

OFFICE OF THE LEGISLATIVE AUDITOR
STATE OF LOUISIANA
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MONROE, LOUISIANA 70132

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**FRANKLIN PARISH SHERIFF
EX-OFFICIO PARISH TAX COLLECTOR
WINNBERG, LOUISIANA**

**GENERAL PURPOSE FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS REPORT
FOR THE YEAR ENDED JUNE 30, 1999**

Under provisions of state law, this report is a public document. A copy of the report has been distributed to the elected, or nominated, 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 **DEC 1 5 1999**

FRANKLIN PARISH SHERIFF
EX-GRATIA PARISH TAX COLLECTOR
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MARCUS, ROBINSON and HASSELL

CERTIFIED PUBLIC ACCOUNTANTS
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INDEPENDENT AUDITORS' REPORT

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

Harvey Moses, CPA
John Robinson, CPA
Deyla Hassell, CPA

The Honorable Steve Pylant
Franklin Parish Sheriff and Ex-Officio Parish Tax Collector
Winnboro, Louisiana

We have audited the accompanying general-purpose financial statements of the Franklin Parish Sheriff and Ex-Officio Parish Tax Collector, as of and for the year ended June 30, 1999, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Franklin Parish Sheriff and Ex-Officio Parish Tax Collector'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 and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of Franklin Parish Sheriff and Ex-Officio Parish Tax Collector, as of June 30, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Governmental Auditing Standards*, we have also issued our report dated October 5, 1998, on our consideration of the Franklin Parish Sheriff and Ex-Officio Parish Tax Collector's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the Franklin Parish Sheriff and Ex-Officio Parish Tax Collector, taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the general-purpose financial statements. Also, the supplemental schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements. 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 stated in all material respects, in relation to the general-purpose financial statements taken as a whole.

The Franklin Parish Sheriff and Ex-Officio Parish Tax Collector has not presented the disclosures required by Governmental Accounting Standards Board Technical Bulletin 98-1, *Disclosures About Year 2000 Issues*, as mandated by Governmental Accounting Standards Board Technical Bulletin 99-1, that the Governmental Accounting Standards Board has determined are necessary to supplement, although not be a part of, the basic

financial statements. In addition, we do not provide assurance that the Franklin Parish Sheriff and Ex-Officio Parish Tax Collector is or will become year 2000 compliant, that the Franklin Parish Sheriff and Ex-Officio Parish Tax Collector's year 2000 remediation efforts will be successful in whole or in part, or that parties with which Franklin Parish Sheriff and Ex-Officio Parish Tax Collector does business are or will become year 2000 compliant.



MARCUS ROBINSON AND HASELL
Winifred, Louisiana
October 5, 1998

FRANKLIN PARISH, LOUISIANA
WYOMING, LOUISIANA
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
June 30, 1999

	Governmental Funds		Fiduciary	Account Groups	
	General Fund	Capital Projects Fund	Agency Funds	General Fund Acct.	General Long-Term Cnts.
ASSETS					
Cash and Cash Equivalents	2,743,859	0	643,151	0	0
Restricted Cash	308,800	0	0	0	0
Investments	723,808	0	0	0	0
Receivables	64,128	0	0	0	0
Due from Fiduciary Funds	12,843	0	0	0	0
Hold Overment	28,543	0	0	0	0
Inventory	11,880	0	0	0	0
Land, Buildings, and Equipment	0	0	0	7,693,900	0
Amount Available in General Fund	0	0	0	0	760,123
Amount to be Provided Retirement of General Long-Term Debt	0	0	0	0	5,315,685
TOTAL ASSETS	4,788,716	0	643,151	7,693,900	6,114,788
LIABILITIES AND FUND BALANCE					
Liabilities:					
Bank Overdraft	0	35,283	0	0	0
Accounts Payable	4,664	0	0	0	0
Due to Taxing Districts and others	0	0	638,333	0	0
Due to General Fund	0	0	12,541	0	0
Long-Term Obligations Payable	0	0	0	0	6,114,788
TOTAL LIABILITIES	4,664	35,283	643,151	0	6,114,788
Fund Balance:					
Investment in General Fund Assets	0	0	0	7,693,900	0
Fund Balance:					
Basic Reserve	723,808	0	0	0	0
Reserved for Debt Service	77,896	0	0	0	0
Reserved for Construction, Repairs, Etc.	780,808	(31,793)	0	0	0
Unassigned-Unappropriated	2,736,626	0	0	0	0
TOTAL FUND BALANCE	2,789,126	(31,793)	0	7,693,900	0
TOTAL LIABILITIES AND FUND BALANCE	2,788,126	0	643,151	7,693,900	6,114,788

See Notes To Financial Statements

**Total
(Memorandum
Only)**

5,186,800
100,000
725,800
64,120
12,845
20,545
11,660
7,681,502
781,210

5,101,495

18,278,495

35,181
4,664
616,510
12,891
6,114,785

6,817,518

7,681,502

725,800
71,896

144,707
2,738,676

11,611,781

18,278,495

See Notes To Financial Statements

FRANKLIN PARISH SHERRIF
MONROEBLO, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 1999

	General Fund	Capital Projects Fund	Total (Memorandum Only)
REVENUES			
Ad Valorem Taxes	133,519	0	133,519
Sales Tax	1,533,629	0	1,533,629
Intergovernmental Revenues:			
Federal Grants			
D.A.R.T. Grant	22,944	0	22,944
Louisiana Commission on Law Enforcement Grant-7th District			
Narcotics Task Force	83,773	0	83,773
Pylant Program	19,923	0	19,923
State Grants			
State Revenue Sharing (SRS)	52,938	0	52,938
State Supplemental Pay	191,565	0	191,565
North Delta Law Enforcement District Grant	5,680	0	5,680
Viola Parker Devolin Fund Grant	8,791	0	8,791
Matching Funds - Other Parishes:			
5th District Narcotics Task Force	28,186	0	28,186
Fees, Charges and Commissions for Services:			
Commissions on Licenses, Etc.	28,962	0	28,962
Commissions on State Revenue Sharing	69,441	0	69,441
Civil and Criminal Fees	123,133	0	123,133
Feeding and Keeping Prisoners	1,973,619	0	1,973,619
Fines and Penalties	15,691	0	15,691
Detention Center - Commissary, Telephone and Mailing	368,789	0	368,789
Rent of Premises	1,228	0	1,228
Sale from Criminal Activities	6,877	0	6,877
Use of Money - Interest Earnings	173,641	0	173,641
Other	139,230	0	139,230
TOTAL REVENUES	5,521,490	0	5,521,490

See Notes To Financial Statements

	<u>General</u> <u>Fund</u>	<u>Capital</u> <u>Projects</u> <u>Fund</u>	<u>Total</u> <u>(Millions of</u> <u>Dollars)</u>
EXPENDITURES			
Public Safety:			
Personal Services and Related Benefits	2,043,215	0	2,043,215
Operating Services	587,298	0	587,298
Materials and Supplies	683,782	0	683,782
Travel and Other Charges	144,368	0	144,368
Debt Service:			
Principal	425,000	0	425,000
Interest	323,783	0	323,783
Amortization of Bond Premium	2,796	0	2,796
Capital Outlay:			
Franklin Parish Sheriff	120,179	48,873	171,154
Fifth District Narcotics Task Force Equipment	1,347	0	1,347
See Other Parish Sheriffs	1,347	0	1,347
TOTAL EXPENDITURES	4,512,981	48,873	4,574,056
EXCESS REVENUES (EXPENDITURES)			
OVER EXPENDITURES (REVENUES)	895,499	(48,873)	847,626
FUND BALANCE AT BEGINNING OF YEAR	2,738,873	(7,218)	2,738,895
FUND BALANCE AT END OF YEAR	3,731,272	(58,093)	3,731,272

See Notes To Financial Statements

**FRANKLIN PARISH HERET
 PARISHING, LOUISIANA
 COMBINED STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET (BASE) BASIS AND ACTUAL
 OPERATIONAL FUNDS - GENERAL FUND AND CAPITAL PROJECTS FUND
 FOR THE YEAR ENDED JUNE 30, 1999**

	General Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Ad Valorem Taxes	698,996	733,519	34,523
Sales Tax	1,348,512	1,353,629	4,117
Intergovernmental Revenue:			
Federal Grants:			
D.A.R.E. Grant	24,896	22,944	(1,952)
Louisiana Commission on Law Enforcement Grant -			
5th District Narcotics Task Force	85,773	85,773	0
Tyland Program	79,953	79,953	0
State Grants:			
State Revenue Sharing (24%)	59,084	63,908	4,824
State Supplemental Pay	179,084	181,385	2,301
North Delta Law Enforcement District Grant	3,584	3,680	2,096
Video Poker Device Fund District	8,084	8,781	(1,303)
Matching Funds - Other Parishes: 5th Dist. Narcotics Task Force	21,996	28,186	6,190
Fees, Charges and Commissions for Services:			
Commissions on Licenses, Etc.	21,080	28,962	7,882
Commissions on State Revenue Sharing	68,996	68,441	(555)
Civil and Criminal Fees	193,800	121,230	(72,570)
Feeding and Keeping Prisoners	1,749,320	1,973,618	224,298
Fines and Forfeitures	9,996	15,893	5,897
Detention Center - Commissary, Telephones and Vending	293,894	349,338	55,444
Sale of Produce	996	1,238	242
Sale from Criminal Activities	0	6,877	6,877
Use of Money - Interest Earnings	12,000	175,041	163,041
Other	(168,486)	(132,720)	(35,766)
TOTAL REVENUES	3,828,542	5,521,480	1,692,938

See Notes To Financial Statements

FRANKLIN PARISH Sheriff
WINNBERG, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET-BY-APPROPRIATION BASIS AND ACTUAL
GOVERNMENTAL FUNDS - GENERAL FUNDS AND CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 1998

EXPENDITURES	<u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Permissible</u> <u>(Unfavorable)</u>
Public Safety:			
Personal Services and Related Benefits	2,121,830	2,243,219	121,389
Operating Services	621,812	567,598	(54,214)
Materials and Supplies	686,248	683,763	(2,485)
Travel and Other Charges	144,823	144,368	(455)
Debt Service:			
Principal	423,808	423,808	0
Interest	323,898	323,763	(135)
Amortization on Bond Premium	0	2,708	(2,708)
Capital Outlay:			
Franklin Parish Sheriff	189,368	126,278	(63,090)
Ft. Bi District Narcotics Task Force Equipment for Other Parish Sheriff's	1,247	1,247	0
TOTAL EXPENDITURES	4,549,996	4,525,883	24,113
EXCESS REVENUES (DEFICIENCIES)			
(OVER) EXPENDITURES (REVENUES)	(90,743)	985,498	944,756
FUND BALANCE AT BEGINNING OF YEAR	2,786,073	2,786,073	0
FUND BALANCE AT END OF YEAR	2,236,816	3,781,571	944,756

See Notes To Financial Statements

CAPITAL PROJECTS FUND

Budget	Actual	Variance Favorable (Unfavorable)
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	48,075	(48,075)
<u>0</u>	<u>0</u>	<u>0</u>
0	(48,075)	(48,075)
0	(48,075)	(48,075)
<u>(2,218)</u>	<u>1,2218</u>	<u>0</u>
<u>(2,218)</u>	<u>(51,293)</u>	<u>(58,012)</u>

See Notes to Financial Statements

FRANKLIN PARISH SHERIFF
MINORVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
2018-19

INTRODUCTION

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the sheriff serves a four-year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The sheriff administers the parish jail system and executes duties required by the parish court system, such as providing bailiffs, executing orders of the court, and serving subpoenas.

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF REPRESENTATION

The accompanying financial statements of the Franklin Parish Sheriff have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The most significant of the government's accounting policies are detailed below.

An account group is a financial reporting device designed to provide accountability for certain assets and liabilities because they do not directly affect net expendable available financial resources. The account groups used by the sheriff are as follows:

General Fixed Assets Account Group

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. No depreciation has been provided on general fixed assets.

General Long-Term Obligations Account Group

Long-Term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Obligations Account Group, not in the governmental funds.

FRANKLIN PARISH SHERIFF
MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
PERIOD ENDING

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. BASIS OF PRESENTATION (Continued)

General Long-Term Obligations Account Group (Continued)

These two income groups are not "funds." They are concerned only with the measurement of financial position and are not involved with measurement of results of operations.

Because of their operating measurement basis, expenditure recognition for governmental fund types is limited to exclude amounts represented by measured liabilities. Since they do not affect net current results, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are treated reported as liabilities in the General Long-Term Debt Account Group.

B. REPORTING ENTITY

Section 2108 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Codification Section 2108, the sheriff includes all funds, account groups, activities, etc., 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 by the parish police jury 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 police jury, 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.

Louisiana Revised Statute 24:513 (KRM) requires that the accounts of each parish tax collector be audited annually. Accordingly, the accompanying financial statements reflect the financial activity of the sheriff relating also to his responsibility as ex-officio parish tax collector.

C. FUND ACCOUNTING

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

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

FRANKLIN PARISH SHERIFF
MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. FUND ACCOUNTING (Continued)

Funds of the Sheriff are classified into two categories: governmental (General Fund and Capital Projects Fund) and proprietary (Agency Funds). These funds are described as follows:

General Fund

The General Fund is the principal fund of the Sheriff's office and accounts for the operations of the Sheriff's office. The Sheriff's primary sources of revenue are an ad valorem tax levied by the law enforcement district and a one percent sales and use tax approved by the voters of the parish. Other sources of revenue include reimbursements on state revenue sharing, state supplemental pay for deputies, civil and criminal fees, fees for room attendance and maintenance of prisoners, etc. General operating expenditures are paid from this fund. The General Fund is also used to account for the retirement of long-term debt recorded in the General Long-Term Obligations Account Group. The debt represents the issuance of \$7,150,808 of Public Improvement Bonds, and their subsequent refinancing, and \$400,000 in Certificates of Indebtedness, related reserve requirements of the bonds, and compensatory time due.

Capital Projects Fund

The Capital Projects Fund accounts for the financial resources received and used in the construction of a new jail facility financed by the \$7,150,808 bond issue noted above.

Agency Funds

The agency funds are used as depositories for civil suits, cash bonds, taxes, fees, etc. Disbursements from these funds are made to various parish agencies, litigants in suits, etc., in the manner prescribed by law. The agency funds are custodial in nature (passive liabilities) and do not involve measurement of results of operations. The agency funds include the Sheriff's fund, the tax collector fund, and the inmate trust fund.

D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases in net current assets. The modified accrual basis of accounting is used by all governmental funds. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

All ad valorem taxes and the related state revenue sharing are recorded in the year taxes are due and payable. All other 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.

FRANKLIN PARISH SHERIFF
MEMORANDUM, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Sales and use tax revenues are recognized by the sheriff in the month received by the sheriff's collection agents, the Franklin Parish School Board's Sales and Use Tax Office and the Louisiana Department of Public Safety and Corrections, Public Safety Services, Office of Motor Vehicles. Intergovernmental revenues and fees, charges, and commissions for services are recorded when the sheriff is entitled to the funds.

Interest income on time deposits and investments is recorded when the instruments have matured and the interest is available. Interest income on interest-bearing demand deposit accounts is recorded at the end of each month when credited by the bank.

Other revenues are recognized when received.

Expenditures

Expenditures are recognized under the modified accrual basis of accounting when the related fiscal liability is incurred, except principal and interest on general long-term obligations, which are recognized when due.

Other Financing Sources (Uses)

Proceeds from the sale of fixed assets are accounted for as other financing sources and are recognized when received. Items related to bond refinancing are also reported as other financing sources.

D. BUDGET PRACTICES

The proposed budget for the fiscal year ended June 30, 1999, was made available for public inspection on June 18, 1998. The proposed budget, prepared on the modified accrual basis of accounting, was published in the official journal as required prior to the public hearing, which was held at the Franklin Parish Sheriff's office June 18, 1998, for comments from taxpayers. The budget was legally adopted and amended, May 27, 1999, by the sheriff.

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

E. ENCUMBRANCES

Encumbrance accounting is not used in the sheriff's operations.

G. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include amounts in demand deposits, interest-bearing demand deposits, and time deposits. Under state law, the sheriff must deposit funds in demand deposits, interest-bearing demand deposits, money market accounts or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. The collections must be deposited in a bank domiciled in the parish where the funds are collected.

FRANKLIN PARISH SHERIFF
SCENESBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. INVESTMENTS

Under state law, the sheriff may invest in United States bonds, treasury notes, or certificates. These are classified as investments (if the original maturities exceed 90 days, however, if the original maturities are 90 days or less, they are classified as cash equivalents). The sheriff reports United States Treasury bills and notes as investments.

I. INVENTORY

Inventory at June 30, 1999, consists of commissary items purchased during preceding months. Inventory items are valued at unit prices established by purchase prices paid for purchased items. Amounts are recorded as expenditures under the consumption method using the First-In, First-Out (FIFO) cost flow assumption.

J. FIXED ASSETS

Fixed assets are recorded as expenditures at the time purchased, and the related assets are capitalized (expensed) in the General Fixed Assets Account Group. General fixed assets provided by the parish police jury are not recorded within the General Fixed Assets Account Group. Interest costs incurred during construction are not capitalized.

K. VACATION AND SICK LEAVE

Employees earn two weeks of accumulative vacation leave and one week of accumulative sick leave each year. There are no accumulated or vested benefits relating to vacation and sick leave that require accrual or disclosure to conform with generally accepted accounting principles.

L. COMPENSATORY TIME (K-TIME)

Compensatory Time (K-time) represents a one and one-half credit for each hour of overtime worked. The maximum for law enforcement personnel (deputies, detectives and guards) is 400 K-time hours which represent not more than 328 hours of actual overtime worked. The maximum for non-law enforcement personnel is 340 K-time hours which represents 160 hours of actual overtime worked. Employees may take K-time as compensated time off.

An employee shall upon termination be paid for the unused K-time at a rate of compensation not less than: a) the average regular rate received by such employee during the last three years of employment or b) the final regular rate, whichever is higher.

All overtime work in excess of K-time limits must be paid in the period earned.

FRANKLIN PARISH SHERIFF
SUPOBRIAL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. LONG-TERM OBLIGATIONS

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

N. SALES AND USE TAX

The Franklin Parish Sheriff is authorized to collect a one percent sales and use tax within Franklin Parish. The proceeds of the tax, after payment of costs for collecting and administering the tax, are dedicated to constructing, maintaining, and operating a jail facility and offices for the Franklin Parish Sheriff, including the payment of salaries for the operation of the jail facilities. This tax was approved for an indefinite time period; however, on March 10, 1993, the voters approved a referendum changing the indefinite expiration date to June 1, 2018.

R. FUND EQUITY RESERVES

Reserves represent those portions of fund equity which cannot be appropriated for expenditures or are legally segregated for a specific future use.

F. TOTAL COLUMN ON COMBINED BALANCE SHEET

The total column on the Combined Balance Sheet is captioned Miscellaneous Only to indicate that it is prepared only to facilitate financial analysis. Data in this column does not present financial position in conformity with generally accepted accounting principles. Entries in each date comparable to a consolidation.

D. BOND DISCOUNT

The discount paid at the time of the bond refinancing is being amortized on the straight-line method over the life of the new bonds.

H. BAD DEBTS

Uncollectible accounts receivable are charged directly against earnings when they are determined to be uncollectible. Use of this method does not result in a material difference from the valuation method required by generally accepted accounting principles. Management feels all receivables at year end are collectible and no allowance for bad debt is necessary.

**FRANKLIN PARISH SHERIFF
MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999**

NOTE 2 - LIQUID TAXES

Act 689 of the regular session of the Louisiana Legislature of 1996 provided initial financing authorization for the levy of an ad valorem tax millage for the law enforcement district. Voters of the district subsequently approved an increase in the ad valorem tax beyond initial authorization. The following is a summary of authorized and levied ad valorem taxes:

	Authorized Expiration Indefinite	Levied Millage	Millage
Constitutional Law Enforcement District	2001	8.27	8.27
		9.52	9.52

NOTE 3 - CASH AND CASH EQUIVALENTS

For the purpose of these financial statements, the sheriff considers cash and cash equivalents to be amounts held in demand deposits, interest bearing demand deposits, and time deposits.

At June 30, 1999 the sheriff has cash and cash equivalents (book balances) totaling \$3,501,318, as follows:

Temp Cash	1,620
Restricted Cash	200,000
Interest Bearing Demand Deposits	3,229,698
TOTAL	3,511,318

Cash is classified into three categories to give an indication of the level of risk assumed at year-end. Category 1 includes investments insured or registered or securities which are held by the Sheriff or its agent in the Sheriff's name. Category 2 includes uninsured or unregistered investments for which the securities are held by the bank or agent in the Sheriff's name. Category 3 includes uninsured or unregistered investments with the securities held by the bank or agent but not in the Sheriff's name.

The carrying amount of the Sheriff's deposits with the financial institutions was \$3,787,829 and the bank balance was \$3,529,899. The bank balance is categorized as follows:

	Category		
	1	2	3
Cash	380,800	3,129,099	0

Restricted cash constitutes the bond agreement requirements. See Note 11 for details.

**FRANKLIN PARISH SHERIFF
SPRINGFIELD, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999**

NOTE 4 - INVESTMENTS

At June 30, 1999 investments classified as being held in trust by consist of the following:

United States Treasury Notes Municipal Note 5.25% maturing 5-31-08	<u>715,080</u>
---	----------------

These investments will be held to maturity and are therefore shown at maturity value.

These investments have a carrying value of \$715,080 and a market value of \$700,577.

These investments are accounted as being held in reserve for satisfaction of the bond authorization agreement as discussed in Note 11.

Investments are classified into three categories to give an indication of the level of risk assumed at the year end. Category 1 includes investments insured or registered which are held by the sheriff or its agent in the sheriff's name. Category 2 includes uninsured or unregistered investments for which the securities are held by the bank or broker in the sheriff's name. Category 3 includes uninsured or unregistered investments with the securities held by the bank or broker but not in the sheriff's name.

	Category		
	1	2	3
Investments	721,808	0	0

NOTE 5 - RECEIVABLES

The General Fund receivables of \$64,120 at June 30, 1999 are as follows:

Fees, Commissions, and Charges	\$5,120
TOTAL	<u>\$64,120</u>

NOTE 6 - CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

Description:	Balance			Deletions	Balance	
	June 30, 1998	Additions	0		June 30, 1999	0
Land	\$0,000	0	0	0	\$0,000	
Building	6,415,321	45,000	0	0	6,460,321	
Vehicle	472,577	99,685	48,727	48,727	482,598	
Office Furniture & Equipment	243,033	2,280	0	0	245,313	
Law Enforcement Equipment	282,646	14,560	6,328	6,328	290,678	
Soft Equipment	118,187	2,082	0	0	120,269	
TOTAL	7,275,364	178,505	54,727	54,727	7,415,321	

FRANKLIN PARISH SHERIFF
WINNBERG, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 6 - CHANGES IN GENERAL FIXED ASSETS (Continued)

All fixed assets are stated at historical cost or estimated cost (Actual historical cost is not available). Of the \$7,681,353 in general fixed assets recorded, \$14,149 is recorded at estimated historical cost.

NOTE 7 - PENSION PLAN

Substantially all employees of the Franklin Parish Sheriff's Office are members of the Louisiana Sheriff's Pension and Relief Fund (the System), a multiple-employer (joint sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees. All sheriff's and deputies who are found to be physically fit, earn at least \$800 per month, and who were between the ages of 18 and 58 at the time of original employment are required to participate in the System. Employees are eligible to retire as of either age 55 with at least 12 years of credited service and receive a benefit payable monthly for life, equal to percentage of their final-average salary for each year of credited service. Final-average salary is the employee's average salary over the 35 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination as indicated previously. Employees who terminate with at least 20 years of credited service are also eligible to elect early benefits between ages 50 and 55 with reduced benefits equal to the actuarial equivalent of the benefit to which they would otherwise be entitled at age 55. The System also provides death and disability benefits. Benefits are established by state statute.

Contributions to the System include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and a direct appropriation from the State of Louisiana. State statute requires covered employees to contribute a percentage of their salaries to the System. As provided by Louisiana Revised Statute 13:181, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuations for the prior fiscal year.

The following provides certain disclosures for the sheriff at June 30, 1999:

Total Payroll for Employees Covered by the System		1,446,948	
Total Payroll for All Employees		1,868,749	
	<u>Total</u>	<u>Employee</u>	<u>Employer</u>
Discretionary Contributions	186,793	72,324	125,887
As a Percent of Current-Year Covered Payroll	N/A	5.00%	8.79%
Trend Information:			
Contributions required State Statute	<u>1,282</u>	<u>1,958</u>	<u>1,287</u>
Employee	72,324	68,715	72,314
Employer	125,887	114,329	304,858
Total Statutorily Required Contribution	<u>128,111</u>	<u>283,044</u>	<u>377,172</u>

FRANKLIN PARISH SHERIFF
MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 7 - PENSION PLAN (Continued)

100% of required contributions were made for each year.

Additional information and ten year historical trend information can be obtained from the separately issued Louisiana Sheriff's Pension and Relief Fund Comprehensive Annual Financial Report.

NOTE 8 - POST EMPLOYMENT BENEFITS

The Franklin Parish Sheriff does not provide continuing health care and life insurance benefits for retirees.

NOTE 9 - LEASES

The sheriff's records assets acquired through capital leases are an asset and records the lease as an obligation. The sheriff had no leases outstanding as of June 30, 1999.

NOTE 10 - CHANGES IN AGENCY FUNDS

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

	Balance June 30, 1998	Additions	Deductions	Balance June 30, 1999
Agency Funds:				
Sheriff's	37,178	1,115,506	917,184	295,500
Tax Collector	251,668	4,083,174	4,081,078	753,764
Mayor Trust	14,181	165,093	163,424	15,850
TOTAL	302,927	5,363,773	5,061,686	668,114

NOTE 11 - LONG TERM DEBT

Advance Refunding

On December 1, 1991, the Franklin Parish Sheriff issued \$1,335,080 in General Obligation Bonds with an average interest rate of 4.33 percent in advance refund \$5,165,800 of outstanding Franklin Parish Law Enforcement Public Improvement Bonds Series 1990 with an average interest rate of 8%. The net proceeds of \$5,650,280 (after payment of \$484,798 for issuance costs) were used to purchase U.S. government securities. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1990 Series bonds. As a result, \$5,165,080 of the 1991 series bonds are considered to be refunded and the liability for these bonds has been removed from the general long-term debt account group.

The Franklin Parish Sheriff's advance refunded the 1990 Series bonds to reduce its total debt payments over the next 17 years by \$349,271 and to obtain an economic gain of \$278,285.

FRANKLIN PARISH SHERIFF
MINNEBOCA, LOUISIANA
MUNICIPAL FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 11 - LONG-TERM DEBT (Continued)

Changes in General Long-Term Debt

The following is a summary of long-term debt transactions for the year ended June 30, 1999:

	Certificate of Indebtedness	E-Trade	1999 Series Bond Payable	1997 Series Bond Payable	Total
Balance July 1, 1998	190,000	13,825	641,000	3,690,000	4,534,825
Retirements	(4,000)	347	310,000	70,000	(624,347)
Additions	0	0	0	0	0
Balance June 30, 1999	<u>186,000</u>	<u>14,172</u>	<u>331,000</u>	<u>3,620,000</u>	<u>4,151,272</u>

Bonds payable at June 30, 1999 are comprised of the following General Obligation Bonds:

\$3,250,000 Franklin Parish Law Enforcement Public Improvement Bonds Series 1998, due in annual installments ranging from \$318,000 to \$335,000. Interest is payable semi-annually at rates ranging from 9.25% to 6.87%.

3,250,000

\$5,725,000 Franklin Parish Law Enforcement Public Improvement Bonds Series 1997, due in annual installments ranging from \$40,000 to \$490,000. Interest is payable semi-annually at rates ranging from 5.87% to 4.87%.

5,625,000

Interest expense for the year was \$223,783.

The annual requirements to amortize the bonds outstanding at June 30, 1999, including interest of \$22,750 on the Series 1999 Bonds and \$1,708,700 on the Series 1997 Bonds are as follows:

Per Year Ending June 30:

	Series 1999	Series 1997	Total
2000	537,780	332,297	898,077
2001	0	694,185	694,185
2002	0	695,285	695,285
2003	0	700,225	700,225
2004	0	698,673	698,673
2005-2010	0	4,285,020	4,285,020
	<u>537,780</u>	<u>12,085,733</u>	<u>12,623,513</u>

The bond authorization agreement requires that, as of any date, there must be on reserve "the lesser of (1) 10 per cent of the proceeds of the bonds and any additional parity bonds therefore issued and delivered, and (2) the maximum principal and interest requirements in any succeeding bond year (including that year) on the bonds and any additional parity bonds therefore issued and delivered." As June 30, 1999, the Sheriff has deposited the required reserve amount of \$125,000 in a bond reserve account, which is reported in the General Fund as a reserve of fund balance.

FRANKLIN PARISH SHERIFF
MEMBER 800, LOUISIANA
FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 11 - LONG-TERM DEBT - Continued

In addition, the sheriff is required to deposit \$200,000 into a capital contingency fund to be used for maintenance of the jail. The sheriff transferred \$200,000 into the contingency fund in 1990 as required by the bond issue.

On March 1, 1992, the sheriff authorized the issuance of \$480,000 of Certificate of Indebtedness, Series 1991, of the Law Enforcement District of The Parish of Franklin, Louisiana.

The Certificate was issued for the purpose of constructing and acquiring improvements to and for the new Franklin Parish Jail, and paying the costs of issuance of the Certificate. The Certificate will be financed from a pledge and dedication of the excess annual revenues of the District above statutory, necessary and usual charges in each of the fiscal years during which the Certificate is outstanding.

The annual requirements to amortize the Certificate as June 30, 1999, including interest of 10.50% are as follows:

<u>For the Year Ending June 30,</u>	
2000	55,585
2001	55,585
2002	55,585
TOTAL	166,755

NOTE 12 - LITIGATION AND CLAIMS

The sheriff is a defendant in no lawsuits seeking damages.

NOTE 13 - EXPENSES OF THE SHERIFFS OFFICE PAID BY THE PARISH POLICE JURY

The sheriff's office is located in the parish courthouse. The cost of maintaining and operating the courthouse, as required by Louisiana statute, is paid by the Parish Police Jury, except for the jail as set forth in the intergovernmental agreement discussed in Note 14.

NOTE 14 - INTERGOVERNMENTAL AGREEMENT

As provided by Louisiana Revised Statute (LSA-R.S.) 53:1374, the Franklin Parish Sheriff has entered into an intergovernmental agreement with the Franklin Parish Police Jury to assume all liability and responsibility of the jail operations within Franklin Parish effective May 1, 1989, and perpetually thereafter, so long as the Franklin Parish Law Enforcement District exists and was in existence in force and effect. The liabilities assumed by the sheriff include utilities, maintenance and upkeep, feeding and keeping prisoners, salaries and cost of jail operations, and construction of a new jail. The intergovernmental agreement also states that the parish of Franklin relinquishes, transfers, and assigns to the Franklin Parish Sheriff and the Law Enforcement District of Franklin Parish all jurisdiction, responsibility, and control over the present and any future jail within Franklin Parish.

**FRANKLIN PARISH OFFICE
WICHITANIA, LOUISIANA
MONTHLY FINANCIAL STATEMENTS
JUNE 30, 1992**

NOTE 15 - SELF-INSURANCE

During the 1992-93 fiscal year, the Franklin Parish Sheriff's Department began a program of self-insurance administered by a third party for group insurance of its employees and their dependents. The group insurance coverage provides medical benefits, as stipulated in the Group Benefit Plan. The group insurance plan is administered by a third party insurance company. The Sheriff Department covers medical expenses up to \$15,000 per person covered. The underwriter covers 100% thereafter.

NOTE 16 - STATE REVENUE SHARING FUNDS

The revenue sharing funds provided by Act 455 of 1989 were distributed as follows:

Tensas Basin Levee District	12,158
Franklin Parish:	
Police Dep.	182,867
School Board	78,917
Sheriff	123,219
Library	88,514
Assessment District	33,800
Pension Funds	14,212
TOTALS	483,707

NOTE 17 - K-TIME AND LEISURE K-TIME

The amounts up to 480 or 240 K-Time hours are reported as compressed absences in the General Long-Term Debt Account group at the rate of pay at 6/30/92.

Balance in General Long-Term Debt Account Group 22,708

NOTE 18 - INDIVIDUAL FUND INTERFUND

Receivables and Payable Balances

Such Balances at June 30, 1992 were:

	Interfund Receivables	Interfund Payables
General Fund	12,840	0
Voluntary Funds/Agency Funds	0	12,840

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

To the Honorable Steve Plyler
Franklin Parish Sheriff and Ex-Officio Parish Tax Collector
Winnberg, Louisiana

We have audited the financial statements of the Franklin Parish Sheriff and Ex-Officio Parish Tax Collector, as of and for the year ended June 30, 1999, and have issued our report thereon dated October 5, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Franklin Parish Sheriff and Ex-Officio Parish Tax Collector's financial statements are free of material misstatements, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, compliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Franklin Parish Sheriff and Ex-Officio Parish Tax Collector's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. The considerations of the internal control over financial reporting, would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected, within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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

Marcus, Robinson & Hassell

Marcus, Robinson and Hassell

October 5, 1999

**FRANKLIN PARISH/SHREVEPORT
WYNSBORO, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 1999**

Federal Grant/ Pass-Through Grant/ Program Name	CFDA Number	Expenditures
DEPT. OF JUSTICE PROGRAMS, BUREAU OF JUSTICE ASSISTANCE, UNITED STATES DEPARTMENT OF JUSTICE		
Passed through Louisiana Division of Administration through Louisiana Commission on Law Enforcement and Administration of Criminal Justice - Narcotics		
Task Force	65.579	83,373
Bylaw Program	65.579	19,960
D.A.R.E. Grant	65.579	21,864
TOTAL FEDERAL FINANCIAL ASSISTANCE		125,197

**FRANKLIN PARISH SHREVE
WINGDALE, LOUISIANA**

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

PART I - SUMMARY OF THE AUDITOR'S RESULTS

Financial Statement Audit

- i. The type of audit report issued was unqualified.
- ii. There were no reportable conditions required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States.
- iii. There were no instances of noncompliance considered material, as defined by the Government Auditing Standards, to the financial statements.

Audit of Federal Awards

- iv. There were no reportable conditions required to be disclosed by OMB Circular No. A-133.
- v. The audit disclosed no audit findings which the auditor is required to report under OMB Circular No. A-133, Section 501(a).
- vi. There were no major federal programs for the year ended June 30, 1999.
- vii. The dollar threshold used to distinguish between Type A and Type B programs as described in OMB Circular No. A-133, Section 529 (b) was \$300,000.

PART II - Findings relating to the financial statements which are required to be reported in accordance with Generally Accepted Government Auditing Standards:

NONE

FRANKLIN PARISH SHERIFF
 MONROE, LOUISIANA
 COMBINED SCHEDULE OF ASSETS AND LIABILITIES
 FUNDARY FUNDS - AGENCY FUNDS
 AS OF JUNE 30, 1998

	Sheriff's Fund	Inmate Fund	Tax Collector Fund	Total
ASSETS				
Cash and Cash Equivalents	281,538	16,658	300,864	600,135
TOTAL ASSETS	281,538	16,658	300,864	600,135
LIABILITIES				
Due to Taxing Auditor and Others	281,538	3,816	300,864	600,135
Due to General Fund	-----\$	12,843	-----\$	12,843
TOTAL LIABILITIES	281,538	16,658	300,864	600,135

**FRANKLIN PARISH HERSE E
WYNERHOOD, LOUISIANA
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
FUNDIARY FUNDS - AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 1999**

	Sheriff's <u>Fund</u>	Inmate Trust <u>Fund</u>	Tax Collector <u>Fund</u>	<u>Total</u>
BALANCES AT BEGINNING OF YEAR	57,378	14,880	151,668	323,926
ADDITIONS:				
Deposits:				
Sheriff's Sales	509,783	0	0	509,783
Fines	4,180	0	0	4,180
Fines and Costs	448,885	0	0	448,885
Contributions	38,695	0	0	38,695
Other Deposits	175,943	0	0	175,943
Taxes, Fees, Etc., Paid to				
Tax Collector	0	0	4,856,757	4,856,757
Interest on Investments	2,148	282	13,617	16,047
Other Additions - Inmate Deposits	0	163,829	0	163,829
TOTAL ADDITIONS	1,131,334	164,111	4,880,374	6,175,819
TOTAL AVAILABLE	1,188,714	179,001	4,132,042	5,499,757
REDUCTIONS				
Taxes, Fees, Etc., Distributed				
to Taxing Bodies and others	0	0	4,081,878	4,081,878
Deposits Sent to:				
Sheriff's General Fund	152,223	149,954	0	302,177
Police Jury	128,484	0	0	128,484
District Attorney	23,821	0	0	23,821
Clerk of Court	38,859	0	0	38,859
Indigent Defender Board	34,570	0	0	34,570
Attorneys, Appraisers, Etc.	301,315	0	0	301,315
Other Settlements	56,282	0	0	56,282
Interest	0	16,670	0	16,670
TOTAL REDUCTIONS	907,304	166,624	4,081,878	5,081,806
BALANCES AT END OF YEAR	281,410	12,377	3,050,164	3,344,151