

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
BASED ON AN AUDIT OF BASIC
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

**HONORABLE RICHARD EDWARDS, JR.,
JEFFERSON DAVIS PARISH SHERIFF**
Bossier, Louisiana

We have audited the financial statements of the Jefferson Davis Parish Sheriff, a component unit of the Jefferson Davis Parish Police Jury, as of and for the year ended June 30, 1997, and have issued our report thereon dated December 15, 1997.

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

Compliance with laws, regulations, contracts, and grants applicable to the Jefferson Davis Parish Sheriff is the responsibility of the Jefferson Davis Parish Sheriff's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Jefferson Davis Parish Sheriff's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the 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 no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

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

Kristow, Gillette & Co.
Certified Public Accountants

Bossier, Louisiana
December 15, 1997

FRONT YEAR AUDIT COMMENTS

Electronic Libraries Held in Escrow

Prior year comments indicated that the Auditor was not maintaining adequate records in the area of February fund balances for amounts held in escrow for cash bonds and fees.

Follow-up Observation and Response

Our procedures in this area indicate that all recommendations have been implemented and that the Auditor has employed adequate record retention procedures.

Auditor Response:

Not 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. However, we believe that the reportable condition described above is a material weakness in the internal control and its operation. This condition was considered in determining the nature, timing, and extent of the procedures to be performed in our audit of the financial statements of the Jefferson Davis Parish Sheriff, for the year ended June 30, 1997.

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

Kneisel, Gillespie & Co.

Certified Public Accountants

Monroe, Louisiana

December 15, 1997

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE OR
BASIC FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

**HONORABLE RICHARD EDWARDS, JR.,
JEFFERSON DAVIS PARISH SHERIFF**
Bossierette, Louisiana

We have audited the general purpose financial statements of the Jefferson Davis Parish Sheriff, a component unit of the Jefferson Davis Parish Police Jury, as of and for the year ended June 30, 1997, and have issued our report thereon dated December 15, 1997.

We have 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 misstatements.

The management of the Jefferson Davis 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 authorized and recorded properly to permit the preparation of general purpose 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 Jefferson Davis Parish Sheriff, for the year ended June 30, 1997, 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.

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions 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.

We noted the following condition:

CURRENT YEAR AUDIT COMMENTS

None

**OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

JEFFERSON BANKING AND TRUST

Savings, Investments

**FOREIGN EXCHANGE - AGENCY FUNDS
COMBINING MONTH-END CHANGES IN BALANCES
DUE TO TAKING POSSES, OTHERS, AND OTHER ITEMS
For the Year Ended June 30, 1997**

	Cash	Tax Collection	Funds and Fees	Interest	Foreign Bank Returns	Total
BALANCE AT BEGINNING OF YEAR	\$ 1,000,000	\$ 204,800	\$ 180,750	\$ 600	\$ 1,100	\$ 1,486,850
INCREASES						
Deposits:						
Share's sales, retained retains	\$ 45,584	\$ 0	\$ 0	\$ 0	\$ 0	\$ 45,584
Stock, bond redemptions	346,794	0	880,855	0	0	1,227,649
Contributions	14,733	0	0	0	0	14,733
Other deposits	0	0	0	21,568	6,541	28,119
Taxes, fees, etc., paid to our customer	0	5,814.11	0	0	0	5,814.11
Total additions	\$ 406,111	\$ 5,814.11	\$ 880,855	\$ 21,568	\$ 6,541	\$ 1,320,889
DECREASES						
Deposits applied to:						
Share's general fund	\$ 11,831	\$ 0	\$ 171,429	\$ 14,777	\$ 0	\$ 198,037
Tuition pay	0	0	386,396	0	0	386,396
Student activity	0	0	178,264	0	0	178,264
Child support	11,893	0	71,736	0	0	83,629
Judges/attorneys bond	0	0	883,864	0	0	883,864
Insurance, premiums, "tuition, etc.	381,796	0	0	0	0	381,796
Other redemptions	0	0	149,444	0	136	149,580
Saves, fees, etc., distributed to issuing banks and others	0	6,000,000	0	0	0	6,000,000
Other deposits	0	0	0	16,599	0	16,599
Total decreases	\$ 513,820	\$ 6,000,000	\$ 1,880,963	\$ 16,599	\$ 136	\$ 7,411,518
BALANCE AT END OF YEAR	\$ 486,180	\$ 3,814,814	\$ 1,000,892	\$ 2,568	\$ 10,504	\$ 5,304,958

JEFFERSON DAVIS PARISH GOVERNMENT
Bossier, Louisiana

FINANCIAL FUNDS - AGENCY FUNDS
COMBINED BALANCE SHEET
As of June 30, 1997

	Cash	Treasury Collections	Bonds and Fees	Investm.	Finance Work Balance	Total
ASSETS						
Cash	\$ 938	\$ 326,140	\$ 118,108	\$ 2,746	\$ 18,529	\$ 464,461
Due from other funds	0	0	0	0	0	0
Due from being transferred others	0	0	0	0	0	0
TOTAL ASSETS	\$ 938	\$ 326,140	\$ 118,108	\$ 2,746	\$ 18,529	\$ 464,461
LIABILITIES						
Due to other funds	0	0	1,571	0	0	\$ 1,571
Due to being transferred others	938	324,569	112,532	2,746	18,529	\$ 459,294
TOTAL LIABILITIES	\$ 938	\$ 324,569	\$ 114,103	\$ 2,746	\$ 18,529	\$ 459,885

JEFFERSON DAVIS PARISH SHERIFF
Bossier, Louisiana
COMBINED FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 1997

FIDUCIARY FUNDS - AGENCY FUNDS

CIVIL FUND

The Civil Fund accounts for funds held in civil suits, sheriff's sales, and garnishments and payments of these collections to the recipients in accordance with applicable law.

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.

BONDS AND FINES FUND

The Bonds and Fines Fund accounts for the collection of bonds, fines, and costs and payments of these collections to the sheriff's General Fund and other recipients in accordance with applicable law.

INMATE FUND

The Inmate Fund accounts for individual prisoner account balances. Funds are deposited in the name of the prisoner and are payable upon request. Balances in the individual prisoner accounts are returned upon completion of their jail sentence.

PRISONER WORK RELEASE FUND

The Prisoner Work Release Fund accounts for the collection of inmate wages and the disbursement of these collections in accordance with R.S. 15:711 to 15:713.

JEFFERSON DAVIS PARISH SHERIFF
Lafayette, Louisiana

Notes to the Financial Statements
An of and for the Year Ended June 30, 1997

13. SUBSEQUENT EVENT

During July of 1996 the sheriff borrowed \$131,878 in a revenue anticipation note payable to Premier Bank, National Association of Baton Rouge, Louisiana. This note was issued on August 1, 1997, and was payable on March 3, 1998 along with interest at 5.0%.

14. TAXES PAID UNDER PROTEST

The remaining balances due to taxing bodies and other in the agency funds at June 30, 1997, as reflected on the combined balance sheet on page 3, include \$52,203 of taxes paid under protest, plus interest accrued to date on the investment of these funds, totaling \$5,166. These funds are held pending resolution of the protest and are accounted for in the Tax Collector Agency Fund.

JEFFERSON Davis PARISH SHERIFF
Baton Rouge, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 1997

Fiscal Year	Certificate of Indebtedness(See Notes).....
1995-96	\$ 52,715
1996-97	55,150
1997-98	52,575
2000-01	0
Total	\$ 160,490
Less Interest	15,490
Outstanding Principal	\$ 145,000

The Certificate of Indebtedness, Series 1995, was issued on May 1, 1996, in the amount of \$200,000 for the purpose of paying a portion of the cost of acquiring patrol cars, specialty vehicles and equipment, upgrading computer systems, telephones, and communications equipment. This debt is secured by a pledge or dedication of the excess annual revenues above statutory, necessary and usual charges of the Law Enforcement Division of the Parish of Jefferson Parish, State of Louisiana. The debt was issued in accordance with the requirements and provisions of L.A. R.S. 33:2921-2925 with the approval of the Louisiana State Bond Commission. The certificates bear interest at a rate of 5.17% per annum, with semiannual payment of interest and annual serial payments of principal beginning from date of issuance.

13. RESERVED FUND BALANCE

A portion of the fund balance of the General Fund, \$442,305, has been reserved for drug law enforcement. This balance represents moneys from criminal activities. Louisiana Revised Statute 48:2614 (R.S.) requires such proceeds to be used in drug law enforcement.

14. LITIGATION AND CLAIMS

As June 30, 1997, the Sheriff is involved in 18 lawsuits and 1 asserted claim. In the opinion of the Sheriff's legal counsel, the ultimate resolution of 10 of those suits would not create a liability to the Sheriff in excess of existing insurance coverage. For the remaining 8 suits, in the opinion of the Sheriff's legal counsel, an unfavorable outcome in all of the suits is reasonably possible. The Sheriff's legal counsel has estimated a potential loss of a minimal amount to \$10,000; however, the ultimate outcome of the litigation cannot precisely be determined. Accordingly, no provision for any liability that may result upon adjudication has been made in the accompanying financial statements.

**14. EXPENDITURES OF THE SHERIFF'S OFFICE
PAID BY THE PARISH POLICE JURY**

Certain operating expenditures of the Sheriff's office are paid by the parish police jury and are not included in the accompanying financial statements. The parish police jury is required by law to pay the medical expenses of parish prisoners and provide for the maintenance of the jail.

JEFFERSON PARISH FIRE DEPARTMENT
 Jennings, Louisiana

Notes to the Financial Statements
 As of and for the Year Ended June 30, 1997

	Maintenance	
Fiscal year:		
1993-94	\$	3,483
1994-95		3,497
1995-96		3,497
2000-01		282
2001-02		0
Total	\$	12,759

10. CHANGES IN AGENCY FUND BALANCES

A summary of changes in agency fund balances due to issuing bonds and others follows:

	Cash	Tax Collected	Bonds and Fees	Bonds	Interest Paid Refunds	Total
Balance at July 1, 1996	\$ 0	\$ 254,000	\$ 3,000.00	\$ 400	\$ 3,717	\$ 261,117
Increases	124,825	4,441,807	300,000	71,504	6,341	4,944,477
Decreases	(383,000)	(3,488,000)	(1,000,000)	(35,000)	(100)	(3,866,100)
Balance June 30, 1997	\$ 141,825	\$ 1,207,807	\$ 2,300,000	\$ 36,904	\$ 6,358	\$ 3,752,934

11. CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions during the year ended June 30, 1997:

	Certificate of Indebtedness (See Notes)	Capital Leases (Note 5)	Total
Long-term obligations payable at July 1, 1996	\$ 180,000	\$ 31,477	\$ 211,477
Additions	0	0	0
Debt service	(150,000)	(31,477)	(181,477)
Long-term obligations payable at June 30, 1997	\$ 30,000	\$ 0	\$ 30,000

Following is a summary of long-term debt principal maturities and interest requirements:

JEFFERSON HERVEY PARISH SHERIFF
Bossier, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 1997

7. PENSION PLAN

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

All sheriffs and all deputies who are found to be physically fit, who earn at least \$400 per month, and who were between the ages of 18 and 50 at the time of original employment are required to participate in the System. Employees are eligible to retire at or after age 55 with at least 12 years of credited service and receive a benefit, payable monthly for life, equal to a percentage of their final-average salary for each year of credited service. The percentage factor is the total for each year of service is 2.5 percent for each year of total service is at least 12 but less than 15 years, 3.75 percent for each year if total service is at least 15 but less than 20 years, and 5 percent for each year if total service is at least 20 years (Act 1117 of 1995 increased the normal rate by 0.25 percent for all service rendered on or after January 1, 1993.) In any case, the minimum benefit cannot exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 50 consecutive or joint months that produce the highest average. Employees who terminate with at least 10 years of service and do not withdraw their 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 or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Sheriff's Pension and Relief Fund, Post Office Box 3163, Monroe, Louisiana 71220, or by calling (1-88) 343-3495.

Funding Policy. Plan members are required by state statute to contribute 8.7 percent of their annual covered salary and the Jefferson Hervey Parish Sheriff is required to contribute an actuarially determined rate. The current rate is 6.8 percent of annual covered payroll. Contributions to the system also include one-half of one percent of the taxes shown to be allocatable by the tax rolls of each parish and funds as required and available from insurance premium taxes. The contribution requirements of plan members and the Jefferson Hervey Parish Sheriff are established and may be amended by state statute. As provided by Louisiana Revised statute 11:183, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Jefferson Hervey Parish Sheriff's contributions to the System for the years ending June 30, 1997, 1996, and 1995, were \$46,727, 328,616, and \$13,180, respectively, equal to the required contributions for each year.

8. OTHER POST EMPLOYMENT BENEFITS

The sheriff does not provide other post employment benefits for its ranked employees.

9. LEASES

The minimum annual commitments under operating leases and maintenance leases are as follows:

JEFFERSON DAVIS PARISH SHERIFF
Jarvis, Louisiana

Notes to the Financial Statements
 As of and for the Year Ended June 30, 1997

4. RECEIVABLES

Accounts receivable at June 30, 1997, in the General Fund are as follows:

Class of Receivable

<i>Intergovernmental:</i>	
State	\$ 625
Other	1,000
<i>Fees, charges, and commissions for services:</i>	
Civil & criminal fees	2,085
Court procedures	285
Feeding & keeping prisoners	15,558
<i>Use of money and property:</i>	
Commission on phones	1,108
Miscellaneous	4,079
Total	\$ 30,673

5. DUE FROM/TO OTHER FUNDS

Individual balances due from/to other funds at June 30, 1997, are as follows:

<i>Fund</i>	<i>Due from Other Funds</i>	<i>Due to Other Funds</i>
General Fund	\$ 21,984	\$ 0
Agency Funds		
Tax Collector	0	16,338
Fund	0	5,371
Total	\$ 21,984	\$ 21,984

6. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets (equipment) follows:

Balance, July 1, 1996	\$ 589,708
Additions	26,937
Deletions	<u>(1,074)</u>
Balance, June 30, 1997	\$ 586,611

JEFFERSON PARISH PARISH SHERIFF
Baton Rouge, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 1997

L. TOTAL COLLISION BALANCE SHEET

The total values on the balance sheet is captioned Memorandum Only to indicate that it is presented only to facilitate financial analysis. Data in this column does not present 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.

MI. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the year ended June 30, 1997, general fund expenditures exceeded appropriations by \$42,709. This over expenditure was funded by additional revenues and other sources occurring during the year.

2. LITIGATED TAXES

A summary of authorized and litigated valuations taxes follows:

	Authorized Millage	Litigated Millage	Expiration Date
Law enforcement:			
Constitutional	3.8	3.8	NONE
Special	3.43	3.43	2000

3. CASH

At June 30, 1997, the sheriff has cash (bank balances) totaling \$1,232,538 as follows:

Cash on hand	\$	1,000
Demand deposits		583,128
Interest-bearing demand deposits		329,310
Total	\$	1,232,538

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. These securities are held in the name of the pledging fiscal agent bank in a holding or collateral bank that is mutually acceptable to both parties. At June 30, 1997, the sheriff has \$1,249,172 in deposits (reflected bank balances). These deposits are secured from risk by \$189,634 of Federal deposit insurance and \$789,811 of pledged securities held by the collateral bank in the name of the fiscal agent bank (GAASB Category 3). Therefore, as of June 30, 1997, the reflected bank balances were encumbered in the amount of \$1,499,675.

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GAASB Statement 3, Louisiana Revised Statute 39:3229 imposes a statutory requirement on the collateral 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.

JEFFERSON PARISH POLICE SHERIFF
Jefferson, Louisiana

Notes to the Financial Statements
As of and For the Year Ended June 30, 1997

Neither circumstance, assuming our formal integration of the budget into the accounting records is employed as a management control device. However, periodic comparisons of budget and actual amounts are made. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

F. ENCUMBRANCES

The sheriff does not use encumbrance accounting.

G. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits and those other investments with original maturities of 90 days or less. Under state law, the sheriff may 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. Tax collections must be deposited in a bank identified in the parish where the funds are collected.

H. FIXED ASSETS

Fixed assets are recorded as expenditures at the time purchased, and the related assets are capitalized (reported) 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. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available. Approximately 20 per cent of fixed asset costs have been estimated.

I. COMPENSATED ABSENCE

All employees who have completed 12 months of service receive 10 days vacation leave each year. Vacation leave does not accumulate or vest. Each instance of sick leave is handled on an individual basis at the discretion of the sheriff.

J. LONG-TERM OBLIGATIONS

Long-term obligations expected to be financed from the General Fund 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.

K. FUND EQUITY

Reserves

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

JEFFERSON DAVIS PARISH SHERIFF
Jennings, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 1993

B. BASIS OF ACCOUNTING

Basis of accounting refers to measurements 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 basis applied. The General Fund is accounted for using a **Basis of current financial resources measurement basis**. The accompanying financial statements have been prepared on the modified accrual basis of accounting except for the Tax Collector Agency Fund, which is prepared on the cash basis of accounting, which approximates the modified accrual basis of accounting. The General Fund uses the following practices in recording revenues and expenditures:

Revenues

All valuer's fees are recorded in the year the 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.

State grants are recorded when the sheriff is notified by the funds.

Intergovernmental revenues and fees, charges, and commissions for services are recorded when the sheriff is notified by the funds.

Interest earnings on time deposits are recorded when the time deposits have matured and the interest is available to the sheriff.

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.

Other Financing Sources

Proceeds from the sale of fixed assets are accounted for as other financing sources and are recognized when received. Fixed assets acquired through capital leases are recorded as expenditures and other financing sources at the time of acquisition.

C. BUDGET PRACTICES

The proposed budget for 1993 was made available for public inspection on June 15, 1993. The proposed budget, prepared on the modified accrual basis of accounting, was published in the official journal 30 days prior to the public hearing, which was held at the Jefferson Davis Parish Sheriff's office on June 24, 1993, for comments from taxpayers. The budget is legally adopted and amended, as necessary, by the sheriff.

All expenditures 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.

JEFFERSON DAVIS PARISH SHERIFF
Jennings, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 1997

2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the sheriff is considered to be fiscally dependent on the police jury and exclusion of its data from the financial statements of the police jury would create misleading or incomplete financial statements, the sheriff was determined to be a component unit of the Jefferson Davis Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the sheriff and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. FUND ACCOUNTING

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

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, 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 resources.

Funds of the sheriff are classified into two categories: governmental (State Fund) and fiduciary (Agency Funds). These funds are described as follows:

General Fund

The General Fund, as provided by Louisiana Revised Statute 33:1412, 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 commissions on state income sharing, state supplemental pay for deputies, civil and criminal fees, fees for court attendance and maintenance of prisoners, et cetera. General operating expenditures are paid from this fund.

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, it grants in aid, et cetera, in the manner prescribed by law. The agency funds are controlled in nature (assets equal liabilities) and do not involve measurement of results of operations. The Tax Collector Agency Fund included in the accompanying financial statements is reported for the year ending June 30, 1997.

JEFFERSON DAVIS PARISH SHERIFF
Jennings, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 1997

INTRODUCTION

As provided by Article V, Section 21 of the Louisiana Constitution of 1974, the sheriff serves a four-year term as the chief executive officer of the law enforcement district and as officer in law 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, 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 for the residents of the parish through on-air patrols and investigations and serves the residents of the parish through the establishment of neighborhood watch programs, anti-drug abuse programs, et cetera. In addition, when requested, the sheriff provides assistance to other law enforcement agencies within the parish.

As the ex-officio law collector of the parish, the sheriff is responsible for collecting and distributing all various property taxes, parish-occupational licenses, state revenue sharing funds, sporting licenses, and fines, costs, and bond forfeitures imposed by the district court.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the Jefferson Davis 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.

B. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Jefferson Davis Parish Police Jury is the financial reporting entity for Jefferson Davis Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or unrepresentative.

Government Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Jefferson Davis Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

- a. Appointing a voting majority of an organization's governing body, and
- a. The ability of the police jury to impose its will on that organization and/or
- b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.

REVENUES AND EXPENSES STATEMENT
Annexure - I
GOVERNMENTAL FUNDS - GENERAL FUND

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (As AP Book) and Actual For the Year Ended June 30, 1997

	Budget		Actual		Variance (favorable)	
	\$	912,998	\$	922,983		\$
REVENUES						
All revenues:	\$	912,998	\$	922,983	\$	9,985
Intergovernmental revenues:						
State grants		55,000		49,800		(5,200)
State supplies/obligations		99,270		99,293		23
Indian Attorney Fee		14,500		12,961		(1,539)
Portland II History		146,000		138,300		(7,700)
Other		80,000		82,349		2,349
Fees, charges, and commissions for services:						
Commissions on licenses, etc.		50,000		43,420		(6,580)
Licensed clinical fees		64,775		71,787		6,992
Commissions on other revenues relating:						
Licensed attendance		2,000		67,480		65,480
It recruiting program		11,800		14,970		3,170
Feeding and feeding program		143,000		205,100		62,100
Commissions sales to members		0		21,433		21,433
Commissions on fines and other delinquencies		102,000		113,284		11,284
Other		52,000		24,704		(27,296)
Fees and activities:						
Fees school fees and lab/fees		50,000		44,781		(5,219)
Fees, fees and other lab/fees		10,000		10,763		763
Use of money and property:						
Interest		4,500		3,800		(700)
Commissions on phone		7,500		8,200		700
Vehicle mileage		1,800		1,800		0
Miscellaneous		14,000		14,000		0
Total revenues	\$	<u>2,786,158</u>	\$	<u>2,794,983</u>	\$	<u>8,825</u>
EXPENDITURES						
Public safety:						
Copiers						
Personal services and related benefits	\$	1,280,000	\$	1,248,700	\$	31,300
Operating services		375,000		376,481		1,481
Maintenance and supplies		154,000		348,987		194,987
Other		10,000		27,800		17,800
Health services:						
Emergency		50,000		81,471		31,471
Lab/fees		19,200		24,624		5,424
Capital outlay		14,000		26,324		12,324
Intergovernmental:						
Reimbursement (deducted from tax collection)		10,000		13,780		3,780
Payments to other agency		0		4,000		4,000
Total expenditures	\$	<u>1,893,200</u>	\$	<u>1,843,986</u>	\$	<u>49,214</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$	<u>892,958</u>	\$	<u>950,997</u>	\$	<u>57,939</u>
OTHER FINANCING SOURCES						
Commissions for loss or change of assets	\$	11,000	\$	11,200	\$	200
Total other financing sources	\$	<u>11,000</u>	\$	<u>11,200</u>	\$	<u>200</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	\$	<u>903,958</u>	\$	<u>962,197</u>	\$	<u>58,239</u>
FUND BALANCE AT BEGINNING OF YEAR		<u>50,000</u>		<u>31,000</u>		<u>19,000</u>
FUND BALANCE AT END OF YEAR	\$	<u>553,958</u>	\$	<u>613,197</u>	\$	<u>59,239</u>

The accompanying notes are an integral part of this statement.

JEFFERSON DAVIS PARISH SHEDDING
Accounting, Louisiana

ALL FUND TYPES AND ACCOUNT GROUPS
Consolidated Balance Sheet
As of June 30, 1997

	Unexpended Fund - Special Fund	Fiduciary Funds - Agency Funds	Account Groups		Total (Miscellaneous Only)
			General Fund Funds	Capital Expenditures Obligations	
ASSETS AND OTHER DEBITS					
Assets and Other Debits					
Cash	\$ 775,895	\$ 484,443	\$ 0	\$ 0	\$ 1,260,338
Receivables	52,571	0	0	0	52,571
Due from other funds	21,954	0	0	0	21,954
Due from other agencies and others	1,445	0	0	0	1,445
Prepayment	0	0	494,231	0	494,231
Amount to be paid for retirement of certificates of individuals	0	0	0	150,000	150,000
TOTAL ASSETS AND OTHER DEBITS	\$ 851,865	\$ 484,443	\$ 494,231	\$ 150,000	\$ 1,980,539
LIABILITIES, EQUITY, AND OTHER CREDITS					
Liabilities					
Certificates of individuals Accounts, salaries, and withholdings payable	\$ 0	\$ 0	\$ 0	\$ 150,000	\$ 150,000
Due to other funds	61,348	0	0	0	61,348
Due to other agencies	0	21,954	0	0	21,954
Due to other agencies and others	0	450,242	0	0	450,242
Total Liabilities	\$ 61,348	\$ 472,196	\$ 0	\$ 150,000	\$ 1,083,544
Equity and Other Credits					
Encumbrances in general fund accounts	\$ 0	\$ 0	\$ 596,630	\$ 0	\$ 596,630
Fund Balances					
Accrued for drug reimbursement	442,805	0	0	0	442,805
Unexpended - undesignated	508,799	0	0	0	508,799
Total Equity and Other Credits	\$ 951,604	\$ 0	\$ 596,630	\$ 0	\$ 1,548,234
TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS	\$ 921,632	\$ 472,196	\$ 596,630	\$ 150,000	\$ 2,140,458

The accompanying notes are an integral part of this statement.

KRIELOW, GILLESPIE & CO.

AN INDEPENDENT MEMBER FIRM OF THE AICPA

7005 JEFFERSON

P. O. DRAWER 709

MONROE, LA 70004

(504) 335-2027

INDEPENDENT AUDITORS' REPORT

HONORABLE RICHARD EDWARDS, JR.
JEFFERSON DAVIS PARISH SHERIFF
Baton Rouge, Louisiana

We have audited the accompanying general purpose financial statements of the Jefferson Davis Parish Sheriff, a component unit of the Jefferson Davis Parish Police Jury, as of and for the year ended June 30, 1997, as listed in the table of contents. These financial statements are the responsibility of the Jefferson Davis Parish Sheriff. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. These 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 statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Jefferson Davis Parish Sheriff, as of June 30, 1997, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining financial statements listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements of the Jefferson Davis 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 financial statements taken as a whole.

Krielow, Gillespie & Co.
Certified Public Accountants

Baton Rouge, Louisiana
December 15, 1997

JEFFERSON DAVIS PARISH SHERRIFF
Bossier, Louisiana

Financial Statements
and Independent Auditors' Reports
As of and for the Year Ended June 30, 1997
With Supplemental Information Schedules

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JEFFERSON DAVIS PARISH SHERIFF
Jennings, Louisiana

Financial Statements and
Independent Auditor's Reports
As of and for the Year Ended June 30, 1997
With Supplemental Information Schedules

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 MAR. 9 4 1998