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RED RIVER PARISH SHERIFF

Coushatta, Louisiana

FINANCIAL STATEMENTS

June 30, 1999

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 1-12-00 .

Marsha O. Millican
Certified Public Accountant
Shreveport, Louisiana

RED RIVER PARISH SHERIFF

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June 30, 1999

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Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

Honorable Buddy Huckabay, Sheriff
Red River Parish Sheriff
Coushatta, Louisiana

I have audited the accompanying general purpose financial statements of Red River Parish Sheriff as of June 30, 1999, and for the year then ended. These general purpose financial statements are the responsibility of the Sheriff's management. My responsibility is to express an opinion on these 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. Those standards require that I 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 general purpose financial statements. An audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose 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 above present fairly, in all material respects, the financial position of Red River 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.

In accordance with Government Auditing Standards, I have also issued a report dated December 29, 1999, on my consideration of Red River 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 made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying financial information listed as supplemental information in the table of contents is presented for the purpose of additional analysis and is not a required part of the general purpose financial statements of Red River Parish Sheriff. Such information has been subjected to the auditing procedures applied in the examination of the general purpose financial statements, and, in my opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

Margaret D. Mullica

Certified Public Accountant
December 27, 1999

Statement A

Red River Parish Sheriff
 Combined Balance Sheet - All Fund Types and Account Group
 June 30, 1999

	<u>Governmental Fund Type</u>	<u>Fiduciary Fund Type - Agency Funds</u>			<u>Account Group</u>	<u>Total (Memorandum Only)</u>
	<u>General Fund</u>	<u>Sheriff's Fund</u>	<u>Fines and Costs Fund</u>	<u>Tax Collector Fund</u>	<u>General Fixed Assets</u>	
Cash	\$ 799,222	\$ 13,344	\$ 66,101	\$ 52,854	\$ -	\$ 931,521
Revenue receivable	53,478	-	-	-	-	53,478
Inventory	190	-	-	-	-	190
Furniture and equipment	-	-	-	-	925,389	925,389
Total assets	<u>852,890</u>	<u>13,344</u>	<u>66,101</u>	<u>52,854</u>	<u>925,389</u>	<u>1,910,578</u>
<u>LIABILITIES AND FUND EQUITY</u>						
Liabilities:						
Accounts payable	48,230	-	-	-	-	48,230
Due to taxing bodies and others	-	13,344	66,101	52,854	-	132,299
Total liabilities	<u>48,230</u>	<u>13,344</u>	<u>66,101</u>	<u>52,854</u>	<u>-</u>	<u>180,529</u>
Fund Equity:						
Investment in general fixed assets	-	-	-	-	925,389	925,389
Fund Balance:	190	-	-	-	-	190
Reserved for inventory						
Reserved for drug enforcement	20,069	-	-	-	-	20,069
Unreserved - undesignated	784,401	-	-	-	-	784,401
Total fund equity	<u>804,660</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>925,389</u>	<u>1,730,049</u>
Total liabilities and fund equity	<u>\$ 852,890</u>	<u>\$ 13,344</u>	<u>\$ 66,101</u>	<u>\$ 52,854</u>	<u>\$ 925,389</u>	<u>\$ 1,910,578</u>

See accompanying notes to financial statements.

RED RIVER PARISH SHERIFF

Statement of Revenues, Expenditures, and Changes in Fund Balance -
 Governmental Fund Type - General Fund
For the Year Ended June 30, 1999

Revenues:	
Taxes - ad valorem	\$ 335,603
Taxes - sales	592,430
Intergovernmental revenues:	
Federal grants and entitlements:	
Food distribution program	2,022
Undercover narcotics program	12,992
DARE funds	19,037
COPS funds	26,451
State grants:	
State revenue sharing (net)	22,788
State supplemental pay	79,886
Fees, charges, and commissions for services:	
Commissions on licenses, fines, taxes, etc.	22,128
Commissions on state revenue sharing	39,993
Civil and criminal fee	55,396
Court attendance	2,240
Tax notices	5,047
Transporting prisoners	3,282
Feeding and keeping prisoners	391,508
Interest	20,015
Video poker revenue	10,630
Miscellaneous	40,613
Sale of surplus property	<u>1,836</u>
 Total revenues	 <u>1,683,897</u>
 Expenditures:	
Public safety:	
Personal services	1,103,850
Operating expenses	122,802
Materials and supplies	127,985
Travel and other charges	11,765
Capital outlay	<u>149,242</u>
 Total expenditures	 <u>1,515,644</u>
 Excess of revenues over expenditures	 168,253
 Fund balance at beginning of year	 <u>636,407</u>
 Fund balance at end of year	 <u>\$ 804,660</u>

See accompanying notes to financial statements.

RED RIVER PARISH SHERIFF

Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget (GAAP Basis) and Actual -
Governmental Fund Type - General Fund
For the Year Ended June 30, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Ad valorem taxes	\$ 307,000	\$ 335,603	\$ 28,603
Sales taxes	550,000	592,430	42,430
Commissions on:			
Sports licenses	4,300	5,054	754
State revenue sharing	40,000	39,993	(7)
Fines and bonds	8,600	10,163	1,563
Sales and seizures	6,400	6,911	511
Fees on civil matters	16,300	16,982	682
Fees on criminal matters	33,800	38,414	4,614
Fees for:			
Court attendance	1,940	2,240	300
Feeding and keeping prisoners	350,000	391,508	41,508
Transporting prisoners	3,100	3,282	182
Tax notices	2,000	5,047	3,047
Law enforcement	33,300	58,480	25,180
State supplemental pay	79,800	79,886	86
Sales of surplus property	1,800	1,836	36
State revenue sharing (net)	22,700	22,788	88
Video poker revenue	10,000	10,630	630
Food distribution program	-	2,022	2,022
Interest	13,800	20,015	6,215
Miscellaneous	27,600	40,613	13,013
Total revenues	<u>1,512,440</u>	<u>1,683,897</u>	<u>171,457</u>
Expenditures:			
Public Safety:			
Personal services and benefits	1,155,116	1,103,850	51,266
Operating services	90,000	122,802	(32,802)
Material and supplies	138,370	127,985	10,385
Travel and other charges	3,040	11,765	(8,725)
Capital outlay	145,000	149,242	(4,242)
Total expenditures	<u>1,531,526</u>	<u>1,515,644</u>	<u>15,882</u>
Excess of revenues over (under) expenditures	(19,086)	168,253	187,339
Fund balance at beginning of year	636,407	636,407	-
Fund balance at end of year	<u>\$ 617,321</u>	<u>\$ 804,660</u>	<u>\$ 187,339</u>

See accompanying notes to financial statements.

RED RIVER PARISH SHERIFF

Notes to Financial Statements
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, etc.

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

For financial reporting purposes, in accordance with Governmental Accounting Standards Board (GASB) Codification Section 2100, the Sheriff includes all funds, account groups, activities, etc., that are within the oversight responsibility of the Sheriff as an independently elected parish official. Certain units of local government over which the Sheriff exercises no oversight responsibility, such as the parish police jury, parish school board, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from that of the Sheriff.

A. Fund Accounting:

The accounts of the Sheriff are organized on the basis of funds and an account group, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which the spending activities are controlled. The funds presented in the financial statements are described as follows:

(Continued)

RED RIVER PARISH SHERIFF

Notes to Financial Statements
June 30, 1999

(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

A. Fund Accounting: (Continued)

General Fund:

The General Fund, as provided by Louisiana Revised Statutes 33:1422, is the primary 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 and sales tax revenue. 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, etc. General operating expenditures are paid from this fund.

Agency Funds:

The agency funds are used as depositories for civil suits, cash bonds, taxes, fees, etc. Disbursements from the funds are made to various parish agencies, litigants in suits, etc., 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.

B. Fixed Assets and Long-term Obligations:

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed asset account group, and are recorded as expenditures in the governmental fund type when purchased.

Fixed assets are valued at historical cost or estimated cost if historical cost is not available. No depreciation has been provided on general fixed assets. Assets forfeited to the Sheriff are valued at estimated worth at the time of the forfeiture. Donated assets are valued at the donor's cost or estimated fair market value if the donor's historical is not available. The account group is not a fund. It is concerned only with the measurement of financial position and does not involve measurement of results of operations.

As of June 30, 1999, the Sheriff has no long-term obligations.

(Continued)

RED RIVER PARISH SHERIFF

Notes to Financial Statements
June 30, 1999

(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

C. Basis of Accounting:

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of 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 by all governmental fund types and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual. Those revenues susceptible to accrual are property taxes, interest and charges for services. Fines and permits are not susceptible to accrual because generally they are not measurable until received in cash.

D. Inventory:

The Sheriff maintains inventory records for food commodities on a first-in, first-out basis.

E. Vacation and Sick Leave:

Employees of the Sheriff's office receive from one to two weeks of vacation leave each year, depending on the length of service. Employees also receive 40 hours of sick leave each year. Vacation and sick leave may not be accumulated. At June 30, 1999, the employees have no accumulated or vested benefits related to leave privileges.

F. Memorandum Only - Total Columns:

Total columns on the combined balance sheet - all funds are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation.

(Continued)

RED RIVER PARISH SHERIFF

Notes to Financial Statements
June 30, 1999

(Continued)

2. BUDGET PRACTICES:

A public hearing is held at the Sheriff's office prior to July 1 for comments from taxpayers on the proposed budgets. After adoption, the budgets are integrated into the accounting system for review and amendment, if necessary. Budget amounts included in the accompanying financial statements include original adopted budgets and subsequent amendments, if any. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). All budget appropriations lapse at year end.

3. DEPOSITS:

At year end, the carrying amount of the Sheriff's deposits totalled \$931,521 and the bank balance was \$938,540.

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 custodial bank that is mutually acceptable to both parties. Deposits of \$323,848 are fully insured by federal deposit insurance. Deposits of \$614,692 are collateralized with securities and are categorized below to give an indication of the level of credit risk:

	<u>Bank Balance</u>
Category 1 Deposits insured or collateralized with securities held by the Sheriff or by its agent in the Sheriff's name.	\$ -
Category 2 Deposits collateralized with securities held by pledging financial institution's trust department or agent in the Sheriff's name.	614,692
Category 3 Deposits that are uncollateralized, including any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department, or agent but not in the Sheriff's name.	<u>-</u>
	<u>\$ 614,692</u>

(Continued)

RED RIVER PARISH SHERIFF
Notes to Financial Statements
June 30, 1999

(Continued)

4. REVENUE RECEIVABLE:

Revenue receivable of \$53,478 at June 30, 1999, consists of the following:

Fees, charges, and commissions for services:	
Commissions on licenses, fines, taxes, etc.	\$ 7,260
Video poker	2,474
Miscellaneous	6,576
Feeding and keeping prisoners	30,184
Louisiana Commission on Law Enforcement	<u>6,984</u>
 Total	 <u>\$ 53,478</u>

5. CHANGES IN GENERAL FIXED ASSETS:

A summary of changes in general fixed assets is as follows:

Office furnishings and equipment:	
Balance at July 1, 1998	\$ 801,881
Additions:	
Purchases	140,761
Deletions	<u>(17,253)</u>
 Balance at June 30, 1999	 <u>\$ 925,389</u>

6. SHERIFFS' PENSION AND RELIEF FUND:

Plan Description:

Membership in the plan is compulsory for all eligible sheriffs and deputies. A participant must be eighteen years of age and be paid a minimum monthly salary of \$550 from the Sheriff's General Fund. The plan provides retirement benefits, survivor's benefits, and disability benefits. A member may retire at age 55 with 12 or more years of creditable service. Benefits are computed using a percentage rate (based on the number of years of creditable service) and final average compensation.

(Continued)

RED RIVER PARISH SHERIFF

Notes to Financial Statements
June 30, 1999

6. SHERIFF'S PENSION AND RELIEF FUND: (Continued)

Contributions Required and Made:

Participants are required to pay 8.7% of their total monthly earnings. Employer contributions are 6% of each and every member's earnings. In addition to the monthly employee and employer contributions paid by the sheriffs' offices to the Pension Fund, 1/2 of 1% of the total amount of the ad valorem tax rolls collected by the sheriff of each parish is paid annually. Each sheriff's office and the city of New Orleans remit a portion of the State Revenue Sharing funds received by them. The Pension Fund also annually receives an amount of the insurance premium tax. The amount is allocated by the Public Retirement System's Actuarial Committee. Total contributions by the Red River Parish Sheriff to this retirement system were \$41,042 for the year ended June 30, 1999.

Funding Status and Progress:

The amount of the total pension benefit obligation is based on a standardized measurement established by GASB-5 that, with some exceptions, must be used by a public retirement system. The standardized measurement is the actuarial present value of certified projected benefits. This pension valuation method reflects the present value of estimated pension benefits that will be paid in future years as a result of employee services performed to date, and is adjusted for the effects of projected salary increases. A standardized measure of the pension benefit obligation was adopted by the GASB to enable readers of financial statements to assess the funding status on a going concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among other retirement systems and among other employers.

Total unfunded pension benefit obligation of the Sheriff's Pension and Relief Fund as of June 30, 1998, was as follows:

Total pension benefit obligations	\$ 694,040,208
Net assets available for pension benefits	<u>608,924,363</u>
Unfunded pension benefit obligation	<u>\$ 85,115,845</u>

The measurement of the total pension benefit obligation is based on an actuarial valuation as of June 30, 1998. Net assets available to pay pension benefits were valued as of the same date.

7. YEAR 2000 ISSUES:

The internal accounting systems of the Sheriff are Year 2000 compliant. The Sheriff spent \$997 for software to become Year 2000 compliant during the year ended June 30, 1999.

RED RIVER PARISH SHERIFF

Fiduciary Fund Type - Agency Funds
 Schedule of Changes in Balances Due
 to Taxing Bodies and Others
Year Ended June 30, 1999

	<u>Sheriff's Fund</u>	<u>Fines and Costs Fund</u>	<u>Tax Collector Fund</u>
Balances at beginning of year	\$ 10,385	\$ 97,927	\$ 5,191
Additions:			
Deposits:			
Sheriff's sales	45,109	-	-
Fines, costs, and bonds	-	253,728	-
Garnishments	39,842	-	-
Taxes, fees, etc paid to tax collector	-	-	<u>3,429,617</u>
Total additions	<u>84,951</u>	<u>253,728</u>	<u>3,429,617</u>
Deductions:			
Taxes, fees, etc, distributed to taxing bodies and others	-	-	3,381,955
Deposits settled to:			
Sheriff's General Fund	15,133	43,225	-
Police Jury	-	62,652	-
District Attorney	-	36,020	-
Clerk of Court	10,199	12,294	-
Indigent Defender Board	-	32,193	-
Litigants, attorneys, appraisers, etc.	47,134	21,911	-
Crime Laboratory	-	15,135	-
Other settlements	<u>9,526</u>	<u>62,124</u>	<u>-</u>
Total deductions	<u>81,992</u>	<u>285,554</u>	<u>3,381,955</u>
Balance, end of year	<u>\$ 13,344</u>	<u>\$ 66,101</u>	<u>\$ 52,854</u>

RED RIVER PARISH SHERIFF

Fiduciary Fund Type - Tax Collector Fund
 Collections, Distributions and Unsettled Balances
For the Year Ended June 30, 1999

Unsettled balances, beginning of year	\$	5,191.05
Collections:		
Ad valorem taxes		3,180,485.15
State revenue sharing		206,135.00
Angling, hunting & trapping licenses		33,783.00
Interest		6,996.14
Redemptions and overpayments		1,349.47
Costs of tax notices, etc.		868.68
Total collections		3,429,617.44
Distributions:		
Louisiana Department of Treasury		34,621.90
Louisiana Department of Wildlife and Fisheries		28,325.05
Louisiana National Guard		2,500.00
Louisiana Forestry Commission		9,275.16
Louisiana Tax Commission		967.34
Red River Waterway Commission		75,067.86
Red River Parish:		
Clerk of Court		229.00
School Board		1,941,346.31
Police Jury		424,145.99
Sheriff		408,835.86
Fire Protection Districts		165,140.69
Assessor		194,828.06
Municipalities		7,623.00
Redemptions and Refunds		1,381.88
Pension Funds		87,666.83
Total distributions		3,381,954.93
Unsettled balances, end of year, due to taxing bodies and others	\$	52,853.56

Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

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

Honorable Buddy Huckabay, Sheriff
Red River Parish Sheriff
Coushatta, Louisiana

I have audited the financial statements of Red River Parish Sheriff as of and for the year ended June 30, 1999, and have issued my report thereon dated December 29, 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 Red River 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 statement 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 Red River 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.

This report is intended for the information of management and federal and state awarding agencies.

Marsha D. Miller

Certified Public Accountant
December 29, 1999