

1999

99-100-110

**WEBSTER PARISH SHERIFF
Minden, 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 August 15, 1999

**VERNON R
COON**
CERTIFIED PUBLIC ACCOUNTANT

WEBSTER PARISH SHERIFF
Minden, Louisiana

General Purpose Financial Statements
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
Governmental Fund Type - General Fund - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual	B	7
Notes to the Financial Statements		9
	<u>Schedule</u>	<u>Page No.</u>
Supplemental Information Schedules:		
Fiduciary Fund Type - Agency Funds:		
Combining Balance Sheet	1	23
Combining Schedule of Changes in Unsettled Balances Due to Taxing Bodies and Others	2	24
Year 2000 Issue	3	26

WEBSTER PARISH SHERIFF
Minden, Louisiana
Contents, June 30, 1999

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

	<u>Schedule</u>	<u>Page No.</u>
Independent Auditor's Reports Required by <i>Government Auditing Standards:</i>		
Report on Compliance and Internal Control Over Financial Reporting		28
Schedule of Findings and Questioned Costs	4	30
Summary Schedule of Prior Audit Findings	5	31



Independent Auditor's Report

WEBSTER PARISH SHERIFF Minden, Louisiana

I have audited the general purpose financial statements of the Webster Parish Sheriff, a component unit of the Webster 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 Webster 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 Webster 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 Webster 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

WEBSTER PARISH SHERIFF
Minden, Louisiana
Independent Auditor's Report,
June 30, 1999

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 Webster Parish Sheriff is or will be year 2000 compliant, that the Webster Parish Sheriff's remediation efforts will be successful in whole or in part, or that parties with which the Webster Parish Sheriff does business are or will become year 2000 compliant.

In accordance with *Government Auditing Standards*, I have also issued reports dated August 23, 1999, on the Webster Parish Sheriff's compliance with laws, regulations, contracts, and grants, and my consideration of the agency's internal control over financial reporting.

A handwritten signature in black ink, appearing to be 'C. Smith', written over a horizontal line.

West Monroe, Louisiana
August 23, 1999

**GENERAL PURPOSE FINANCIAL STATEMENTS
(OVERVIEW)**

WEBSTER PARISH SHERIFF
Minden, Louisiana
ALL FUND TYPES AND ACCOUNT GROUPS

Combined Balance Sheet, June 30, 1999

	ACCOUNT GROUPS				TOTAL (MEMORANDUM ONLY)
	GOVERNMENTAL FUND TYPE - GENERAL FUND	FIDUCIARY FUND TYPE - AGENCY FUNDS	GENERAL FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS	
ASSETS					
Cash and cash equivalents	\$1,809,282	\$282,199			\$2,091,481
Receivables	192,736	9,773			202,509
Deferred charges	4,909				4,909
Office furnishings and equipment			\$877,891		869,265
Amount to be provided for retirement of long-term obligations				\$49,145	49,145
TOTAL ASSETS	<u>\$2,006,927</u>	<u>\$291,972</u>	<u>\$869,265</u>	<u>\$49,145</u>	<u>\$3,217,309</u>
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts payable	\$45,229				\$45,229
Due to taxing bodies and others		\$291,972			291,972
Capital lease payable				6,729	6,729
Compensated absences payable				42,416	42,416
Total Liabilities	<u>45,229</u>	<u>291,972</u>	<u>NONE</u>	<u>49,145</u>	<u>386,346</u>
Fund Equity:					
Investment in general fixed assets			\$877,891		869,265
Fund balance - unreserved - undesignated	1,961,698				1,961,698
Total Fund Equity	<u>1,961,698</u>	<u>NONE</u>	<u>869,265</u>	<u>NONE</u>	<u>2,830,963</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$2,006,927</u>	<u>\$291,972</u>	<u>\$869,265</u>	<u>\$49,145</u>	<u>\$3,217,309</u>

The accompanying notes are an integral part of this statement.

WEBSTER PARISH SHERIFF
Minden, Louisiana
GOVERNMENTAL FUND TYPE - GENERAL FUND

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

	<u>BUDGET</u>	<u>ACTUAL</u>	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Taxes - ad valorem	\$1,396,862	\$1,469,058	\$72,196
Intergovernmental revenues:			
Federal grants	94,194	80,096	(14,098)
State grants:			
State supplemental pay	173,990	176,713	2,723
State revenue sharing (net)	101,452	101,455	3
Video poker	149,548	184,423	34,875
Dare program	4,362	20,687	16,325
Other		5,260	5,260
Local grants	108,329	100,000	(8,329)
Fees, charges, and commissions for services:			
Civil and criminal fees	197,919	182,650	(15,269)
Commissions on licenses and taxes	95,921	93,978	(1,943)
Court attendance	5,266	8,050	2,784
Transportation of prisoners	11,009	14,401	3,392
Feeding and keeping of prisoners	1,298,722	1,385,165	86,443
Inmate work crews	107,559	113,623	6,064
Other	22,423	23,851	1,428
Use of money and property	53,449	54,010	561
Miscellaneous	100,947	119,818	18,871
Total revenues	<u>3,921,952</u>	<u>4,133,238</u>	<u>211,286</u>
EXPENDITURES			
Public safety:			
Current:			
Personal services and related benefits	2,420,167	2,379,385	40,782
Operating services	1,118,062	1,066,281	51,781
Materials and supplies	275,213	300,417	(25,204)
Travel and other charges	48,048	55,900	(7,852)
Capital outlay	143,631	128,717	14,914
Total expenditures	<u>4,005,121</u>	<u>3,930,700</u>	<u>74,421</u>

(Continued)

Statement B

WEBSTER PARISH SHERIFF
 Minden, Louisiana
 GOVERNMENTAL FUND TYPE - GENERAL FUND
 Statement of Revenues, Expenditures, and
 Changes in Fund Balance - Budget
 (GAAP Basis) and Actual, etc.

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
EXCESS OF REVENUES OVER EXPENDITURES	(\$83,169)	\$202,538	\$285,707
OTHER FINANCING SOURCES			
Sale of fixed assets	3,854	3,854	
Proceeds from insurance recovery	8,224	8,225	1
Proceeds from seized drug property sale	10,402	14,968	4,566
Total other financing sources	22,480	27,047	4,567
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	(60,689)	229,585	290,274
FUND BALANCE AT BEGINNING OF YEAR	60,689	1,732,113	1,671,424
FUND BALANCE AT END OF YEAR	NONE	\$1,961,698	\$1,961,698

(Concluded)

The accompanying notes are an integral part of this statement.

WEBSTER PARISH SHERIFF
Minden, 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 Webster Parish Police Jury is the financial reporting entity for Webster 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 Webster 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:

WEBSTER PARISH SHERIFF

Minden, Louisiana

Notes to the Financial Statements (Continued)

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 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 Webster 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 financial resources. They are concerned only with the measurement of financial position, not with the measurement of results of operations.

WEBSTER PARISH SHERIFF

Minden, Louisiana

Notes to the Financial Statements (Continued)

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 Fund - 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.

Fiduciary Fund - 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. 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 3 percent of fixed assets are valued at estimated historical costs based on the actual costs of like items while the remaining 97 percent are based on actual historical costs. No depreciation has been provided on general fixed assets. There are no long-term obligations at June 30, 1999.

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 (General) and fiduciary (Agency) 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 for the General Fund:

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.

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

Interest income on interest-bearing demand deposits is recorded at the end of each month when credited by the bank.

Substantially all other revenues are recorded when they become available to the sheriff.

WEBSTER PARISH SHERIFF
Minden, Louisiana
Notes to the Financial Statements (Continued)

Based on the above criteria, intergovernmental revenues and fees, charges, and commissions for services are 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

Sales of fixed assets, insurance recoveries, and proceeds from drug enforcement are accounted for as other financing sources and are recognized when the underlying event has occurred.

E. BUDGET PRACTICES

Proposed budgets, prepared on the modified accrual basis of accounting, are published in the official journal at least 15 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 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. 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 and equivalents (book balance) totaling \$2,091,481, as follows:

Demand deposits	\$1,538,407
Petty cash	3,074
Time deposits	550,000
Total	<u>\$2,091,481</u>

WEBSTER PARISH SHERIFF
 Minden, Louisiana
 Notes to the Financial Statements (Continued)

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 equivalents (bank balances) at June 30, 1999 are secured as follows:

Bank balances	<u>\$2,020,290</u>
Federal deposit insurance	\$686,998
Pledged securities (uncollateralized)	<u>2,934,750</u>
Total	<u>\$3,621,748</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 has failed to pay deposited funds upon demand.

G. LEVIED TAXES

The following is a summary of authorized and levied ad valorem taxes:

	<u>Authorized</u>	<u>Levied</u>	<u>Expiration</u>
Law enforcement district	8.62	13.34	NONE

The difference between the authorized and levied millage is the result of reassessments of taxable property required by Article 7, of the Louisiana Constitution of 1974.

H. VACATION, SICK LEAVE AND COMPENSATORY TIME

After one year of service, all employees are granted 14 days of vacation leave each year. Vacation leave must be taken in the year granted and may not be accumulated and carried forward to succeeding years. Upon termination, unused vacation leave is paid to employees at the rate of their present salary. Vacation leave cannot be accumulated past

WEBSTER PARISH SHERIFF
 Minden, Louisiana
 Notes to the Financial Statements (Continued)

the year it is earned. Sick leave is granted as needed and justified. Employees earn compensatory time, which can be carried forward. Upon termination, unused compensatory time is paid to employees at their current rate of pay.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current-year expenditure in the General Fund when leave is actually taken. At June 30, 1999, employees of the sheriff's office have \$42,416 of accumulated compensatory time, which is reflected on Statement A.

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 maintains 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.

2. RECEIVABLES

The General Fund receivables of \$192,736, at June 30, 1999, are as follows:

<u>Class of receivables</u>	
Ad valorem taxes	\$398
Intergovernmental revenues:	
Federal grants	12,345
State grants:	
D.A.R.E.	2,902
Video Poker	34,061

WEBSTER PARISH SHERIFF
 Minden, Louisiana
 Notes to the Financial Statements (Continued)

<u>Class of receivables</u>	
Fees, charges, and commissions for services:	
Commissions on licenses and taxes	\$10,421
Civil and criminal fees	11,530
Court attendance	650
Feeding and keeping prisoners	104,742
Other	2,057
Use of money and property - interest earnings	276
Miscellaneous	<u>13,354</u>
Total	<u>\$192,736</u>

3. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in office furnishings and equipment follows:

Balance at June 30, 1998	\$803,629
Additions	133,737
Deletions	<u>(59,475)</u>
Balance at June 30, 1999	<u>\$877,891</u>

General fixed assets as of July 1, 1998 have been restated to reflect change due to prior year estimated amounts being replaced with actual amounts.

4. PENSION PLAN

Substantially all employees of the Webster 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 less 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

WEBSTER PARISH SHERIFF

Minden, Louisiana

Notes to the Financial Statements (Continued)

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 Webster 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 Webster 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 Webster Parish Sheriff's contributions to the System for the years ended June 30, 1999, 1998, and 1997 were \$101,536, \$90,244, and \$93,374, respectively, equal to the required contributions for each year.

5. CAPITAL LEASES

The sheriff records items under capital leases as an asset and an obligation in the accompanying financial statements. At June 30, 1999, the sheriff has one capital lease in effect for a 1995 Buick Roadmaster. The lease had an original recorded amount of \$14,942. The lease obligation is paid from the General Fund. The following is a summary of future minimum lease payments, together with the present value of the net minimum lease payments, as of June 30, 1999:

<u>Year</u>	
2000	\$6,317
2001	871
Total minimum lease payments	<u>7,188</u>
Less amount representing interest	<u>(459)</u>
Present value of net minimum lease payments	<u><u>\$6,729</u></u>

WEBSTER PARISH SHERIFF
Minden, Louisiana
Notes to the Financial Statements (Continued)

6. CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The following is a summary of long-term obligation transactions for the two years ended June 30, 1999:

	<u>Capital Lease</u>	<u>Compensated Absences</u>	<u>Total</u>
Long-term obligations, June 30, 1998	\$11,992	\$25,013	37,005
Additions		50,635	50,635
Deletions	(5,263)	(36,191)	(41,454)
Adjustment*		2,959	2,959
Long-term obligations, June 30, 1999	<u>\$6,729</u>	<u>\$42,416</u>	<u>\$49,145</u>

* Adjustment has been made to account for differences between the beginning and ending rates of pay.

7. CHANGES IN AGENCY FUND BALANCES

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

	<u>Tax Collector Fund</u>	<u>Civil Fund</u>	<u>Criminal Fund</u>	<u>Total</u>
Balance at June 30, 1998	\$65,720	\$30,139	\$174,369	\$270,228
Additions	11,264,622	347,251	828,869	12,440,742
Deletions	(11,189,770)	(376,730)	(852,498)	(12,418,998)
Balance at June 30, 1999	<u>\$140,572</u>	<u>\$660</u>	<u>\$150,740</u>	<u>\$291,972</u>

8. LITIGATION AND CLAIMS

The Webster Parish Sheriff is involved in several lawsuits. In the opinion of the sheriff's legal counsel, all the claims except one are either adequately covered by insurance or do not involve monetary claims. The remaining suit, involving claims of unpaid overtime and damages, has been to trial. Judgement was made in favor of the defendants in the amount of \$519,228, which is not covered by the sheriff's insurance. The sheriff has filed a motion for a new trial and is currently awaiting a ruling. No liability for the judgement has been included on Statement A pending the court's ruling on the sheriff's motion for a new trial.

WEBSTER PARISH SHERIFF

Minden, Louisiana

Notes to the Financial Statements (Continued)

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

The Webster 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 Webster Parish Police Jury.

10. FEDERAL/STATE FINANCIAL ASSISTANCE

	<u>CFDA NUMBER</u>	<u>PASS THROUGH GRANTORS NUMBER</u>	<u>YEAR ENDED June 30, 1999</u>
UNITED STATES DEPARTMENT OF JUSTICE			
Passed through Louisiana Commission on Law Enforcement:			
Street Sales Disruption	16.579	96-B1-B.07-0061	\$2,069
Street Sales Disruption	16.579	97-B1-B.07-0098	38,407
Domestic Violence	16.588	96-M1-M.02-0431	19,654
Total United States Department of Justice			<u>60,130</u>
UNITED STATES DEPARTMENT OF TRANSPORTATION			
Passed through Louisiana Highway Safety Commission:			
Buckle Up Louisiana	20.600	9991-44	649
Safe and Sober Overtime Campaigning	20.600	9990-28	1,390
Webster Accident Safety Patrol (WASP)	20.600	9931	17,927
Total United States Department of Transportation			<u>19,965</u>
Total Federal Financial Assistance			<u>\$80,095</u>
LOUISIANA COMMISSION ON LAW ENFORCEMENT			
Dare Program	N/A	E99-1004	<u>\$20,687</u>

11. CONTRACT - OPERATION OF PENAL FARM

On February 11, 1988, the Webster Parish Sheriff entered into an agreement with the Webster Parish Police Jury in which the sheriff assumed the responsibility for the operation and management, including the related costs, of the Webster Parish Penal Farm for the period March 1, 1988, to March 1, 1993. The agreement was renewed for an additional five years and will expire on July 6, 1998. For

WEBSTER PARISH SHERIFF

Minden, Louisiana

Notes to the Financial Statements (Continued)

assuming this responsibility, the sheriff receives funding for the facility from the Webster Parish Police Jury in the amount of \$100,000 yearly and \$3.50 per day for each parish prisoner.

12. POSTRETIREMENT INSURANCE BENEFITS

The Webster Parish Sheriff provides certain insurance benefits for its 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. These benefits for retirees and similar benefits for active employees are provided through an insurance company or the State Employees Group Benefits Program, whose monthly premiums are paid jointly by the sheriff. The sheriff recognizes the cost of providing these benefits as an expenditure when the monthly premiums are due, which was \$270,334 for 1999. Of that amount, \$24,369 was paid for retirees.

SUPPLEMENTAL INFORMATION SCHEDULES

WEBSTER PARISH SHERIFF
Minden, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
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 the collection of bonds, fines, and court costs in criminal matters and payment to recipients in accordance with applicable laws.

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

WEBSTER PARISH SHERIFF
Minden, Louisiana
FIDUCIARY FUND TYPE - AGENCY FUNDS

Combining Balance Sheet, June 30, 1999

	<u>CIVIL FUND</u>	<u>CRIMINAL FUND</u>	<u>TAX COLLECTOR FUND</u>	<u>TOTAL</u>
ASSETS				
Cash	\$660	\$150,740	\$130,799	\$282,199
Due from taxing bodies and others			9,773	9,773
Total assets	<u>\$660</u>	<u>\$150,740</u>	<u>\$140,572</u>	<u>\$291,972</u>
LIABILITIES				
Due to taxing bodies and others	<u>\$660</u>	<u>\$150,740</u>	<u>\$140,572</u>	<u>\$291,972</u>

WEBSTER PARISH SHERIFF
Minden, Louisiana
FIDUCIARY FUND TYPE - AGENCY FUNDS

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

	<u>CIVIL FUND</u>	<u>CRIMINAL FUND</u>	<u>TAX COLLECTOR FUND</u>	<u>TOTAL</u>
UNSETTLED BALANCES DUE TO TAXING BODIES AND OTHERS, JUNE 30, 1998	<u>\$30,139</u>	<u>\$174,369</u>	<u>\$65,720</u>	<u>\$270,228</u>
ADDITIONS				
Deposits:				
Civil suits, sales, and seizures	347,184			347,184
Fines and forfeitures		828,869		828,869
Ad valorem taxes:				
Current year			9,969,597	9,969,597
Prior year			6,412	6,412
Protested			71,688	71,688
State Revenue Sharing			938,942	938,942
Sportsmen licenses			145,124	145,124
Parish licenses			52,318	52,318
Interest on:				
NOW accounts			15,433	15,433
Delinquent taxes			13,639	13,639
Prior year taxes			158	158
Fish and game account			476	476
Protested taxes held in escrow			1,262	1,262
Redemptions			15,170	15,170
Tax notices, etc.			17,824	17,824
Other	67		16,579	16,646
Total additions	<u>347,251</u>	<u>828,869</u>	<u>11,264,622</u>	<u>12,440,742</u>
Total	<u>377,390</u>	<u>1,003,238</u>	<u>11,330,342</u>	<u>12,710,970</u>
REDUCTIONS				
Deposits settled to:				
Louisiana Department of Forestry			15,344	15,344
Louisiana Tax Commission			3,031	3,031
Louisiana Department of Wildlife and Fisheries			127,781	127,781
-				

(Continued)

WEBSTER PARISH SHERIFF
 Minden, Louisiana
 FIDUCIARY FUND TYPE - AGENCY FUNDS
 Combining Schedule of Changes in Balances
 Due to Taxing Bodies and Others, etc.

	<u>CIVIL FUND</u>	<u>CRIMINAL FUND</u>	<u>TAX COLLECTOR FUND</u>	<u>TOTAL</u>
REDUCTIONS: (CONTD.)				
Deposits settled to: (Contd.)				
Louisiana Commission on Law Enforcement and Administration of Criminal Justice		\$1,204		
Webster Parish:				
Assessor			\$917,682	\$917,682
Clerk of Court	\$32,443	30,485	680	63,608
Police Jury		273,503	2,223,411	2,496,914
School Board			4,883,808	4,883,808
Sheriff	52,361	156,242	1,604,704	1,813,307
Industrial Districts			521,870	521,870
Doyline Waterworks District			5,534	5,534
Fire protection districts			583,894	583,894
Pension funds			290,606	290,606
District attorney		91,259		91,259
Judicial expense fund		30,769		30,769
Refunds			11,425	11,425
Indigent defender board		77,708		77,708
Northwest Louisiana Criminalistic Laboratory		43,625		43,625
Litigants	242,007			242,007
Attorneys, appraisers, etc.	4,387			4,387
Northwest Louisiana Juvenile Detention Center Authority		25,755		25,755
Other reductions	45,532	121,948		167,480
Total reductions	<u>376,730</u>	<u>852,498</u>	<u>11,189,770</u>	<u>12,418,998</u>
UNSETTLED BALANCES DUE TO TAXING BODIES AND OTHERS, JUNE 30, 1999	<u>\$660</u>	<u>\$150,740</u>	<u>\$140,572</u>	<u>\$291,972</u>

(Concluded)

WEBSTER PARISH SHERIFF
Minden, 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 Webster 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 financial reporting system as requiring 2000 remediation. All testing and validation of the tax collection program will be completed prior to December, 1999. The general ledger accounting system will be replaced with a new system, which is year 2000 compliant, prior to December 31, 1999.

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 Reports Required
by *Government Auditing Standards***

The following independent auditor's reports on compliance 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

MEMBER AMERICAN
INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC
ACCOUNTANTS

PRACTICE LIMITED TO
GOVERNMENTAL
ACCOUNTING, AUDITING
AND FINANCIAL REPORTING

WEBSTER PARISH SHERIFF
Minden, Louisiana

I have audited the general purpose financial statements of the Webster Parish Sheriff as of and for the year ended June 30, 1999 and have issued my report thereon dated August 23, 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 Webster 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 Webster 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.

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

Webster Parish Sheriff
Minden, 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 Webster Parish Sheriff. This is not intended to limit the distribution of this report, which is a matter of public record.



West Monroe, Louisiana
August 23, 1999

WEBSTER PARISH SHERIFF
Minden, 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 Webster Parish Sheriff.
2. No instances of noncompliance material to the financial statements of the Webster 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

WEBSTER PARISH SHERIFF
Minden, 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 two years ended June 30, 1998.