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**JEFFERSON DAVIS PARSON SHERIFF**  
Jennings, Louisiana

*Financial Statements and Independent  
Auditor's Report*  
As of and for the Year Ended June 30, 1998  
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 8882 4 1998

**JEFFERSON DAVIS PARISH SHERIFF**  
**Jennings, Louisiana**

**Financial Statements and Independent  
Auditor's Report**  
**As of and for the Year Ended June 30, 1998**  
**With Supplemental Information Schedules**

**CONTENTS**

	Page
Independent Auditor's Report	1
Financial Statements:	
Combined Balance Sheet-All Fund Types and Account Groups	3
Statement of Revenue, Expenditures, and Changes in Fund Balances-Budget (GAAP Basis) and Actual-Governmental Fund-General Fund	4
Notes to the Financial Statements	5-16
Combining Financial Statements-Proprietary Funds-Agency Funds:	17
Combining Balance Sheet	18
Combining Schedule of Changes in Unsettled Balances	19
Other Reports Required by Government Auditing Standards:	
Independent Auditor's Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Basic Financial Statements Performed in Accordance with Government Auditing Standards	21
Schedule of Findings and Questioned Costs	22
Schedule of Prior Year Findings	24
Management's Corrective Action Plan	25

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## INDEPENDENT AUDITOR'S REPORT

Honorable Richard Edwards, Jr.  
Jefferson Davis Parish Sheriff  
Jennings, Louisiana

I 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 June 30, 1998, and for the year then ended. These general purpose financial statements are the responsibility of the Jefferson Davis Parish Sheriff's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my 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. These standards require that I 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 statements presentation. I believe that my audit provides a reasonable basis for my opinion.

In my 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, 1998 and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued my report dated December 18, 1998, on my consideration of Jefferson Davis Parish Sheriff's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants.

My audit was conducted 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 general purpose 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 my opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.



Corbett Public Accountant

Jennings, Louisiana  
December 18, 1998

**JEFFERSON DAVIS PARISH SHERIFF**  
**Jennings, Louisiana**

**ALL FUND TYPES AND ACCOUNT GROUPS**  
**Combined Balance Sheet**  
**As of June 30, 1998**

	Fiduciary		General Groups		Total (Memorandum Only)
	Governmental Fund - General Fund	Private Agency Fund	General	General	
			Fund Assets	Long Term Obligations	
<b>ASSETS AND OTHER DEBITS</b>					
<b>Assets and Other Debits</b>					
Cash	\$ 706,963	\$ 527,360	\$ 0	\$ 0	\$ 1,234,323
Prepayments	27,980	0	0	0	27,980
Due from other funds	44,250	0	0	0	44,250
Due from other governments	3,800	637	0	0	4,437
Receivables	0	0	806,671	0	806,671
Amounts due received for retirement of general long term debt	0	0	0	323,067	323,067
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>\$ 823,093</b>	<b>\$ 528,057</b>	<b>\$ 806,671</b>	<b>\$ 323,067</b>	<b>\$ 1,480,898</b>
<b>LIABILITIES, EQUITY, AND OTHER CREDITS</b>					
<b>Liabilities</b>					
Accounts, estimates, and withholdings payable	55,288	0	0	0	55,288
Compensated absences payable	0	0	0	50,400	50,400
Due to other funds	0	44,250	0	0	44,250
Due to buying orders and orders	0	480,000	0	0	480,000
Certificates of indebtedness	0	0	0	100,000	100,000
Capitalized obligations	0	0	0	13,528	13,528
<b>Total Liabilities</b>	<b>55,288</b>	<b>524,250</b>	<b>0</b>	<b>163,928</b>	<b>743,466</b>
<b>Equity and Other Credits</b>					
Investment in general fund assets	0	0	806,671	0	806,671
Fund balances					
Reserved for encumbrance	126,800	0	0	0	126,800
Unreserved - unexpended	696,214	0	0	0	696,214
<b>Total Equity and Other Credits</b>	<b>823,014</b>	<b>0</b>	<b>806,671</b>	<b>0</b>	<b>1,629,685</b>
<b>TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS</b>	<b>\$ 823,093</b>	<b>\$ 524,250</b>	<b>\$ 806,671</b>	<b>\$ 163,928</b>	<b>\$ 1,480,898</b>

The accompanying notes are an integral part of this statement.

**JEFFERSON COUNTY BOARD OF SUPERVISORS**  
**Jefferson, Louisiana**

**GOVERNMENTAL FUND - GENERAL FUND**  
**Statement of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget (GAAP Basis) and Actual**  
**For the Year ended June 30, 1999**

	Budget	Actual	Variance Favorable (Adverse)
<b>REVENUES</b>			
<b>All Governmental Funds</b>	<b>\$ 80,248</b>	<b>\$ 81,090</b>	<b>15,000</b>
<b>Intergovernmental revenues</b>			
State grants	55,829	74,702	18,873
State supplemental pay	84,073	83,245	(828)
Disaster relief - LACE	15,287	15,000	(287)
Funds - 911 District	148,000	155,138	7,138
Other	10,881	7,804	(3,077)
<b>Fees, charges, and contributions for services</b>			
Commissions on licenses, taxes, etc.	15,014	14,880	(134)
Cell and limited fees	84,713	107,220	22,507
Commissions on state revenues sharing	87,401	85,718	(1,683)
Court attendance	3,000	3,804	804
Transportation fees	10,880	10,880	-
Printing and copying printers	90,830	104,288	13,458
Commodity sale to inmates	0	8,707	8,707
Commissions on fines and other forfeitures	181,040	170,880	(10,160)
Other	34,470	35,788	1,318
<b>Fines and Forfeitures</b>			
Drug related fines and forfeitures	0	24,880	24,880
Bond, fines and other forfeitures	10,000	14,483	4,483
<b>Use of money and property</b>			
Interest	4,500	8,488	3,988
Commissions on phones	7,880	7,880	-
Vehicle storage	1,880	0	(1,880)
<b>Miscellaneous</b>	<b>14,888</b>	<b>21,280</b>	<b>6,392</b>
<b>Total Revenues</b>	<b>1,700,000</b>	<b>1,881,348</b>	<b>181,348</b>
<b>EXPENDITURES</b>			
<b>Public Safety</b>			
Personal services and related benefits	1,200,807	1,281,107	80,300
Operating services	275,000	264,317	(10,683)
Miscellaneous and supplies	204,500	205,245	745
Other	18,800	20,000	1,200
Debt service			
Principal	50,000	50,000	-
Interest	18,204	18,700	496
Capital outlay	71,570	140,000	68,430
Intergovernmental			
Repayment deducted from tax collections	10,000	14,000	4,000
<b>Total expenditures</b>	<b>1,881,000</b>	<b>1,787,209</b>	<b>(93,791)</b>
<b>EXCESS (Deficiency) OF REVENUES</b>			
<b>OVER EXPENDITURES</b>	<b>(150,000)</b>	<b>(105,861)</b>	<b>44,139</b>
<b>OTHER FINANCING SOURCES</b>			
Proceeds from capital lease obligations	0	100,000	100,000
Compensation for loss or damage of assets	0	8,878	8,878
<b>Total Other Financing Sources</b>	<b>0</b>	<b>108,878</b>	<b>108,878</b>
<b>EXCESS (Deficiency) OF REVENUES AND</b>			
<b>OTHER SOURCES OVER EXPENDITURES</b>	<b>(150,000)</b>	<b>(96,983)</b>	<b>53,017</b>
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<b>181,000</b>	<b>871,004</b>	<b>690,004</b>
<b>FUND BALANCE AT END OF YEAR</b>	<b>\$ 30,000</b>	<b>\$ 774,021</b>	<b>\$ 744,021</b>

The accompanying notes are an integral part of this statement.

**JEFFERSON DAVIS PARISH SHERIFF**  
**Jennings, Louisiana**

**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 1998**

**INTRODUCTION**

As provided by Article IV, 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 on-site 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 tax collector of the parish, the sheriff is responsible for collecting and distributing ad valorem 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**

The sheriff is an independently elected official; however, the sheriff is fiscally dependent on the Jefferson Davis Parish Police Jury. The police jury maintains and operates the parish courthouse in which the sheriff's office is located and provides funds for equipment and furniture of the sheriff's office. Because the sheriff is fiscally dependent on the police jury, 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.

**JEFFERSON DAVIS PARISH SHERIFF**  
**Jennings, Louisiana**

**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 1998**

**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 segregating 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 (General Fund) and fiduciary (Agency Funds). These funds 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 commissions on state revenue 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, 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. The Tax Collector Agency Fund included in the accompanying financial statements is reported for the year ending June 30, 1998.

**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 General Fund is accounted for using a flow of current financial resources measurement focus. 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:

**JEFFERSON DAVIS PARISH SHERIFF**  
**Jennings, Louisiana**

**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 1998**

**Revenues**

Ad valorem taxes 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 entitled to the funds.

Intergovernmental revenues and fees, charges, and commissions for services are recorded when the sheriff is entitled to 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 recorded when the related fund liability is incurred, except for unamortized interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

**Other Financing Sources**

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

**I. BUDGET PRACTICES**

The proposed budget for 1998 was made for public inspection on June 5, 1997. The proposed budget, prepared on the modified accrual basis of accounting, was published in the official journal 18 days prior to the public hearing, which was held at the Jefferson Davis Parish Sheriff's office on June 12, 1997, 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 balance.



**JEFFERSON DAVIS PARISH SHERIFF**  
**Bossier, Louisiana**

**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 1998**

Encumbrance accounting is not used. However, formal integration of the budget into the accounting records is employed as a management control device. 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 domiciled 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 15 per cent of fixed assets costs have been estimated.

**I. COMPENSATED ABSENCES**

All employees who have completed 12 months (12) of service receive ten (10) days vacation leave each year. Vacation leave does not accumulate or vest. Employees can accumulate compensatory time in lieu of payment for overtime. The sheriff's standard policy is that sick leave does not accumulate or vest. However, each instance of sick leave is handled on an individual basis at the discretion of the sheriff. No liability is reported for unpaid accumulated sick leave.

Vacation and compensatory time that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the general fund. Amounts not expected to be liquidated with expendable available financial resources are reported in the general long-term debt account group. No expenditure is reported for these amounts.

JEFFERSON DAVIS PARISH SHERIFF  
Jennings, Louisiana

Notes to the Financial Statements  
As of and for the Year Ended June 30, 1998

**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.

**L. TOTAL COLUMN ON BALANCE SHEET**

The total column 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.

**M. EXCESS OF EXPENDITURES OVER APPROPRIATIONS**

For the year ended June 30, 1998, general fund expenditures exceeded appropriations by \$275,385. This over expenditure was funded by additional revenues and other sources occurring during the year.

**2. LEVIED TAXES**

A summary of authorized and levied ad valorem taxes follows:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Law enforcement:			
Constitutional	3.68	3.79	NONE
Special	3.43	3.36	2000

JEFFERSON DAVIS PARISH SHERIFF  
Jennings, Louisiana

Notes to the Financial Statements  
As of and for the Year Ended June 30, 1998

3. CASH

At June 30, 1998, the sheriff has cash (book balance) totaling \$ 1,264,054 as follows:

Cash on hand	\$	1,300
Demand deposits		726,751
Interest-bearing demand deposits		365,852
Certificates of deposits		<u>170,151</u>
	\$	<u>1,264,054</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the remaining book balance) 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 custodial bank that is mutually acceptable to both parties. At June 30, 1998, the sheriff has \$1,264,054 in deposits (collected book balance). These deposits are secured from risk by \$477,219 of federal deposit insurance and \$808,835 of pledged securities held by the custodial bank in the name of the fiscal bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 79:1229 imposes a statutory requirement on the custodial bank to absorb 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.

4. RECEIVABLES

Accounts receivable at June 30, 1998, in the General Fund are as follows:

Intergovernmental:		
State	\$	6,812
Other		17,731
Fees, charges, and commissions for services:		
Civil & criminal fees		16,435
Funding & keeping prisoners		<u>7,388</u>
Use of money & property:		
Commissions on phones		560
Miscellaneous		8,693
Miscellaneous	\$	<u>37,589</u>

**JEFFERSON DAVIS PARISH SHERIFF**  
Bossier, Louisiana

**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 1998**

**5. DUE FROM/TO OTHER FUNDS**

Individual balances due from/to other funds at June 30, 1998, are as follows:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 44,250	\$ 0
Agency Funds:		
Bond & Fine Fund	0	15,353
Tax Collector Fund	0	28,897
	<u>\$ 44,250</u>	<u>\$ 44,250</u>

**6. CHANGES IN GENERAL FIXED ASSETS**

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

Balance, July 1, 1997	\$ 596,671
Additions	348,840
Deletions	<u>0</u>
Balance, June 30, 1998	<u>\$ 945,511</u>

**7. PENSION PLAN**

*Plan Description.* Substantially all employees of the Jefferson Davis Parish Sheriff's office are members of the Louisiana Sheriff's Pensions 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 to be used for each year of service is 2.5 per cent for each year of total service is at least 12 but less than 15 years, 2.75 per cent for each year if total service is at least 15 but less than 20 years, and 3% for each year if total service is at least 20 years (Act 1117 of 1995 increased the annual rate by 0.25 per cent for all service rendered on or after January 1, 1980.) In any case, the retirement benefit cannot exceed 100 per cent of their final-average

**JEFFERSON DAVIS PARISH SHERIFF**  
**Jennings, Louisiana**

**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 1998**

salary. Final-average salary is the employee's average salary over the 30 consecutive or jointed months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after 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 benefits 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 the Louisiana Sheriff Pension and Relief Fund, Post Office Box 3163, Monroe, Louisiana 71228, or by calling (318) 382-3191.

**Funding Policy.** Plan members are required by state statute to contribute 8.3 per cent of their annual covered salary and the Jefferson Davis Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 5.0 per cent of annual covered payroll. Contributions to the system also include one-half of one per cent of the taxes shown to be collectible 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 Davis Parish Sheriff are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:165, the employer contributions are determined by actuarially valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Jefferson Davis Parish Sheriff's contributions to the System for the years ending June 30, 1998, 1997, 1996, were \$44,918, \$46,137, and \$38,018, 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 retired employees.

**9. COMPENSATED ABSENCES**

At June 30, 1998, employees of the sheriff have accumulated and vested \$50,038 of employee leave benefits, which was computed in accordance with GASB Codification Section 030. The entire liability has been recorded within the general long-term obligations account group since it is unfunded and not expected to be liquidated with expendable available financial resources.

**10. LEASES**

The sheriff has entered into lease agreements as lessee for financing the acquisition of vehicles. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of future minimum lease payments as of the inception date in the general fixed assets account group.

JEFFERSON DAVIS PARISH SHERIFF  
Jennings, Louisiana

Notes to the Financial Statements  
As of and for the Year Ended June 30, 1998

The sheriff has \$132,136 of equipment recorded in general fixed assets account group that was acquired through capital leases.

Future minimum lease payments under capital leases, together with the present value of rat minimum lease payments, as of June 30, 1998, are scheduled as follows:

	<u>Equipment</u>
Fiscal year:	
1998-99	\$ 63,851
1999-00	13,969
2000-01	0
2001-02	0
2002-03	0
Thereafter	0
Total minimum lease payments	<u>75,820</u>
Less - amount representing executory costs	0
Net minimum lease payments	<u>75,820</u>
Less - amount representing interest	<u>3,292</u>
Present value of net minimum lease payments	<u>\$ 72,528</u>

The sheriff also has operating leases for copiers. The minimum annual commitments under operating leases are as follows:

	<u>Equipment</u>
Fiscal year:	
1998-99	\$ 3,521
1999-00	3,521
2000-01	293
2001-02	0
2002-03	0
Thereafter	0
Total	<u>\$ 7,335</u>

**JEFFERSON DAVIS PARISH SHERIFF**  
**Jennings, Louisiana**

**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 1998**

**11. CHANGES IN AGENCY FUND BALANCES**

A summary of changes in agency fund unencumbered deposits follows:

	Balance at Beginning of Year	Additions	Reductions	Balance at End of Year
Agency Funds:				
Civil	\$ 590	\$ 497,397	\$ 498,547	\$ 0
Tax Collector	328,310	9,234,853	9,184,511	385,852
Bonds and Fines	118,108	1,188,289	1,158,396	148,001
Inmate	3,746	31,376	31,490	2,832
Prisoner Work Release	10,329	8,179	64	18,644
<b>Total</b>	<b>\$ 458,643</b>	<b>\$ 10,951,694</b>	<b>\$ 10,872,778</b>	<b>\$ 537,519</b>

**12. CHANGES IN GENERAL LONG-TERM OBLIGATIONS**

The following is a summary of the long-term obligation transactions during the year ended June 30, 1998:

	Compensated Absence (Note 5)	Certificate of Indebtedness (See Below)	Capital Leases (Note 10)	Total
Balance at July 1, 1997	\$ 0	\$ 150,000	\$ 0	\$ 150,000
Additions	58,409	0	132,136	182,575
Deductions	0	(50,000)	(38,608)	(108,608)
<b>Balance at June 30, 1998</b>	<b>\$ 58,409</b>	<b>\$ 90,000</b>	<b>\$ 72,528</b>	<b>\$ 222,967</b>

**JEFFERSON DAVIS PARISH SHERIFF**  
**Jennings, Louisiana**

**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 1998**

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

Final Year:	Compensated Absences	Certificate of Indebtedness	Capital Loans	Total
1998-99	\$ 30,438	\$ 35,150	\$ 62,831	\$ 118,089
1999-00	0	\$2,476	11,969	64,545
2000-01	0	0	0	0
2001-02	0	0	0	0
2002-03	0	0	0	0
Thereafter	0	0	0	0
Total	<u>30,438</u>	<u>107,726</u>	<u>75,830</u>	<u>183,546</u>
Less Interest	0	7,730	3,292	11,022
Outstanding Principal	<u>\$ 30,438</u>	<u>\$ 100,000</u>	<u>\$ 72,538</u>	<u>\$ 172,528</u>

The certificate of indebtedness, Series 1996, 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 District of the Parish of Jefferson Davis, State of Louisiana. The debt was issued in accordance with the requirements and provisions of LA R.S. 13:2901-2905 with the approval of the Louisiana State Bond Commission. The certificate bears interest at a rate of 5.15% per annum, with semiannual payment of interest annual serial payments of principal beginning from date of issuance.

**13. RESERVED FUND BALANCE**

A portion of the fund balance of the General Fund, \$125,858, has been reserved for drug law enforcement. This balance represents proceeds from criminal activities. Louisiana Revised Statute 40:2615(B)(1) requires such proceeds to be used in drug law enforcement.

**14. LITIGATION AND CLAIMS**

At June 30, 1998, the sheriff is involved in various lawsuits and pending claims. In the opinion of the sheriff's legal counsel, the ultimate resolution of the majority of these suits would not create a liability to the sheriff in excess of existing insurance coverage. For the remaining suits, in the opinion of the sheriff's legal counsel, an unfavorable outcome in some of the suits is remotely possible. The sheriff's



**JEFFERSON DAVIS PARISH SHERIFF**  
**Jennings, Louisiana**

**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 1998**

legal counsel has estimated a potential loss of a minimal amount to \$ 20,000; however, the ultimate outcome of the litigation cannot presently be determined. Accordingly, no provision for any liability that may result upon adjudication has been made in the accompanying financial statements.

**15. 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, as required under Louisiana law, and are not included in the accompanying financial statements. Specifically the police jury maintains and operates the parish courthouse in which the sheriff's office is located and occasionally provides funds for equipment and furniture of the sheriff's office. The total amount of these expenditures were not available.

**16. TAXES PAID UNDER PROTEST**

The assessed balances due to taxing bodies and others in the agency funds at June 30, 1998, as reflected on the combined balance sheet on page 3, includes \$177,000 of taxes paid under protest, plus interest accrued to date on the investment of these funds, totaling \$5,676. These funds are held pending resolution of the protest and are accounted for in the Tax Collector Agency Fund.

**17. YEAR 2000 ISSUE**

The Year 2000 issue is the result of shortcomings in many electronic data processing systems and other electronic equipment that may adversely affect the government's operations as early as fiscal year 1999.

The Sheriff has not inventoried computer systems and other electronic equipment that may be affected by the Year 2000 issue and that are necessary to conducting operations. It is unknown as of June 30, 1998, what effects, if any, failing to remediate any such systems will have upon the Sheriff's operations and financial reporting.

Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully discernible until the year 2000 and thereafter. Management cannot assure that the Sheriff's Office is or will be Year 2000 ready, the Sheriff's remediation efforts will be successful in whole or in part, or that parties with whom the sheriff does business will be Year 2000 ready.

**JEFFERSON DAVIS PARISH SHERIFF**  
**Jennings, Louisiana**

**COMBINING FINANCIAL STATEMENTS**  
**As of and for the Year Ended June 30, 1998**

**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.

**INSURE FUND**

The Insure 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 sentences.

**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 15:711.1.

JEFFERSON DAVIS PARISH SHERIFF  
Jennings, Louisiana

FIDUCIARY FUNDS - AGENCY FUNDS  
COMBINED BALANCE SHEET  
As of June 30, 1999

	Cash	Tax Collector	Bonds and Fines	Inmate	Personal Wreck Recovery	Total
<b>ASSETS</b>						
Cash	\$ 0	\$ 368,852	\$ 149,044	\$ 2,822	\$ 99,944	\$ 620,662
Due from other funds	0	0	0	0	0	0
Due from taxing bodies and others	0	0	157	0	0	157
<b>TOTAL ASSETS</b>	\$ 0	\$ 368,852	\$ 149,201	\$ 2,822	\$ 99,944	\$ 620,819
<b>LIABILITIES</b>						
Due to other funds	\$ 0	\$ 28,287	\$ 15,203	\$ 0	\$ 0	\$ 43,490
Due to taxing bodies and other	0	508,045	133,845	2,822	99,944	644,716
<b>TOTAL LIABILITIES</b>	\$ 0	\$ 536,332	\$ 149,048	\$ 2,822	\$ 99,944	\$ 620,576

JEFFERSON DAVIS PARISH ENERGY  
Jettings, Louisiana

FOIDUARY FUNDS -- AGENCY FUNDS  
COMBINED SCHEDULE OF CHANGES IN SHEET/LEAF BALANCES  
For the Year Ended June 30, 1988

	Out	Tax Collector	Bonds and Fees	Interest	Prison SP&S Releases	Total
<b>BALANCES AT BEGINNING OF YEAR</b>	\$ 900	\$ 202,000	\$ 428,388	\$ 2,340	\$ 10,500	\$ 643,148
<b>INCREASES</b>						
Deposits:						
Energy's sales, utility, and services	288,288	0	0	0	0	288,288
Bonds, fines, and costs	111,290	0	1,983,088	0	0	2,094,378
Contributions	20,047	0	0	0	0	20,047
Other deposits	600	0	0	24,000	8,178	41,778
Taxes, fees, etc., paid to tax collector	0	8,204,800	0	0	0	8,204,800
Total additions	420,125	8,204,800	1,983,088	24,000	8,178	10,640,191
<b>DECREASES</b>						
Deposits exp'd to:						
Energy's general fund	48,588	0	180,368	0,004	0	228,960
Prison pay	0	0	264,328	0	0	264,328
District attorney	0	0	180,798	0	0	180,798
Costs of court	10,040	0	71,000	0	0	81,040
Judges' defense board	0	0	106,087	0	0	106,087
Attorneys' fees/fees, etc.	408,804	0	0	0	0	408,804
Other settlements	0	0	160,190	0	80	160,270
Taxes, fees, etc., distributed to Energy/COGEM and others	0	8,184,811	0	0	0	8,184,811
Other payments	0	0	0	20,000	0	20,000
Total decreases	467,432	8,184,811	1,188,356	20,000	80	10,652,719
<b>BALANCES AT END OF YEAR</b>	\$ 0	\$ 197,189	\$ 140,032	\$ 2,340	\$ 10,520	\$ 350,141

**OTHER REPORTS REQUIRED BY  
GOVERNMENT AUDITING STANDARDS**

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

Honorable Richard Edwards, Jr.  
Jefferson Davis Parish Sheriff  
Bossier, Louisiana

I 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, 1998, and have issued my report thereon dated December 18, 1998. I conducted my 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 Jefferson Davis Parish Sheriff's general purpose financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with these provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed instances of noncompliance that are reported under Government Auditing Standards which are described in the accompanying schedule of findings and questioned costs as item number 1086-1.

**Internal Control Over Financial Reporting**

In planning and performing my audit, I considered the Jefferson Davis Parish Sheriff's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that could 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. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

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



Certified Public Accountant

Bossier, Louisiana  
December 18, 1998

**JEFFERSON DAVIS PARISH SHERIFF**  
Jrington, Louisiana  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
For the Year Ended June 30, 1998

We have audited the financial statements of Jefferson Davis Parish Sheriff as of and for the year ended June 30, 1998, and have issued our report thereon dated December 18, 1998. 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. Our audit of the financial statements as of June 30, 1998 resulted in an unqualified opinion.

**Section I Summary of Auditor's Reports**

**a. Report on Internal Control and Compliance Material to the Financial Statements**

**Internal Control**

Material Weaknesses  Yes  No Reportable Conditions  Yes  No

Compliance Material to Financial Statements  Yes  No

**b. Federal Awards**

**Internal Control**

Material Weaknesses  Yes  No Reportable Conditions  Yes  No

Type of Opinion On Compliance Unqualified  Qualified

For Major Programs Disclaimer  Adverse

Are their findings required to be reported in accordance with Circular A-133, Section 510(a)?  
 Yes  No

**c. Identification of Major Programs:**

CFDA Number (s)

Name of Federal Program (or Cluster)

Not applicable

Dollar threshold used to distinguish between Type A and Type B Programs:

\$ \_\_\_\_\_

Is the auditor a 'low-risk' auditor, as defined by OMB Circular A-133?  Yes  No

**Section II Financial Statement Findings**

**1998-1. FAILURE TO OBTAIN COMPETITIVE PRICE ON SOFTWARE** - Management purchased a \$29,800 computer aided dispatch software package without obtaining competitive price quotes pursuant to public bid laws (R.S. 38:2212) or request for proposals (R.S. 38:2237). This condition was caused by management's failure to follow the specific procedures, such as public advertisement for bids or request for proposals, under Title 38 of

**JEFFERSON DAVIS PARISH SHERIFF**  
**Jennings, Louisiana**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended June 30, 1998**

the Louisiana Revised Statutes for obtaining competitive prices. The effect of this condition resulted in noncompliance with the public bid laws under Title 38 of the Louisiana Revised Statutes and may have also resulted in the acquisition of the software at a price higher than that which could have been obtained under the procedures outlined in Title 38. Because of the unique specifications of this specific software it is possible that the ultimate outcome of utilizing the public bid law or request for proposal procedures in this instance may not have resulted in cost savings. However, we recommend that all future software packages be purchased under the procedures outlined in Title 38. This will help ensure that the Sheriff's Office obtains a competitively priced product while continuing to fulfill its stewardship responsibilities as required under the law.

***Section III Federal Award Findings and Questioned Costs***

No findings to report.



**JEFFERSON DAVIS PARISH SHERIFF**  
**Jennings, Louisiana**  
**Summary Schedule of Prior Audit Findings**  
**For the Year Ended June 30, 1998**

<u>Ref. No.</u>	<u>Fiscal Year Finding Initially Closed</u>	<u>Description of Finding</u>	<u>Corrective Action Taken (Yes, No, Partially)</u>	<u>Planned Corrective Action Partial Corrective Action Taken</u>
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**SECTION I - Internal Control and Compliance Material to the Financial Statements:**

No findings reported.

**SECTION II - Internal Control and Compliance Material to Federal Awards:**

No findings reported.

**SECTION III - Management Letter:**

No findings reported.

**JEFFERSON DAVIS PARISH SHERIFF**

Jennings, Louisiana

**Management's Corrective Action Plan for Current Year Audit Findings  
For the Year Ended June 30, 1998**

<u>Ref. No.</u>	<u>Description of Finding</u>	<u>Corrective Action Planned</u>	<u>Name(s) of Contact Person(s)</u>	<u>Anticipated Completion Date</u>
<b>SECTION I - Internal Control and Compliance Material to the Financial Statements:</b>				
1998-1	Failure to Obtain Competitive Price on Software	This special use software was obtained without public bid or request for proposals as stated in the auditor's finding under the advice of our outside legal counsel. Our outside legal counsel advised us prior to purchase that this software was not required to be let out for bid. His opinion was based on the fact that a major portion of the purchase price included services such as installation and training. In addition, legal counsel interpreted Title 38 as exempting software from requiring to be bid under Title 38 procedures. All future software purchases, subject to statutory thresholds, will be purchased utilizing the proper procedures as prescribed by Title 38 of the Louisiana Revised Statutes.	Sheriff Richard "Ricky" Edwards, Jr.	December 18, 1998

**SECTION II - Internal Control and Compliance Material to Federal Awards:**

No findings reported.

**SECTION III - Management Letters:**

No findings reported.