

177
95 01 25 01

**MADISON PARISH SHERIFF
Tallulah, 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

MADISON PARISH SHERIFF
Tallulah, Louisiana

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

C O N T E N T S

	<u>Statement</u>	<u>Page No.</u>
Independent Auditor's Report		3
General Purpose Financial Statements:		
Combined Balance Sheet, All Fund Types and Account Groups	A	6
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual	B	7
Notes to the Financial Statements		9
	<u>Statement</u>	<u>Page No.</u>
Supplemental Information Schedules -		
Special Revenue Funds:		
Combining Balance Sheet	1	24
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	2	25
Fiduciary Fund Type - Agency Funds:		
Combining Balance Sheet	3	27
Combining Schedule of Changes in Unsettled Balances Due to Taxing Bodies and Others	4	28

C O N T E N T S (CONTD.)

	<u>Schedule</u>	<u>Page No.</u>
Supplemental Information Schedules (Contd):		
Year 2000 Issue	5	29
Independent Auditor's Reports Required by <i>Government Auditing Standards</i>		
Independent Auditor's Report on Compliance and Internal Control Over Financial Reporting		31
Schedule of Findings and Questioned Costs	6	33
Summary Schedule of Prior Audit Findings	7	34

Independent Auditor's Report

MADISON PARISH SHERIFF
Tallulah, Louisiana

I have audited the general purpose financial statements of the Madison Parish Sheriff, a component unit of the Madison 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 Madison 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 above present fairly, in all material respects, the financial position of the Madison 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.

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 Madison 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.

MEMBER AMERICAN
INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC
ACCOUNTANTS

PRACTICE LIMITED TO
GOVERNMENTAL
ACCOUNTING, AUDITING
AND FINANCIAL REPORTING

116 PROFESSIONAL DRIVE,
WEST MONROE,
LOUISIANA 71291
PHONE 318.325.2121
TOLL FREE LOUISIANA
1.800.541.5020
FAX 318.324.1630

MADISON PARISH SHERIFF
Tallulah, Louisiana
Independent Auditor's Report,
June 30, 1999

The year 2000 supplementary information on page 29 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 Madison Parish Sheriff is or will be year 2000 compliant, that the Madison Parish Sheriff's remediation efforts will be successful in whole or in part, or that parties with which the Madison Parish Sheriff does business are or will become year 2000 compliant.

In accordance with *Government Auditing Standards*, I have also issued reports dated July 28, 1999, on my consideration of the Madison 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 read 'V. Smith', written in a cursive style.

West Monroe, Louisiana
July 28, 1999

**GENERAL PURPOSE FINANCIAL STATEMENTS
(OVERVIEW)**

MADISON PARISH SHERIFF
Tallulah, Louisiana
ALL FUND TYPES AND ACCOUNT GROUPS

Combined Balance Sheet, June 30, 1999

	GOVERNMENTAL ...FUND TYPE...		FIDUCIARY FUND TYPE AGENCY FUNDS	..ACCOUNT GROUPS..		TOTAL (MEMORANDUM ONLY)
	GENERAL FUND	SPECIAL REVENUE FUNDS		GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	
ASSETS AND OTHER DEBITS						
Cash and cash equivalents	\$117,248	\$287,535	\$390,654			\$795,437
Investments	512,541	200,184	20,106			732,831
Receivables	80,962	198,617				279,579
Due from other funds	125,198	6,613				131,811
Due from others	220					220
Office furnishings and equipment				\$732,590		732,590
Amount to be provided for retirement of general long-term debt					\$50,456	50,456
TOTAL ASSETS AND OTHER DEBITS	\$836,169	\$692,949	\$410,760	\$732,590	\$50,456	\$2,722,924
LIABILITIES AND FUND EQUITY						
Liabilities:						
Accounts payable	\$2,629	\$150,970				\$153,599
Due to other funds	6,053	125,080	\$678			131,811
Due to taxing bodies and others		200,000	410,082			610,082
Lease purchase payable					\$50,456	50,456
Total Liabilities	8,682	476,050	410,760	NONE	50,456	945,948
Fund Equity:						
Investment in general fixed assets				\$732,590		732,590
Fund balance - unreserved - undesignated	827,487	216,899				1,044,386
Total Fund Equity	827,487	216,899	NONE	732,590	NONE	1,776,976
TOTAL LIABILITIES AND FUND EQUITY	\$836,169	\$692,949	\$410,760	\$732,590	\$50,456	\$2,722,924

The accompanying notes are an integral part of this statement.

MADISON PARISH SHERIFF
Tallulah, Louisiana
GOVERNMENTAL FUND TYPE - GENERAL FUND
AND SPECIAL REVENUE FUNDS

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

GENERAL FUND.....		SPECIAL REVENUE FUNDS.....		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES						
Taxes:						
Ad valorem	\$318,000	\$318,931	\$931			
Sales and use	375,000	400,174	25,174			
Intergovernmental revenues:						
Federal grants - federal revenue	10,000	18,208	8,208	\$85,700	\$86,197	\$497
State grants:						
State revenue sharing (net)	42,000	42,083	83			
State supplemental pay	78,000	82,928	4,928			
Other state grants	88,000	91,533	3,533	18,942	18,942	
Local grant	18,500	34,033	15,533			
Fees, charges, and commissions for services:						
Commissions on licenses and taxes	56,000	61,909	5,909			
Civil and criminal fees	95,000	106,156	11,156	1,800	1,999	199
Court attendance	2,500	2,815	315			
Transportation of prisoners	7,000	8,675	1,675			
Feeding and keeping of prisoners	50,000	61,506	11,506	2,053,105	2,107,973	54,868
Tax notices, etc.	10,000	10,515	515			
Other	30,000	40,516	10,516			
Use of money and property	24,500	29,561	5,061	4,800	9,641	4,841
Other revenue				130,000	147,167	17,167
Total revenues	<u>1,204,500</u>	<u>1,309,543</u>	<u>105,043</u>	<u>2,294,347</u>	<u>2,371,919</u>	<u>77,572</u>
EXPENDITURES						
Public safety:						
Current:						
Personal services and benefits	800,000	716,968	83,032	809,292	805,025	4,267
Operating services	143,100	131,195	11,905	725,000	741,626	(16,626)
Materials and supplies	112,200	99,515	12,685	537,640	558,239	(20,599)
Travel and other charges	38,500	35,198	3,302	12,600	15,077	(2,477)
Debt service	48,000	45,043	2,957			
Capital outlay	205,000	161,352	43,648	70,300	62,876	7,424
Total expenditures	<u>1,346,800</u>	<u>1,189,271</u>	<u>157,529</u>	<u>2,154,832</u>	<u>2,182,843</u>	<u>(28,011)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(142,300)</u>	<u>120,272</u>	<u>262,572</u>	<u>139,515</u>	<u>189,076</u>	<u>49,561</u>

(Continued)

MADISON PARISH SHERIFF
 Tallulah, Louisiana
 GOVERNMENTAL FUND TYPE - GENERAL FUND
 AND SPECIAL REVENUE FUNDS
 Combined Statement of Revenues, Expenditures,
 and Changes in Fund Balances - Budget
 (GAAP Basis) and Actual

GENERAL FUND.....		SPECIAL REVENUE FUNDS.....		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
OTHER FINANCING SOURCES (USE)						
Proceeds from sale of fixed assets	\$9,900	\$9,950	\$50			
Proceeds from insurance recovery	1,300	1,305	5			
Operating transfer in	150,000	175,975	25,975	\$21,900	\$22,271	\$371
Operating transfer out		(22,271)		(177,000)	(175,975)	1,025
Total other financing sources (use)	<u>161,200</u>	<u>164,959</u>	<u>(3,759)</u>	<u>(155,100)</u>	<u>(153,704)</u>	<u>1,396</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USE	<u>18,900</u>	<u>285,231</u>	<u>266,331</u>	<u>(15,585)</u>	<u>35,372</u>	<u>50,957</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>344,083</u>	<u>542,256</u>	<u>198,173</u>	<u>188,570</u>	<u>181,527</u>	<u>(7,043)</u>
FUND BALANCES AT END OF YEAR	<u>\$362,983</u>	<u>\$827,487</u>	<u>\$662,677</u>	<u>\$172,985</u>	<u>\$216,899</u>	<u>\$36,871</u>

The accompanying notes are an integral part of this statement.

MADISON PARISH SHERIFF
Tallulah, 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 Madison Parish Police Jury is the financial reporting entity for Madison 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 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 determining which component units should be considered part of the Madison Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial responsibility. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

MADISON PARISH SHERIFF
Tallulah, Louisiana
Notes to the Financial Statements

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the police jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
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 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, the sheriff was determined to be a component unit of the Madison 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 financial position and results of 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 obligations) that are not recorded in the "funds" because they do not directly affect net expendable available

MADISON PARISH SHERIFF
Tallulah, Louisiana
Notes to the Financial Statements

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 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 governmental and fiduciary funds as described below:

Governmental Funds

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 sources of revenue are an ad valorem tax and a sales 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.

Fiduciary Funds - Agency Fund Type

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.

C. FIXED ASSETS AND LONG-TERM OBLIGATIONS

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in the General Fund. 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 capital leases, 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 the 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 recording 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.

MADISON PARISH SHERIFF
Tallulah, Louisiana
Notes to the Financial Statements

Sales and use taxes are recognized as revenues when received by the sheriff's collection agent, the Madison Parish School Board.

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

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

Interest income on demand deposits is recorded when the interest is earned and credited to the account.

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

Based on the above criteria, 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 Sources (Uses)

Transfers between funds which are not expected to be repaid, sales of fixed assets, increases in capital leases, and insurance recovery are accounted for as other financing sources (uses) and are recognized when the underlying events occur.

E. BUDGET PRACTICES

Proposed budgets, prepared on the modified accrual basis of accounting, are published in the official journal at least ten days prior to the public hearing. Public hearings are held at the 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

MADISON PARISH SHERIFF
 Tallulah, Louisiana
 Notes to the Financial Statements

year, as necessary. Budgets are established and controlled by the sheriff at the object level of expenditure. Encumbrance accounting is not recognized within the budgetary accounting system. 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 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 balance) totaling \$795,437, as follows:

Demand deposits	\$746,011
Time deposits	48,776
Petty Cash	<u>650</u>
Total	<u>\$795,437</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 bank. 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. Cash and cash equivalents (bank balances) at June 30, 1999, are secured as follows:

Bank Balances	<u>\$897,820</u>
Federal deposit insurance	\$657,115
Pledged securities (uncollateralized)	<u>676,546</u>
Total	<u>\$1,333,661</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

MADISON PARISH SHERIFF
Tallulah, Louisiana
Notes to the Financial Statements

advertise and sell the pledged securities within 10 days of being notified by the sheriff that the fiscal agent has failed to pay deposited funds upon demand. 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. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. At June 30, 1999, the sheriff had investments in LAMP totaling \$732,831, which is stated at cost and approximates market.

In accordance with GASB Codification I50.165 the investment in LAMP at June 30, 1999, is not categorized in the three risk categories provided by GASB Codification I50.164 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, U.S. government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

H. VACATION AND SICK LEAVE

All employees are granted from one to two weeks of vacation leave each year, depending on length of service. Vacation leave must be taken in the year granted and may not be accumulated and carried forward to succeeding years. Sick leave is granted on a case-by-case basis, at the discretion of the sheriff.

MADISON PARISH SHERIFF
 Tallulah, Louisiana
 Notes to the Financial Statements

I. SALES AND USE TAXES

On October 18, 1997, voters of the parish approved a one-half of one percent (1/2%) sales and use tax to be collected indefinitely. The proceeds of the tax, after paying reasonable and necessary costs of collection, is dedicated to operation of the law enforcement district. The Madison Parish School Board acts as the collecting agent for the purpose of administration and collection of the tax. For its services, the school board receives reasonable and necessary costs of collection. Every agency that the school board collects a tax for pays a pro-rata share of the collection agency's expenses based on the amount of tax actually collected for them.

J. 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.

K. 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.

2. RECEIVABLES

The receivables of \$279,579 at June 30, 1999, are as follows:

<u>Class of receivables:</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Total</u>
Taxes:			
Advalorem	\$115		\$115
Sales	28,500		28,500

MADISON PARISH SHERIFF
Tallulah, Louisiana
Notes to the Financial Statements

<u>Class of receivables:</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Total</u>
Intergovernmental revenues:			
Federal grants - federal revenue	\$13,397	\$22,164	\$35,561
State grants		3,269	3,269
Fees, charges, and commissions for services:			
Commissions on licenses, taxes, etc.	742		742
Civil and criminal fees	16,108		16,108
Court attendance	500		500
Transportation of prisoners	1,482		1,482
Feeding and keeping prisoners	11,292	173,184	184,476
Miscellaneous	<u>8,826</u>		<u>8,826</u>
Total	<u>\$80,962</u>	<u>\$198,617</u>	<u>\$279,579</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, June 30, 1998	\$558,136
Additions	224,228
Deletions	<u>(49,774)</u>
Balance, June 30, 1999	<u>\$732,590</u>

The beginning balance at July 1, 1998 was restated to reflect changes noted during the physical inventory taken during the year.

4. PENSION PLAN

Substantially all employees of the Madison 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

MADISON PARISH SHERIFF
Tallulah, Louisiana
Notes to the Financial Statements

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 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 Madison 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 Madison Parish Sheriff are established and may be amended by state statute. As provided by Louisiana Revised Statue 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 Madison Parish Sheriff's contributions to the System for the years ended June 30, 1999, 1998, and 1997 were \$61,046, \$52,993, and \$55,454, respectively, equal to the required contributions for each year.

5. POST RETIREMENT BENEFITS

The Madison 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 \$64,689 for the year ended June 30, 1999. Of this amount, \$14,191 was for retiree benefits.

MADISON PARISH SHERIFF
 Tallulah, Louisiana
 Notes to the Financial Statements

6. LEASE PURCHASE PAYABLE

On August 15, 1997, the sheriff entered into a lease purchase agreement to consolidate the 5 prior lease agreements and to purchase a computer system and a Ford Expedition. The lease agreement requires 36 payments of \$3,737.99, beginning September 15, 1997, and ending on August 15, 2000. The following is a summary of changes in long-term debt for the year ended June 30, 1999:

Balance at June 30, 1998	\$90,923
Additions	NONE
Reductions	<u>(40,467)</u>
Balance at June 30, 1999	<u>\$50,456</u>

The following is a summary of the future minimum lease payments, together with the present value of the net minimum lease payments, as of June 30, 1999:

<u>Year</u>	<u>Payments</u>
2000	\$44,856
2001	<u>7,511</u>
Total minimum lease payments	52,367
Less - amount representing interest	<u>(1,911)</u>
Present value of net minimum lease payments	<u>\$50,456</u>

7. DUE FROM/TO OTHER FUNDS

Individual fund balances due from/to other funds at June 30, 1999 are as follows:

	<u>Due from</u>	<u>Due to</u>
	<u>Other</u>	<u>Other</u>
	<u>Funds</u>	<u>Funds</u>
General Fund	\$125,198	\$6,053
Civil Fund		83
Criminal Fund		576
Grant Fund	3,664	67,123
Louisiana Law Enforcement Block Grant	2,949	57,957
License Fund		19
Total	<u>\$131,811</u>	<u>\$131,811</u>

MADISON PARISH SHERIFF
Tallulah, Louisiana
Notes to the Financial Statements

8. CHANGES IN AGENCY FUND BALANCES

A summary of changes in agency fund balances due to taxing bodies and others for the year ended June 30, 1999, follows:

	<u>Balance at July 1, 1998</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at June 30, 1999</u>
Tax Collector Fund	\$54,193	\$3,715,246	(\$3,579,136)	\$190,303
Civil Fund	594	235,948	(236,071)	471
Criminal Fund	134,364	744,100	(738,938)	139,526
Inmate Fund	18,169	202,859	(185,355)	35,673
Work Release Fund	NONE	66,301	(33,954)	32,347
Asset Forfeiture Fund	33,331	12,890	(34,459)	11,762
Totals	<u>\$240,651</u>	<u>\$4,977,344</u>	<u>(\$4,807,913)</u>	<u>\$410,082</u>

9. LITIGATION AND CLAIMS

At June 30, 1999, the Madison 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.

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

The Madison 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 Madison Parish Police Jury.

11. FEDERAL FINANCIAL ASSISTANCE

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR NAME/ PROGRAM TITLE	CFDA NUMBER	PASS THROUGH GRANTORS NUMBER	YEAR ENDED <u>June 30, 1999</u>
UNITED STATES DEPARTMENT OF THE INTERIOR Direct program - Payment in Lieu of Taxes	N/A		<u>\$13,397</u>

MADISON PARISH SHERIFF
Tallulah, Louisiana
Notes to the Financial Statements

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR NAME/ PROGRAM TITLE	CFDA NUMBER	PASS THROUGH GRANTORS NUMBER	YEAR ENDED June 30, 1999
UNITED STATES DEPARTMENT OF JUSTICE			
Direct program - Community Oriented Policing Services	16.710		\$38,411
Passed through Louisiana Commission on Law Enforcement and Administration of Criminal Justice:			
Multi-Jurisdictional Task Force	16.579	97-B2-B.07-0119	18,886
Local Law Enforcement Block Grant	16.592	98LBVX6906	28,900
Law Enforcement Equipment	16.592	97-Z2-Z.1C-0606	<u>4,811</u>
Total United States Department of Justice			<u>91,008</u>
Total Federal Financial Assistance			<u><u>\$104,405</u></u>

12. MANAGEMENT AGREEMENT FOR DETENTION CENTER

The Madison Parish Sheriff manages the Madison Parish Detention Center which is a privately owned facility of Western Correctional Corporation III (WCC). The sheriff has signed two separate agreements for the lease of the facility. The first is a lease agreement with option to purchase. This agreement is for a term of twenty years commencing on December 1, 1999. Under this agreement the sheriff would make total rental payments from December 1, 1999 through May 31, 2008 in the amount of \$3,833,259. On June 1, 2009 the sheriff can exercise his option to purchase by giving the owners a sixty day written notice of his intent. Effective June 1, 2019 the cost of the facility would be \$3,295,000. Principal payments, beginning on June 1, 2009, are due in semi-annual installments of \$180,000 to \$775,000 through June 1, 2019. Under this agreement the total acquisition cost of the facility, including interest, would be \$4,844,625. The second agreement, which is the agreement the sheriff is currently operating under, is also for a term of twenty years and allows the sheriff the option to purchase the facility for one dollar at the expiration of the lease term. This agreement provides that the sheriff receive 75 percent of all payments received for housing inmates in the facility and WCC will receive the remaining 25 percent. It is impossible to determine payment amounts under this agreement since the amounts received for feeding and housing inmates is not a constant figure. It is based on the number of inmates housed in the facility during the year. For example, for the last four years, the range of payments under the contract would have been \$498,660 to \$526,993.

SUPPLEMENTAL INFORMATION SCHEDULES

MADISON PARISH SHERIFF
Tallulah, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
For the Year Ended June 30, 1999

SPECIAL REVENUE FUNDS

DETENTION CENTER FUND

The Detention Center Special Revenue Fund accounts for the operation and maintenance of the Madison Parish Detention Center. The primary sources of revenue are state and parish funds for maintaining state and parish prisoners.

LOUISIANA LAW ENFORCEMENT GRANT FUND

The Louisiana Law Enforcement Grant Fund consists of a federal grant from the United States Department of Justice passed through the Louisiana Commission on Law Enforcement and Administration of Criminal Justice, and local matching grants. The purpose of the fund is to increase the apprehension, prosecution, adjudication, detention, rehabilitation, eradication, and treatment of persons who violate state and local laws relating to the production, possession, and transfer of controlled substances.

GRANT FUND

The Grant Fund consists of state grants from the Louisiana Commission on Law Enforcement and public donations. The grant and donations are used to reduce illegal drug use among youth through educational programs.

CONCESSIONS FUNDS

The Concessions Funds accounts for the purchase and resale of personal items to the inmates at the detention center and jail.

INMATE WELFARE FUND

The Inmate Welfare Fund accounts for mechanic sales earned by inmates. Forty percent of the earnings are transferred to the Inmate fund, while the remaining sixty percent is retained in the Inmate Welfare Fund, and used to meet the needs of inmates.

MADISON PARISH SHERIFF
Tallulah, Louisiana
GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS

Combining Balance Sheet, June 30, 1999

	<u>DETENTION CENTER</u>	<u>LLE GRANT FUND</u>	<u>GRANT FUND</u>	<u>CONCESSIONS FUNDS</u>	<u>INMATE WELFARE</u>	<u>TOTAL</u>
ASSETS						
Cash	\$144,251	\$43,487	\$52,387	\$40,661	\$6,749	\$287,535
Investments	200,184					200,184
Receivables	173,184	11,521	13,912			198,617
Due from other funds		2,949	3,664			6,613
TOTAL ASSETS	<u>\$517,619</u>	<u>\$57,957</u>	<u>\$69,963</u>	<u>\$40,661</u>	<u>\$6,749</u>	<u>\$692,949</u>
LIABILITIES AND FUND EQUITY						
Liabilities						
Accounts payable	\$140,958			\$10,012		\$150,970
Due to other funds		\$57,957	\$67,123			125,080
Due to others	200,000					200,000
Total Liabilities	<u>340,958</u>	<u>57,957</u>	<u>67,123</u>	<u>10,012</u>	<u>NONE</u>	<u>476,050</u>
Fund Balance - unreserved - undesignated	<u>176,661</u>	<u>NONE</u>	<u>2,840</u>	<u>30,649</u>	<u>\$6,749</u>	<u>216,899</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$517,619</u>	<u>\$57,957</u>	<u>\$69,963</u>	<u>\$40,661</u>	<u>\$6,749</u>	<u>\$692,949</u>

MADISON PARISH SHERIFF
Tallulah, Louisiana
GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS

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

	<u>DETENTION CENTER</u>	<u>LLE GRANT FUND</u>	<u>GRANT FUND</u>	<u>CONCESSIONS FUNDS</u>	<u>INMATE WELFARE</u>	<u>TOTAL</u>
REVENUES						
Intergovernmental revenues						
Federal grants		\$47,786	\$38,411			\$86,197
State grants			18,942			18,942
Fines and forfeitures			1,999			1,999
Feeding and keeping prisoners	\$2,107,973					2,107,973
Use of money and property	8,633		931	\$77		9,641
Other revenue			1,195	136,360	\$9,612	147,167
Total revenues	<u>2,116,606</u>	<u>47,786</u>	<u>61,478</u>	<u>136,437</u>	<u>9,612</u>	<u>2,371,919</u>
EXPENDITURES						
Public safety:						
Current:						
Personal services and related benefits	723,553	11,486	67,123		2,863	805,025
Operating services	741,626					741,626
Materials and supplies	443,147	5,419	3,321	106,352		558,239
Travel and other charges	14,523		554			15,077
Capital outlay	21,097	40,792		987		62,876
Total expenditures	<u>1,943,946</u>	<u>57,697</u>	<u>70,998</u>	<u>107,339</u>	<u>2,863</u>	<u>2,182,843</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>172,660</u>	<u>(9,911)</u>	<u>(9,520)</u>	<u>29,098</u>	<u>6,749</u>	<u>189,076</u>
OTHER FINANCING SOURCES (Uses)						
Transfers in		9,911	12,360			22,271
Transfers out	(165,975)			(10,000)		(175,975)
Total other financing sources (uses)	<u>(165,975)</u>	<u>9,911</u>	<u>12,360</u>	<u>(10,000)</u>	<u>NONE</u>	<u>(153,704)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	6,685	NONE	2,840	19,098	6,749	35,372
FUND BALANCES AT BEGINNING OF YEAR	<u>169,976</u>	<u>NONE</u>	<u>NONE</u>	<u>11,551</u>	<u>NONE</u>	<u>181,527</u>
FUND BALANCES AT END OF YEAR	<u>\$176,661</u>	<u>NONE</u>	<u>\$2,840</u>	<u>\$30,649</u>	<u>\$6,749</u>	<u>\$216,899</u>

MADISON PARISH SHERIFF
Tallulah, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
As of and For the Year Ended June 30, 1999

FIDUCIARY FUND TYPE - AGENCY FUNDS

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.

CIVIL FUND

The Civil Fund accounts for the collection of funds in civil suits, sheriff's sales, and garnishments. Payment of these collections to recipients are made in accordance with applicable laws.

CRIMINAL FUND

The Criminal Fund is a depository for fines, forfeitures, and costs in criminal cases. Payments are made from the fund to the Sheriff's General Fund, police jury, district attorney, clerk of court, and other recipients in accordance with applicable laws.

INMATE FUND

The Inmate Fund accounts for funds of inmates that are used for personal items purchased by the inmates at the concessions store located at the detention center.

WORK RELEASE FUND

The Work Release Fund accounts for inmate funds earned working outside of the detention center.

SPECIAL ASSET FORFEITURE FUND

The Special Asset Forfeiture Fund was established in compliance with Louisiana Revised Statute 40:2616 and consists of seized property and controlled substances that, if not rightfully claimed, is subject to forfeiture to law enforcement agencies that participated in the seizing process.

MADISON PARISH SHERIFF
Tallulah, Louisiana
FIDUCIARY FUND TYPE - AGENCY FUNDS

Combining Balance Sheet, June 30, 1999

	<u>TAX COLLECTOR FUND</u>	<u>CIVIL FUND</u>	<u>CRIMINAL FUND</u>	<u>INMATE FUNDS</u>	<u>WORK RELEASE FUND</u>	<u>SPECIAL ASSET FORFEITURE FUND</u>	<u>TOTAL</u>
ASSETS							
Cash and cash equivalents	\$170,216	\$554	\$140,102	\$35,673	\$32,347	\$11,762	\$390,654
Investments	20,106						20,106
TOTAL ASSETS	<u>\$190,322</u>	<u>\$554</u>	<u>\$140,102</u>	<u>\$35,673</u>	<u>\$32,347</u>	<u>\$11,762</u>	<u>\$410,760</u>
LIABILITIES							
Unsettled deposits due to:							
General Fund	\$19	\$83	\$576				\$678
Others	190,303	471	139,526	\$35,673	\$32,347	\$11,762	410,082
TOTAL LIABILITIES	<u>\$190,322</u>	<u>\$554</u>	<u>\$140,102</u>	<u>\$35,673</u>	<u>\$32,347</u>	<u>\$11,762</u>	<u>\$410,760</u>

MADISON PARISH SHERIFF
Tallulah, 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

	TAX COLLECTOR FUND	CIVIL FUND	CRIMINAL FUND	INMATE FUNDS	WORK RELEASE FUND	ASSET FORFEITURE FUND	TOTAL
UNSETTLED BALANCES DUE TO TAXING BODIES AND OTHERS, June 30, 1998	<u>\$54,193</u>	<u>\$594</u>	<u>\$134,364</u>	<u>\$18,169</u>	<u>NONE</u>	<u>\$33,331</u>	<u>\$240,651</u>
ADDITIONS							
Deposits:							
Fines, bond forfeitures, and costs			744,100				744,100
Suits and seizures		134,022				12,396	146,418
Garnishments		101,926					101,926
Taxes, fees, etc. paid to tax collector	3,715,246						3,715,246
Interest Earnings					\$15	494	509
Other additions				202,859	66,286		269,145
Total additions	<u>3,715,246</u>	<u>235,948</u>	<u>744,100</u>	<u>202,859</u>	<u>66,301</u>	<u>12,890</u>	<u>4,977,344</u>
Total	<u>3,769,439</u>	<u>236,542</u>	<u>878,464</u>	<u>221,028</u>	<u>66,301</u>	<u>46,221</u>	<u>5,217,995</u>

REDUCTIONS

Deposits, taxes, fees, etc. settled to:

Sheriff's General Fund	405,844	45,563	124,997				576,404
Clerk of Court	252	7,515	31,258				39,025
Police jury	1,420,858		249,604				1,670,462
School board	407,237						407,237
Assessor	255,489						255,489
Louisiana Department of Agriculture	3,572						3,572
Louisiana Department of Wildlife and Fisheries	67,189						67,189
Louisiana Tax Commission	1,601						1,601
Levee district	133,857						133,857

District Attorney				102,816					102,816
Indigent defender board				78,405					78,405
Judicial expense fund				15,465					15,465
Hospital service district									504,871
Library									145,806
Port commission									122,269
Pension funds									88,958
Attorneys, appraisers, etc.									1,395
Litigants									170,107
Northwest Louisiana Crime Lab									32,768
Commission on Law Enforcement									9,450
City of Tallulah									3,532
Dept. of Public Safety-LSP									1,230
Division A Judicial Expense Fund									804
City of Richmond									418
Supreme Court Judicial ADM-CM									6,150
Louisiana Head/Spinal Injury									13,186
Redemptions									2,631
Refunds									50,593
Other reductions									18,262
Total reductions									<u>738,938</u>
									<u>3,579,136</u>
									<u>214</u>
									<u>276</u>
									<u>20,843</u>
									<u>3,579,136</u>
									<u>185,355</u>
									<u>185,355</u>
									<u>33,954</u>
									<u>34,316</u>
									<u>143</u>
									<u>298,001</u>
									<u>4,807,913</u>
									<u>33,954</u>
									<u>34,459</u>
									<u>\$11,762</u>
									<u>\$32,347</u>
									<u>\$35,673</u>
									<u>\$139,526</u>
									<u>\$471</u>
									<u>\$190,303</u>
UNSETTLED BALANCES DUE TO TAXING									
BODIES AND OTHERS, June 30, 1999									

MADISON PARISH SHERIFF
Tallulah, 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 Madison 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 with laws, regulations and contracts, and internal control over financial reporting are 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

MADISON PARISH SHERIFF
Tallulah, Louisiana

I have audited the general purpose financial statements of the Madison Parish Sheriff as of and for the year ended June 30, 1999 and have issued my report thereon dated July 28, 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 Madison 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 Madison 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.

MEMBER AMERICAN
INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC
ACCOUNTANTS

PRACTICE LIMITED TO
GOVERNMENTAL
ACCOUNTING, AUDITING
AND FINANCIAL REPORTING

116 PROFESSIONAL DRIVE,
WEST MONROE,
LOUISIANA 71291
PHONE 318.325.2121
TOLL FREE LOUISIANA
1.800.541.5020
FAX 318.324.1630

MADISON PARISH SHERIFF

Tallulah, 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 Madison Parish Sheriff, management of the sheriff's office and interested state agencies. 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 be 'V. Smith', written in a cursive style.

West Monroe, Louisiana

July 28, 1999

**MADISON PARISH SHERIFF
Tallulah, 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 Madison Parish Sheriff.
2. No instances of noncompliance material to the financial statements of Madison 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.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

**MADISON PARISH SHERIFF
Tallulah, 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.