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**CLAIBORNE PARISH SHERIFF
Homer, Louisiana**

**General Purpose Financial Statements
With Independent Auditor's Report
As of and for the Year Ended
June 30, 1999
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 SEP 01 1999

**VERNON R
COON**
CERTIFIED PUBLIC ACCOUNTANT

CLAIBORNE PARISH SHERIFF
Homer, Louisiana

General Purpose Financial Statements
With Independent Auditor's Report
As of and for the Year Ended June 30, 1999
With Supplemental Information Schedules

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CLAIBORNE PARISH SHERIFF
Homer, Louisiana
Contents, June 30, 1999

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Independent Auditor's Report

HONORABLE KENNETH VOLENTINE
CLAIBORNE PARISH SHERIFF
Homer, Louisiana

I have audited the general purpose financial statements of the Claiborne Parish Sheriff, a component unit of the Claiborne Parish Police Jury, as of June 30, 1999, and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the Claiborne 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 *Government Auditing Standards*, issued by the Comptroller General of the United States. Those 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 financial statement 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 Claiborne Parish Sheriff as of June 30, 1999, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

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CLAIBORNE PARISH SHERIFF

Homer, Louisiana
Independent Auditor's Report,
June 30, 1999

My audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the general purpose financial statements of the Claiborne Parish Sheriff. Such information, except for the schedule on the year 2000 issue which is marked unaudited, 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.

The year 2000 supplementary information on page 26 is supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the Year 2000 supplementary information. However, I did not audit the information and do not express an opinion on it. In addition, I do not provide assurance that the Claiborne Parish Sheriff is or will be year 2000 compliant, that the Claiborne Parish Sheriff's remediation efforts will be successful in whole or in part, or that parties with which the Claiborne Parish Sheriff does business are or will become year 2000 compliant.

In accordance with *Government Auditing Standards*, I have also issued reports dated August 10, 1999, on my consideration of the Claiborne Parish Sheriff's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants.

A handwritten signature in black ink, appearing to be 'V. Smith', written in a cursive style.

West Monroe, Louisiana
August 10, 1999

**GENERAL PURPOSE FINANCIAL STATEMENTS
(OVERVIEW)**

CLAIBORNE PARISH SHERIFF
Homer, Louisiana
ALL FUND TYPES AND ACCOUNT GROUPS

Combined Balance Sheet, June 30, 1999

...GOVERNMENTAL FUND TYPE...

	INMATE COMMISSARY SPECIAL REVENUE FUND	DETENTION CENTER CAPITAL PROJECTS FUND	FIDUCIARY FUND TYPE - AGENCY FUNDS	...ACCOUNT GROUPS... GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	TOTAL (MEMORANDUM ONLY)
ASSETS						
Cash and cash equivalents	\$2,061	\$100	\$133,541			\$677,244
Investments		5,630,718				5,630,718
Receivables						11,668
Inventory	1,334			\$2,007,321		1,334
Office furnishings and equipment						2,007,321
Amount to be provided for retirement of general long-term debt					\$7,500,000	7,500,000
TOTAL ASSETS	<u>\$3,395</u>	<u>\$5,630,818</u>	<u>\$133,541</u>	<u>\$2,007,321</u>	<u>\$7,500,000</u>	<u>\$15,828,285</u>
LIABILITIES AND FUND EQUITY						
Liabilities:						
Accounts payable						\$15,615
Withholdings payable						2,490
Due to taxing bodies and others			\$133,541			155,541
Bonds payable					\$7,500,000	7,500,000
Total Liabilities	<u>NONE</u>	<u>NONE</u>	<u>133,541</u>	<u>NONE</u>	<u>7,500,000</u>	<u>7,673,646</u>
Fund Equity:						
Investment in general fixed assets				\$2,007,321		2,007,321
Fund balance - unreserved - undesignated	\$3,395	\$5,630,818				6,147,318
Total Fund Equity	<u>3,395</u>	<u>5,630,818</u>	<u>NONE</u>	<u>2,007,321</u>	<u>NONE</u>	<u>8,154,639</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$3,395</u>	<u>\$5,630,818</u>	<u>\$133,541</u>	<u>\$2,007,321</u>	<u>\$7,500,000</u>	<u>\$15,828,285</u>

The accompanying notes are an integral part of this statement.

CLAIBORNE PARISH SHERIFF
Homer, Louisiana
GOVERNMENTAL FUND TYPE

Combined Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 1999

	GENERAL FUND	INMATE COMMISSARY SPECIAL REVENUE FUND	DETENTION CENTER CAPITAL PROJECTS FUND	TOTAL (MEMORANDUM ONLY)
REVENUES				
Taxes - Ad valorem	\$656,830			\$656,830
Intergovernmental revenues:				
Federal grants - federal revenue	40,403			40,403
State grants:				
State revenue sharing (net)	92,940			92,940
State supplemental pay	61,087			61,087
Other state grants	23,537			23,537
Local grant	3,699			3,699
Fees, charges, and commissions for services:				
Commissions on licenses and taxes	31,721			31,721
Civil and criminal fees	62,115			62,115
Court attendance	3,875			3,875
Transportation of prisoners	3,113			3,113
Feeding and keeping of prisoners	257,304			257,304
Other	23,505	\$32,533		56,038
Use of money and property	24,639		\$51,575	76,214
Other revenue	306		100	406
Total revenues	<u>1,285,074</u>	<u>32,533</u>	<u>51,675</u>	<u>1,369,282</u>
EXPENDITURES				
Current:				
Public Safety:				
Personal services and benefits	929,528			929,528
Operating services	184,721		489,717	674,438
Materials and supplies	114,144	33,014		147,158
Travel and other	19,677			19,677
Capital outlay	32,514		1,431,140	1,463,654
Total expenditures	<u>1,280,584</u>	<u>33,014</u>	<u>1,920,857</u>	<u>3,234,455</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>4,490</u>	<u>(481)</u>	<u>(1,869,182)</u>	<u>(1,865,173)</u>
OTHER FINANCING SOURCES				
Proceeds from revenue bonds			7,500,000	7,500,000
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCE OVER EXPENDITURES	4,490	(481)	5,630,818	5,634,827
FUND BALANCES AT BEGINNING OF YEAR	<u>508,615</u>	<u>3,876</u>	<u>NONE</u>	<u>512,491</u>
FUND BALANCES AT END OF YEAR	<u>\$513,105</u>	<u>\$3,395</u>	<u>\$5,630,818</u>	<u>\$6,147,318</u>

(Concluded)

The accompanying notes are an integral part of this statement.

CLAIBORNE PARISH SHERIFF
Homer, Louisiana
GOVERNMENTAL FUND TYPE - GENERAL FUND
AND INMATE COMMISSARY SPECIAL REVENUE FUND

Combined Statement of Revenues, Expenditures,
and Changes in Fund Balances - Budget
(GAAP Basis) and Actual
For the Year Ended June 30, 1999

GENERAL FUND.....			INMATE COMMISSARYSPECIAL REVENUE FUND....		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES						
Taxes:						
Ad valorem	\$646,000	\$656,830	\$10,830			
Intergovernmental revenues:						
Federal grants - federal revenue	35,900	40,403	4,503			
State grants:						
State revenue sharing (net)	90,000	92,940	2,940			
State supplemental pay	54,000	61,087	7,087			
Other state grants	25,500	23,537	(1,963)			
Local grant	3,600	3,699	99			
Fees, charges, and commissions for services:						
Commissions on licenses and taxes	30,000	31,721	1,721			
Civil and criminal fees	46,800	62,115	15,315			
Court attendance	2,600	3,875	1,275			
Transportation of prisoners	2,500	3,113	613			
Feeding and keeping of prisoners	246,000	257,304	11,304			
Other	26,950	23,505	(3,445)	\$32,035	\$32,533	\$498
Use of money and property	13,500	24,639	11,139			
Other revenue	500	306	(194)			
Total revenues	<u>1,223,850</u>	<u>1,285,074</u>	<u>61,224</u>	<u>32,035</u>	<u>32,533</u>	<u>498</u>
EXPENDITURES						
Public safety:						
Current:						
Personal services and benefits	926,000	929,528	(3,528)			
Operating services	184,050	184,721	(671)			
Materials and supplies	120,700	114,144	6,556	34,570	33,014	1,556
Travel and other charges	24,600	19,677	4,923			
Capital outlay	30,000	32,514	(2,514)			
Total expenditures	<u>1,285,350</u>	<u>1,280,584</u>	<u>4,766</u>	<u>34,570</u>	<u>33,014</u>	<u>1,556</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(61,500)</u>	<u>4,490</u>	<u>65,990</u>	<u>(2,535)</u>	<u>(481)</u>	<u>2,054</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>508,615</u>	<u>508,615</u>		<u>3,020</u>	<u>3,876</u>	<u>856</u>
FUND BALANCES AT END OF YEAR	<u>\$447,115</u>	<u>\$513,105</u>	<u>\$65,990</u>	<u>\$485</u>	<u>\$3,395</u>	<u>\$2,910</u>

The accompanying notes are an integral part of this statement.

CLAIBORNE PARISH SHERIFF
Homer, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the sheriff serves a four year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The sheriff also administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, serving subpoenas, et cetera. As the ex-officio tax collector of the parish, the sheriff is responsible for the collection and distribution of ad valorem property taxes, parish occupational licenses, state revenue sharing funds, sportsmen licenses, and fines, costs, and bond forfeitures imposed by the district court.

The sheriff has the responsibility for enforcing state and local laws, ordinances, et cetera, within the territorial boundaries of the parish. The sheriff provides protection to the residents of the parish through on-site patrols, investigations, et cetera, and serves the residents of the parish through the establishment of neighborhood watch programs, anti-drug abuse programs, et cetera. Additionally, the sheriff, when requested, provides assistance to other law enforcement agencies within the parish.

A. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Claiborne Parish Police Jury is the financial reporting entity for Claiborne 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 incomplete.

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

1. Appointing a voting majority of an organization's governing body, and:

CLAIBORNE PARISH SHERIFF

Homer, Louisiana

Notes to the Financial Statements (Continued)

- 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.
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 police jury maintains the sheriff's office and provides funds for various operations of the parish jail, the sheriff was determined to be a component unit of the Claiborne 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.

B. FUND ACCOUNTING

The sheriff 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 related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities (general fixed assets and general long-term debt) that are not recorded in the "funds" because they do not directly affect net expendable available financial resources. They are concerned only with the measurement of financial position, not with the measurement of results of operations.

Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of

CLAIBORNE PARISH SHERIFF

Homer, Louisiana

Notes to the Financial Statements (Continued)

attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The sheriff's current operations require the use of only governmental and fiduciary funds and are described as follows:

Governmental Fund Type -

General Fund

The General Fund, as provided by Louisiana Revised Statute 33:1422, is the principal fund and is used to account 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.

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources such as ad valorem taxes, sales taxes, state grants and state and parish funds for maintaining state and parish prisoners. Those revenues are legally restricted, either by tax proposition or grant agreement, to expenditures for specified purposes.

Capital Projects Fund

The capital projects funds account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

Fiduciary Fund - Agency Funds

The agency funds are used as depositories for civil suits, cash bonds, taxes, fees, et cetera. Disbursements from the 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.

CLAIBORNE PARISH SHERIFF

Homer, Louisiana

Notes to the Financial Statements (Continued)

C. FIXED ASSETS AND LONG-TERM DEBT

General fixed assets are not capitalized in the fund used to acquire or construct them. Instead, capital acquisitions are reflected as expenditures (capital outlay) in the General Fund and the related assets are reported in the general fixed assets account group. General fixed assets provided by the police jury are not recorded in the general fixed assets account group. Approximately 2 per cent of fixed assets are valued at estimated historical costs based on the actual costs of like items while the remaining 98 per cent are based on actual historical costs. No depreciation has been provided on general fixed assets. Long-term debt, such as bonds payable, are recognized as a liability of a governmental fund only when due.

D. BASIS OF ACCOUNTING

The 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 generally are included on the balance sheet. Operating statements for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for reporting all governmental and fiduciary fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The sheriff uses the following practices in recognizing and reporting revenues and expenditures:

Revenues

Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December, January, and February of the fiscal year.

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

CLAIBORNE PARISH SHERIFF

Homer, Louisiana

Notes to the Financial Statements (Continued)

Interest income on time deposits is recorded when the time deposits have matured and the interest is available.

Substantially all other revenues are recognized when received by the sheriff.

Based on the above criteria, *ad valorem* taxes, intergovernmental revenues and fees, charges, and commissions for services have been treated as susceptible to accrual.

Expenditures

Expenditures are generally recognized under the modified accrual basis when the related fund liability is incurred.

Other Financing Source

Proceeds from revenue bonds are accounted for as other financing sources and are recognized when the underlying events occur.

E. BUDGET PRACTICES

A proposed budget, prepared on the modified accrual basis of accounting, is published in the official journal at least ten days prior to the public hearing. Public hearings are held at the Claiborne Parish Sheriff's office during the month of June for comments from taxpayers. The budgets are then legally adopted by the sheriff and amended during the year, as necessary. Budgets are established and controlled by the sheriff at the object level of expenditure.

Appropriations lapse at year-end and must be reappropriated for the following year to be expended. Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments.

F. CASH AND CASH EQUIVALENTS

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 principal offices in Louisiana. At June 30, 1999, the sheriff has cash (book balances) totaling \$677,244, as follows:

CLAIBORNE PARISH SHERIFF
Homer, Louisiana
Notes to the Financial Statements (Continued)

Demand deposits	\$526,794
Petty cash	450
Time deposits	<u>150,000</u>
Total	<u>\$677,244</u>

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 deposits are held in the name of the pledging fiscal agent bank holding or custodial bank that is mutually acceptable to both parties. Cash and cash equivalents (bank balances) at June 30, 1999, are secured as follows:

Bank balances	<u>\$601,055</u>
Federal deposit insurance	\$338,275
Pledged securities	<u>1,074,574</u>
Total	<u>\$1,412,849</u>

Because the pledged securities are held by a custodial bank in the name of the fiscal agent bank rather than in the name of the sheriff, they are considered uncollateralized (Category 3) under the provisions of GASB Codification C20.106; however, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the sheriff that the fiscal agent bank has failed to pay deposited funds upon demand. Further, LRS 39:1224 states that securities held by a third party shall be deemed to be held in the sheriff's name.

G. INVESTMENTS

Under state law, the sheriff may invest funds in obligations of the United States, in federally insured investments, or in time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. Investments in marketable securities with readily determinable fair values are reported at their book values on Statement A. Unrealized gains and losses are not included in operations on Statement B. Investments are categorized into three categories of credit risk:

1. *Insured or registered, or for which the securities held by the sheriff or its agent in the sheriff's name.*

CLAIBORNE PARISH SHERIFF

Homer, Louisiana

Notes to the Financial Statements (Continued)

2. Uninsured and unregistered, with securities held by the bank's trust department or agent in the sheriff's name.
3. Uninsured and unregistered, with securities held by the bank, or by its trust department or agent but not in the sheriff's name.

At fiscal year-end, the sheriff's investment balances were as follows:

	<u>Reported Amount</u>	<u>Fair Value</u>	<u>Unrealized Gain</u>
United States Treasury Notes - Category 2	<u>\$5,630,718</u>	<u>\$5,675,367</u>	<u>\$44,649</u>

II. VACATION AND SICK LEAVE

Employees earn 2 weeks of vacation leave after one year of employment and 3 weeks of vacation leave after 10 years of employment. Vacation leave does not accumulate. Employees earn 15 days of sick leave during the first year of employment. An extra day of sick leave is earned for each year of employment after the first year, until a maximum of 30 days of sick leave is earned. Sick leave does not accumulate. There are no accumulated and vested vacation and sick leave benefits at June 30, 1999, which require accrual or disclosure to conform with generally accepted accounting principles.

I. RISK MANAGEMENT

The sheriff is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets and errors and omissions. To handle such risk of loss, the sheriff maintains commercial insurance policies covering his automobiles and surety bond coverage. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended June 30, 1999.

**J. TOTAL COLUMN ON THE
BALANCE SHEET**

The total column on the balance sheet is captioned Memorandum Only to indicate that it is presented only to facilitate financial analysis (overview). 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.

CLAIBORNE PARISH SHERIFF

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Notes to the Financial Statements (Continued)

2. RECEIVABLES

The General Fund receivables of \$11,668 at June 30, 1999, are as follows:

Class of receivables:

Federal grants	\$2,860
Local grants	1,160
Fees, charges, and commissions for services:	
Court attendance	1,950
Transportation of prisoners	1,099
Other	1,760
Other	<u>2,839</u>
Total	<u>\$11,668</u>

3. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in office furnishings and equipment for the year ended June 30, 1999, follows:

Balance at July 1, 1998	\$565,324
Additions	1,463,654
Deletions	<u>(21,657)</u>
Balance at June 30, 1999	<u>\$2,007,321</u>

4. PENSION PLAN

Substantially all employees of the Claiborne 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 to be used for each year of service is 2.5 per cent for each year if 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 least than 20 years, and 3 per cent for each year if total service is at least 20 years (Act 1117 of 1995 increased the accrual rate by 0.25 percent 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 salary. Final-average salary is the employee's average salary over the 36 consecutive or joined

CLAIBORNE PARISH SHERIFF

Homer, Louisiana

Notes to the Financial Statements (Continued)

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 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 Sheriffs Pension and Relief Fund, Post Office Box 3163, Monroe, Louisiana 71220, or by calling (318) 362-3191.

Plan members are required by state statute to contribute 8.7 percent of their annual covered salary and the Claiborne Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 5.0 percent of annual covered payroll. Contributions to the System also include one-half of one percent 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 Claiborne Parish Sheriff are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, 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 Claiborne Parish Sheriff's contributions to the System for the years ended June 30, 1999, 1998, and 1997 were \$35,719, \$34,973, and \$39,624, respectively, equal to the required contributions for each year.

5. POST RETIREMENT BENEFITS

The Claiborne Parish Sheriff provides certain health care and life insurance benefits for retired employees. Substantially all of the sheriff's employees become eligible for these benefits if they reach normal retirement age while working for the sheriff's office. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee and the sheriff. The sheriff recognizes the cost of providing these benefits (the sheriff's cost of premiums) as an expenditure when the monthly premiums are due, which was \$115,582 for the year ended June 30, 1999. Of this amount, \$8,471 was for retiree benefits.

6. CHANGES IN AGENCY FUND BALANCES

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

CLAIBORNE PARISH SHERIFF

Homer, Louisiana

Notes to the Financial Statements (Continued)

	<u>Civil Fund</u>	<u>Criminal Fund</u>	<u>Inmate Trust Fund</u>	<u>Tax Collector Fund</u>	<u>Total</u>
Balance at 7/1/98	NONE	\$43,457	\$724	\$67,279	\$111,460
Additions	\$216,577	210,398	35,626	5,301,505	5,764,106
Reductions	<u>(214,177)</u>	<u>(222,599)</u>	<u>(35,611)</u>	<u>(5,269,638)</u>	<u>(5,742,025)</u>
Balance at 6/30/99	<u>\$2,400</u>	<u>\$31,256</u>	<u>\$739</u>	<u>\$99,146</u>	<u>\$133,541</u>

7. CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The following is a summary of long-term obligation transactions (revenue bonds) for the year ended June 30, 1999:

Balance at July 1, 1998	NONE
Additions	\$7,500,000
Retirements	<u>NONE</u>
Balance at June 30, 1999	<u>\$7,500,000</u>

Revenue bonds payable at June 30, 1999, is comprised of the following individual issue:

\$7,500,000 -1999 bonds for the acquisition and construction of a detention center. Principal is due in annual installments of \$215,000 to \$1,280,000 through September 1, 2020. Interest rates is 6.25 per cent. Debt retirement payments are to be made from Detention Center Debt Service Fund. \$7,500,000

The annual requirements to amortize all general obligation bonds outstanding at June 30, 1999, including interest of \$6,431,874, are as follows:

<u>Year</u>	<u>Amount</u>
2000	\$234,375
2001	468,750
2002	468,750
2003	677,031
2004	678,125
2005-2009	3,379,062
2010-2014	3,361,094
2015-2019	3,344,687
2020	<u>1,320,000</u>
Total	<u>\$13,931,874</u>

CLAIBORNE PARISH SHERIFF

Homer, Louisiana

Notes to the Financial Statements (Continued)

Revenue bonds totaling \$7,500,000 at June 30, 1999, are secured by a cooperative endeavor agreement with the Department of Public Safety and Corrections. This agreement provides that the Department of Public Safety and Corrections will provide and maintain an inmate population of not less than forty percent (40%) of the 400 bed detention facility.

8. LITIGATION AND CLAIMS

At June 30, 1999, the Claiborne Parish Sheriff is involved in several lawsuits. In the opinion of the sheriff's legal counsel, the outcome will not materially affect the financial statements.

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

The Claiborne Parish Sheriff's office is located in the parish courthouse. The cost of maintaining and operating the courthouse, as required by Louisiana Revised Statute 33:4715, is paid by the Claiborne Parish Police Jury.

10. GRANT PROGRAMS

The Claiborne Parish Sheriff participates in various grant programs funded by the state and federal governments. The following schedule provides selected information on various grants for the year ended June 30, 1999.

<u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM NAME</u>	<u>CFDA NUMBER</u>	<u>PASS THROUGH GRANT NUMBER</u>	<u>EXPENDITURES</u>
FEDERAL PROGRAMS			
UNITED STATES DEPARTMENT			
Direct program - Payment in Lieu of Taxes	N/A	N/A	<u>\$1,130</u>
United States Department of Justice			
Direct program - Community Oriented Policing Services	16.710	N/A	10,901
Direct program - Local Law Enforcement Block Grant	16.592	N/A	10,951
Passed through Louisiana Commission on Law Enforcement and Administration of Criminal Justice:			
Drug Task Force	16.579	98-B1-B.02-0H01	11,840

CLAIBORNE PARISH SHERIFF

Homer, Louisiana

Notes to the Financial Statements (Continued)

<u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM NAME</u>	<u>CFDA NUMBER</u>	<u>PASS THROUGH GRANT NUMBER</u>	<u>EXPENDITURES</u>
Home Detention Care Program	16.540	J97-1-006	<u>\$5,581</u>
Total United States Department of Justice			<u>39,273</u>
Total Federal Financial Assistance			<u>40,403</u>
STATE PROGRAMS			
Louisiana Commission on Law Enforcement and Administration of Criminal Justice -			
Dare Program	N/A	E98-1-003	<u>20,939</u>
Total Financial Assistance			<u>\$61,342</u>

SUPPLEMENTAL INFORMATION SCHEDULES

CLAIBORNE PARISH SHERIFF
Homer, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
As of and for the Year Ended June 30, 1999

FIDUCIARY FUND TYPE - AGENCY FUNDS

CIVIL FUND

The Civil Fund accounts for funds held in civil suits, sheriff's sales, and garnishments and payment to recipients in accordance with applicable laws.

CRIMINAL FUND

The Criminal Fund accounts for bonds, fines and costs, and payment of these collections to recipients in accordance with applicable laws.

INMATE TRUST FUND

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

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, licenses, and fees. The Tax Collector Fund is used to collect and distribute these taxes, licenses, and fees to the appropriate taxing bodies.

CLAIBORNE PARISH SHERIFF
Homer, Louisiana
FIDUCIARY FUND TYPE - AGENCY FUNDS

Combining Balance Sheet, June 30, 1999

	<u>CIVIL FUND</u>	<u>CRIMINAL FUND</u>	<u>INMATE TRUST FUND</u>	<u>TAX COLLECTOR FUND</u>	<u>TOTAL</u>
ASSETS					
Cash and cash equivalents	<u>\$2,400</u>	<u>\$31,256</u>	<u>\$739</u>	<u>\$99,146</u>	<u>\$133,541</u>
LIABILITIES					
Due to taxing bodies and others	<u>\$2,400</u>	<u>\$31,256</u>	<u>\$739</u>	<u>\$99,146</u>	<u>\$133,541</u>

CLAIBORNE PARISH SHERIFF
Homer, Louisiana
FIDUCIARY FUND TYPE - AGENCY FUNDS

Combining Schedule of Changes in Unsettled
Balances Due to Taxing Bodies and Others
For the Year Ended June 30, 1999

	<u>CIVIL FUND</u>	<u>CRIMINAL FUND</u>	<u>INMATE TRUST FUND</u>	<u>TAX COLLECTOR FUND</u>	<u>TOTAL</u>
UNSETTLED BALANCES DUE TO TAXING BODIES AND OTHERS, JUNE 30, 1998	<u>NONE</u>	<u>\$43,457</u>	<u>\$724</u>	<u>\$67,279</u>	<u>\$111,460</u>
ADDITIONS					
Deposits:					
Ad valorem taxes:					
Current year				4,780,870	4,780,870
Prior year				4,039	4,039
Protested taxes				30,285	30,285
State Revenue Sharing				372,073	372,073
Sportsmen licenses				66,350	66,350
Occupational licenses				31,143	31,143
Interest on:					
NOW accounts				2,074	2,074
Prior year				612	612
Delinquent taxes				3,568	3,568
Protested taxes held in escrow				1,782	1,782
Tax notices, etc.				8,709	8,709
Sheriff's sales	\$122,285				122,285
Fines, forfeitures, and costs		210,398			210,398
Garnishments	90,592				90,592
Other deposits	3,700		35,626		39,326
Total additions	<u>216,577</u>	<u>210,398</u>	<u>35,626</u>	<u>5,301,505</u>	<u>5,764,106</u>
Total	<u>216,577</u>	<u>253,855</u>	<u>36,350</u>	<u>5,368,784</u>	<u>5,875,566</u>
REDUCTIONS					
Deposits settled to:					
Louisiana Department of Forestry				23,526	23,526
Louisiana Tax Commission				1,432	1,432
Louisiana Department of Wildlife and Fisheries				55,725	55,725
Claiborne Parish:					
Assessor				193,003	193,003
Clerk of Court	86,320	9,905			96,225
Sheriff's General Fund	28,963	24,373		768,445	821,781
Police jury		16,505		1,311,357	1,327,862
Salary - judge's secretary		28,690			28,690
School board				1,776,874	1,776,874
Hospital District No. 2				388,248	388,248

(Continued)

CLAIBORNE PARISH SHERIFF
 Homer, Louisiana
 FIDUCIARY FUND TYPE - AGENCY FUNDS
 Schedule of Changes in Unsettled Balances
 Due to Taxing Bodies and Others, etc.

	<u>CIVIL FUND</u>	<u>CRIMINAL FUND</u>	<u>INMATE TRUST FUND</u>	<u>TAX COLLECTOR FUND</u>	<u>TOTAL</u>
REDUCTIONS					
Deposits settled to:					
Claiborne Parish (Contd.):					
Fire Protection Districts:					
Evergreen				\$1,288	\$1,288
Haynesville No. 3				116,430	116,430
Homer No. 4				106,507	106,507
South Claiborne No. 5				83,369	83,369
No. 6				187,373	187,373
Haynesville Recreation District				113,621	113,621
Village of Athens				4,685	4,685
Town of Junction City				1,569	1,569
Pension funds				135,196	135,196
District attorney		\$33,716			33,716
Judicial expense fund		11,200			11,200
Indigent defender board		24,946			24,946
Municipalities		1,618			1,618
Attorneys, appraisers, etc.	\$4,836				4,836
Litigants	92,304				92,304
North LA Crime Lab		13,270			13,270
Commission on Law Enforcement		6,331			6,331
Department of Public Safety		2,150			2,150
LA Supreme Court CMIS		2,015			2,015
LA Rehab. Services THSCITF		3,985			3,985
Second Judicial Criminal Court		42,376			42,376
Other reductions	1,754	1,519	\$35,611	990	39,874
Total reductions	<u>214,177</u>	<u>222,599</u>	<u>35,611</u>	<u>5,269,638</u>	<u>5,742,025</u>
UNSETTLED BALANCES DUE TO TAXING BODIES AND OTHERS, JUNE 30, 1999	<u>\$2,400</u>	<u>\$31,256</u>	<u>\$739</u>	<u>\$99,146</u>	<u>\$133,541</u>

(Concluded)

CLAIBORNE PARISH SHERIFF
Homer, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULE
As of and For the Year Ended June 30, 1999

YEAR 2000 ISSUE (Unaudited)

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 Claiborne Parish Sheriff has completed an inventory of computer systems that may be affected by the year 2000 issue and that are critical to conducting operations of the sheriff's office. The sheriff has identified the following system requiring 2000 remediation; a financial reporting system. All testing and validation of this system has been performed.

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

**Independent Auditor's Report Required
by *Government Auditing Standards***

The following independent auditor's report on compliance and internal control over financial reporting is presented in compliance with the requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.



Independent Auditor's Report on Compliance and Internal Control Over Financial Reporting

CLAIBORNE PARISH SHERIFF
Homer, Louisiana

I have audited the general purpose financial statements of the Claiborne Parish Sheriff as of and for the year ended June 30, 1999 and have issued my report thereon dated August 10, 1999. 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 Claiborne Parish Sheriff's 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 amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my 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 my audit, I considered the Claiborne Parish Sheriff's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the 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 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. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

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CERTIFIED PUBLIC
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CLAIBORNE PARISH SHERIFF

Homer, Louisiana

Independent Auditor's Report on Compliance

And Internal Control Over Financial Reporting, etc.

June 30, 1999

This report is intended for the information of the Claiborne Parish Sheriff and management of the sheriff's office. This is not intended to limit the distribution of this report, which is a matter of public record.

A handwritten signature in black ink, appearing to read 'V. M. ...', with a long horizontal flourish extending to the right.

West Monroe, Louisiana

August 10, 1999

CLAIBORNE PARISH SHERIFF
Homer, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 1999

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of the Claiborne Parish Sheriff.
2. No instances of noncompliance material to the financial statements of the Claiborne Parish Sheriff were disclosed during the audit.
3. No reportable conditions relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control Over Financial Reporting.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

CLAIBORNE PARISH SHERIFF
Homer, Louisiana

Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 1999

There were no audit findings reported in the audit for the year ended June 30, 1998