La-Hache, Louisiana

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

	Governmental Fund Types		Fiduciary Fund Type Agency Funds	Account Groups		Totals	
	General Fund	Capital Projects		General Fixed Assets	General Long- Term Debt	(Memorandum Only) 1996	1995
LIABILITIES AND FUND EQUITY							
Liabilities:							
Accounts payable	\$ 102,691	\$ 25,092	\$ -	\$ -	\$ -	\$ 127,783	\$ 315,707
Claims payable	322,479	-	-	-	-	322,479	661,676
Deferred revenue	-	-	-	-	-	-	23,345
Due to employees	38,276	-	-	-	-	38,276	34,694
Due to inmates	-	-	1,783	-	-	1,783	2,315
Due to other funds	-	86,579	62,840	-	-	149,419	18,912
Due to taxing bodies and others	-	-	994,708	-	-	994,708	1,469,854
Retainage payable	-	275,700	-	-	-	275,700	91,057
Bonds payable	-	-	-	-	6,710,000	6,710,000	7,505,000
Total liabilities	<u>463,446</u>	<u>387,371</u>	<u>1,059,331</u>	-	<u>6,710,000</u>	<u>8,620,148</u>	<u>10,122,560</u>
Fund equity:							
Investment in general fixed assets	-	-	-	11,019,545	-	11,019,545	5,842,329
Fund balance - reserved for debt service	184,308	-	-	-	-	184,308	186,869
Fund balance - designated for subsequent- years' expenditures	-	164,679	-	-	-	164,679	4,416,806
Fund balance - unreserved, undesignated	<u>1,792,399</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,792,399</u>	<u>1,953,196</u>
Total fund equity	<u>1,976,707</u>	<u>164,679</u>	<u>-</u>	<u>11,019,545</u>	<u>-</u>	<u>13,160,931</u>	<u>12,399,200</u>
Total liabilities and fund equity	<u>\$2,440,153</u>	<u>\$552,050</u>	<u>\$1,059,331</u>	<u>\$11,019,545</u>	<u>\$6,710,000</u>	<u>\$21,781,079</u>	<u>\$22,521,760</u>

The accompanying notes are an integral part of this statement.

PLAQUEMINES PARISH SHERIFF
 Pointe-A-La-Hache, Louisiana

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

	Governmental Fund Types		Fiduciary Fund Type Agency Funds	Account Groups		Totals	
	General Fund	Capital Projects		General Fixed Assets	General Long- Term Debt	(Memorandum Only) 1996	1995
ASSETS AND OTHER DEBITS							
Cash and interest-bearing deposits	\$ 152,119	\$ 51,712	\$ 1,059,331	\$ -	\$ -	\$ 1,263,162	\$ 4,369,838
Investments	2,014,559	-	-	-	-	2,014,559	4,666,888
Receivables -							
Due from other governmental units	96,024	500,000	-	-	-	596,024	88,582
Due from other funds	149,419	-	-	-	-	149,419	18,912
Accrued interest	-	338	-	-	-	338	15,072
Other	28,032	-	-	-	-	28,032	15,139
Office furniture, equipment and autos	-	-	-	11,019,545	-	11,019,545	5,842,329
Amount to be provided for retirement of general long-term debt obligation	-	-	-	-	6,710,000	6,710,000	7,505,000
Total assets	\$2,440,153	\$552,050	\$1,059,331	\$11,019,545	\$6,710,000	\$21,781,079	\$22,521,760

(continued)

**OFFICIAL
FILE COPY**
DO NOT SEND OUT

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

RECEIVED
LEGISLATIVE AUDITOR
96 DEC 23 AM 9:37

PLAQUEMINES PARISH SHERIFF
Pointe-A-La-Hache, 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 JAN 29 1997

GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)

CAPITAL PROJECTS FUND

To account for the financing and construction, improvements, enlargements and maintenance of the jail facility as well as other lawful expenses and operations of the Sheriff's office. Funding to date has come from general obligation bonds issue date March 4, 1994.

PLAQUEMIES PARISH SHERIFF
Point-A-La-Hache, Louisiana
General Fund

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

	1996		Variance - Favorable (Unfavorable)	1995 Actual
	Budget	Actual		
Debt service:				
Principal	795,000	795,000	-	760,000
Interest	<u>343,388</u>	<u>343,388</u>	-	<u>369,228</u>
Total debt service	<u>1,138,388</u>	<u>1,138,388</u>	-	<u>1,129,228</u>
Capital outlay:				
Automobiles	240,000	277,814	(37,814)	-
Equipment	-	89,721	(89,721)	47,005
Radios	<u>4,500</u>	<u>2,994</u>	1,506	<u>10,069</u>
Total capital outlay	<u>244,500</u>	<u>370,529</u>	(126,029)	<u>57,074</u>
Total expenditures	<u>\$8,240,227</u>	<u>\$8,296,435</u>	\$ (56,208)	<u>\$7,102,187</u>

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 Plaquemines Parish Sheriff. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements, and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

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 of the Plaquemines Parish Sheriff.

Darnall, Sikes, Kolder, Frederick & Rainey

A Corporation of Certified Public Accountants

Lafayette, Louisiana
November 21, 1996

DARNALL, SIKES, KOLDER, FREDERICK & RAINEY

(A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS)

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

RETIRED

Eugene H. Darnall, CPA 1990

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

INDEPENDENT AUDITOR'S REPORT

The Honorable Irvin F. Hingle, Jr.
Plaquemines Parish Sheriff
Pointe-A-La-Hache, Louisiana

We have audited the accompanying general purpose financial statements of the Plaquemines Parish Sheriff as of and for the year ended June 30, 1996, as listed in the table of contents. These general purpose financial statements are the responsibility of the Plaquemines 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 (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. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

In accordance with Government Auditing Standards, we have also issued a report dated November 21, 1996 on our consideration of the Plaquemines Parish Sheriff's internal control structure and a report dated November 21, 1996 on its compliance with laws and regulations.

Offices

125 Rue Beauregard
Lafayette, LA 70502
(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

MEMBER OF
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

PLAQUEMINES PARISH SHERIFF
 Pointe-A-La-Hache, Louisiana
 Capital Projects Fund

Comparative Balance Sheet
 June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
ASSETS		
Cash and interest-bearing deposits	\$ 51,712	\$2,770,552
Investments	-	1,977,000
Receivables:		
Due from other governmental units	500,000	-
Accrued interest receivable	<u>338</u>	<u>15,072</u>
 Total assets	 \$ 552,050	 \$4,762,624
	=====	=====
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 25,092	\$ 254,761
Due to other funds	86,579	-
Retainage payable	<u>275,700</u>	<u>91,057</u>
Total Liabilities	<u>387,371</u>	<u>345,818</u>
 Fund balance:		
Designated for subsequent years' expenditures	<u>164,679</u>	<u>4,416,806</u>
 Total liabilities and fund balance	 \$ 552,050	 \$4,762,624
	=====	=====

	Page
Independent Auditor's Report on Compliance with the General Requirements Applicable to Federal Financial Assistance Programs	42-43
Independent Auditor's Report on Compliance with Specific Requirements Applicable to Nonmajor Federal Financial Assistance Program Transactions	44
Independent Auditor's Report on Schedule of Federal Financial Assistance	45
Schedule of Federal Financial Assistance	46

PLAQUEMINES PARISH SHERIFF
 Pointe-A-La-Hache Louisiana
 Fiduciary Fund Type - Agency Funds

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

	<u>Civil Fund</u>	<u>Tax Collector Fund</u>	<u>Installment Fines Fund</u>	<u>Bonds and Fines Fund</u>	<u>Prison Inmate Fund</u>	<u>Totals</u>
						<u>1996</u> <u>1995</u>
ASSETS						
Cash and interest-bearing deposits	\$514,663	\$202,705	\$97,817	\$242,363	\$1,783	<u>\$1,059,331</u> <u>\$1,491,081</u>
Total assets	\$514,663	\$202,705	\$97,817	\$242,363	\$1,783	\$1,059,331 \$1,491,081
	=====	=====	=====	=====	=====	=====
LIABILITIES						
Due to inmates	\$ -	\$ -	\$ -	\$ -	\$1,783	\$ 2,315
Due to other funds	16,427	24,628	-	21,785	-	18,912
Due to taxing bodies and others	498,236	178,077	97,817	220,578	-	<u>1,469,854</u>
Total liabilities	\$514,663	\$202,705	\$97,817	\$242,363	\$1,783	\$1,491,081
	=====	=====	=====	=====	=====	=====

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	1-2
GENERAL PURPOSE FINANCIAL STATEMENTS (COMBINED STATEMENTS - OVERVIEW)	
Combined balance sheet - all fund types and account groups	4-5
Combined statement of revenues, expenditures, and changes in fund balances - all governmental fund types	6
Combined statement of revenues, expenditures, and changes in fund balances - budget (GAAP basis) and actual - general and capital projects fund	7
Notes to financial statements	8-20
SUPPLEMENTAL INFORMATION	
SCHEDULES OF INDIVIDUAL FUNDS	
General Fund:	
Comparative balance sheet	24
Statement of expenditures compared to budget (GAAP basis)	25-26
Capital Projects Fund:	
Comparative balance sheet	28
Statement of revenues, expenditures and changes in fund balance - budget (GAAP basis) and actual	29
Fiduciary Fund Type - Agency funds:	
Combining balance sheet	31
Combining statement of changes in assets and liabilities	32
INTERNAL CONTROL, COMPLIANCE AND OTHER INFORMATION	
Independent Auditor's Report on Internal Control Structure Based on an Audit of General Purpose Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>	34-36
Independent Auditor's Report on Compliance Based on an Audit of General Purpose Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>	37-38
Independent Auditor's Report on the Internal Control Structure Used in Administering Federal Financial Assistance Programs	39-41