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ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Financial Report

Year Ended June 30, 1999

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1-26-00

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INDEPENDENT AUDITORS' REPORT

The Honorable Charles A. Fusclier
St. Martin Parish Sheriff
St. Martinville, Louisiana

We have audited the accompanying general purpose financial statements of the St. Martin Parish Sheriff, as of and for the year ended June 30, 1999, as listed in the table of contents. These general purpose financial statements are the responsibility of the St. Martin Parish Sheriff. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the St. Martin Parish Sheriff, as of June 30, 1999, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated October 22, 1999 on our consideration of the St. Martin Parish Sheriff's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The year 2000 supplemental information on page 23 is not a required part of the basic financial statements but is supplemental information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplemental information. However, we did not audit the information and do not express an opinion on it. In addition, we do not provide assurance that the St. Martin Parish Sheriff is or will become year 2000 compliant, that the Sheriff's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the Sheriff does business are or will become year 2000 compliant.

The other supplemental information (pp. 24-45), including the schedule of expenditures of federal awards as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the St. Martin Parish Sheriff. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

The financial information for the preceding year which is included for comparative purposes was taken from the financial report for that year in which we expressed a qualified opinion on the general purpose financial statements of the St. Martin Parish Sheriff.

Kolder, Champagne, Slaven & Rainey, LLC

Certified Public Accountants

Breaux Bridge, Louisiana
October 22, 1999

**GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)**

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Combined Balance Sheet - All Fund Types and Account Groups
June 30, 1999

	Governmental Fund Types		Fiduciary Fund Type		Account Groups			Totals	
	General	Special Revenue	Debt Service	Agency Funds	General Fixed Assets	Long-Term Debt	1999	(Memorandum Only)	1998
Cash and interest-bearing deposits	\$ 737,646	\$ 54,842	\$ 7,919	\$ 1,288,196	\$ -	\$ -	\$ 2,088,603	\$ -	\$ 2,587,544
Receivables:									
<i>Due from governmental units and others</i>	593,749	-	-	-	-	-	593,749	-	730,768
Interest	1,640	-	-	-	-	-	1,640	-	15,051
Due from other funds	42,761	-	-	-	-	-	42,761	-	60,534
Other	-	30,388	-	-	-	-	30,388	-	18,220
Inventory	313	-	-	-	-	-	313	-	-
Prepaid expenses	23,785	-	-	-	-	-	23,785	-	62,218
Land and buildings	-	-	-	-	3,099,606	-	3,099,606	-	1,600,167
Vehicles	-	-	-	-	1,489,739	-	1,489,739	-	1,286,831
Other equipment	-	-	-	-	2,182,960	-	2,182,960	-	1,964,281
Amount available in debt service fund	-	-	-	-	-	7,919	7,919	-	10,369
Amount to be provided for retirement of general long-term debt obligations	-	-	-	-	-	552,929	552,929	-	344,631
Total assets and other debits	\$ 1,399,894	\$ 85,230	\$ 7,919	\$ 1,288,196	\$ 6,772,305	\$ 560,848	\$ 10,114,392	\$ -	\$ 8,680,614

(continued)

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Combined Balance Sheet - All Fund Types and Account Groups (continued)
June 30, 1999

	Governmental Fund Types			Fiduciary Fund Type		Account Groups			Totals	
	General	Special Revenue	Debt Service	Agency Funds	General Fixed Assets	General Long-Term Debt	(Memorandum Only)			
							1999	1998		
LIABILITIES AND FUND EQUITY										
Liabilities:	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Accounts payable	66,854	-	-	-	-	-	-	66,854	-	321,867
Contracts payable	2,495	-	-	-	-	-	-	2,495	-	-
Retainage payable	55,803	-	-	-	-	-	-	55,803	-	-
Other accrued liabilities	3,896	-	-	-	-	-	-	3,896	-	2,453
Due to other funds	-	42,761	-	-	-	-	-	42,761	-	60,534
Due to inmates	-	-	-	27,910	-	-	-	27,910	-	10,957
Due to taxing bodies and others	-	-	-	1,260,286	-	-	-	1,260,286	-	773,643
Long-term debt -										
Bonds payable	-	-	-	-	-	275,000	-	275,000	-	355,000
Capital lease obligation	-	-	-	-	-	81,784	-	81,784	-	-
Notes payable	-	-	-	-	-	204,064	-	204,064	-	-
Total liabilities	129,048	42,761	-	1,288,196	-	560,848	-	2,020,853	-	1,524,454
Fund equity:										
Investment in general fixed assets	-	-	-	-	6,772,305	-	-	6,772,305	-	4,851,279
Fund balance -										
Reserved for debt service	-	-	7,919	-	-	-	-	7,919	-	10,369
Reserved for inventory	313	-	-	-	-	-	-	313	-	-
Reserved for prepaid expenses	23,785	-	-	-	-	-	-	23,785	-	62,218
Unreserved, undesignated	1,246,748	42,469	-	-	-	-	-	1,289,217	-	2,232,294
Total fund balances	1,270,846	42,469	7,919	-	-	-	-	1,321,234	-	2,304,881
Total fund equity	1,270,846	42,469	7,919	-	6,772,305	-	-	8,093,539	-	7,156,160
Total liabilities and fund equity	\$ 1,399,894	\$ 85,230	\$ 7,919	\$ 1,288,196	\$ 6,772,305	\$ 560,848	\$ 10,114,392	\$ 10,114,392	\$ 8,680,614	\$ 8,680,614

The accompanying notes are an integral part of this statement.

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -
All Governmental Fund Types
Year Ended June 30, 1999

	General	Special Revenue	Debt Service	Totals	
				(Memorandum Only)	
				1999	1998
Revenues:					
Ad valorem taxes	\$ 1,506,854	\$ -	\$ 97,055	\$ 1,603,909	\$ 1,643,130
Intergovernmental revenues -					
Federal grants	916,325	-	-	916,325	651,176
State grants	133,368	147,382	-	280,750	212,195
State revenue sharing (net)	106,489	-	-	106,489	103,071
State supplemental pay	306,952	-	-	306,952	324,710
Video poker	231,978	-	-	231,978	198,766
Fees, charges, and commissions for services -					
Taxes and licenses	716,909	-	-	716,909	69,535
Civil and criminal fees	279,827	-	-	279,827	352,929
Court attendance	10,600	-	-	10,600	9,400
Feeding and keeping prisoners	4,022,876	-	-	4,022,876	3,669,439
State and parish contracts	227,831	-	-	227,831	143,517
Commissary sales	234,962	-	-	234,962	229,242
Telephone commissions	206,634	-	-	206,634	257,451
911 fees	14,623	222,972	-	237,595	237,472
Interest income	44,893	-	199	45,092	62,151
Miscellaneous	139,034	-	-	139,034	129,327
Total revenues	9,100,155	370,354	97,254	9,567,763	8,293,511
Expenditures:					
Current -					
Public safety:					
Personal services and related benefits	4,441,328	209,457	-	4,650,785	3,982,602
Operating services	1,056,396	42,581	-	1,098,977	1,045,366
Operations and maintenance	2,786,838	94,940	-	2,881,778	2,646,542
Debt service	35,765	-	99,704	135,469	117,778
Capital outlay	2,060,318	37,741	-	2,098,059	890,444
Total expenditures	10,380,645	384,719	99,704	10,865,068	8,682,732
Deficiency of revenues over expenditures	(1,280,490)	(14,365)	(2,450)	(1,297,305)	(389,221)
Other financing sources:					
Proceeds from financing agreement	223,823	-	-	223,823	-
Proceeds from capital lease	89,835	-	-	89,835	-
Total other financing sources	313,658	-	-	313,658	-
Deficiency of revenues and other sources over expenditures	(966,832)	(14,365)	(2,450)	(983,647)	(389,221)
Fund balances, beginning	2,237,678	56,834	10,369	2,304,881	2,694,102
Fund balances, ending	\$ 1,270,846	\$ 42,469	\$ 7,919	\$ 1,321,234	\$ 2,304,881

The accompanying notes are an integral part of this statement.

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget (GAAP Basis) and Actual - General, Special Revenue and Debt Service Funds
Year Ended June 30, 1999

	General Fund			Special Revenue Fund		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:						
Ad valorem taxes	\$ 1,600,000	\$ 1,506,854	\$ (93,146)	\$ -	\$ -	\$ -
Intergovernmental revenues -						
Federal grants	1,138,949	916,325	(222,624)	-	-	-
State grants	-	133,368	133,368	147,382	147,382	-
State revenue sharing (net)	106,488	106,489	1	-	-	-
State supplemental pay	307,000	306,952	(48)	-	-	-
Video poker	176,000	231,978	55,978	-	-	-
Fees, charges, and commissions for services -						
Taxes and licenses	72,600	716,909	644,309	-	-	-
Civil and criminal fees	247,387	279,827	32,440	-	-	-
Court attendance	9,725	10,600	875	-	-	-
Feeding and keeping prisoners	3,968,598	4,022,876	54,278	-	-	-
State and parish contracts	221,632	227,831	6,199	-	-	-
Commissary sales	223,500	234,962	11,462	-	-	-
Telephone commissions	209,500	206,634	(2,866)	-	-	-
911 fees	-	14,623	14,623	218,131	222,972	4,841
Interest income	56,469	44,893	(11,576)	-	-	-
Miscellaneous	73,205	139,034	65,829	-	-	-
Total revenues	<u>8,411,053</u>	<u>9,100,155</u>	<u>689,102</u>	<u>365,513</u>	<u>370,354</u>	<u>4,841</u>
Expenditures:						
Current -						
Public safety:						
Personal services and related benefits	4,654,122	4,441,328	212,794	209,366	209,457	(91)
Operating services	1,100,892	1,056,396	44,496	37,894	42,581	(4,687)
Operations and maintenance	2,547,394	2,786,838	(239,444)	88,327	94,940	(6,613)
Debt service	-	35,765	(35,765)	-	-	-
Capital outlay	2,061,143	2,060,318	825	37,743	37,741	2
Total Expenditures	<u>10,363,551</u>	<u>10,380,645</u>	<u>(17,094)</u>	<u>373,330</u>	<u>384,719</u>	<u>(11,389)</u>
Excess (deficiency) of revenues over expenditures	(1,952,498)	(1,280,490)	672,008	(7,817)	(14,365)	(6,548)
Other financing sources:						
Proceeds from financing agreement	-	223,823	223,823	-	-	-
Proceeds from capital lease	-	89,835	89,835	-	-	-
Total other financing sources	<u>-</u>	<u>313,658</u>	<u>313,658</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures	(1,952,498)	(966,832)	985,666	(7,817)	(14,365)	(6,548)
Fund balances, beginning	<u>2,237,678</u>	<u>2,237,678</u>	<u>-</u>	<u>56,834</u>	<u>56,834</u>	<u>-</u>
Fund balances, ending	<u>\$ 285,180</u>	<u>\$ 1,270,846</u>	<u>\$ 672,008</u>	<u>\$ 49,017</u>	<u>\$ 42,469</u>	<u>\$ (6,548)</u>

The accompanying notes are an integral part of this statement.

Debt Service Fund		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ 97,055	\$ 97,055	\$ -
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
236	199	(37)
<u>97,291</u>	<u>97,254</u>	<u>(37)</u>
-	-	-
-	-	-
-	-	-
99,668	99,704	(36)
<u>99,668</u>	<u>99,704</u>	<u>(36)</u>
(2,377)	(2,450)	(73)
<u>10,369</u>	<u>10,369</u>	-
<u>\$ 7,992</u>	<u>\$ 7,919</u>	<u>\$ (73)</u>

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Financial Statements

(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 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 chief law enforcement officer of the parish, the Sheriff is responsible 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. In addition, the Sheriff, when requested, provides assistance to other law enforcement agencies within the parish.

As the ex-officio tax collector of the parish, the Sheriff is responsible for collecting and distributing ad valorem property taxes, parish occupational licenses, state revenue sharing funds, sportsmen's licenses, and fines, costs, and bond forfeitures imposed by the district court.

The accounting and reporting policies of the St. Martin Parish Sheriff (Sheriff) conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of the industry audit guide, "Audits of State and Local Governmental Units."

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

For financial reporting purposes, the Sheriff includes all funds, account groups, activities, et cetera, that are controlled by the Sheriff as an independently elected parish official. As an independently elected parish official, the Sheriff is solely responsible for the operations of his office, which include the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. Other than certain operating expenditures of the Sheriff's office that are paid or provided by the parish police jury as required by Louisiana law, the Sheriff is financially independent.

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Financial Statements (continued)

Accordingly, the Sheriff is a separate governmental reporting entity. Certain units of local government, over which the Sheriff exercises no oversight responsibility, such as the parish police jury, parish school board, other independently elected parish officials, and *municipalities within the parish, are excluded from the accompanying financial statements.* These units of government are considered separate reporting entities and issue financial statements separate from those of the parish Sheriff.

B. Fund Accounting

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

General Fund

The General Fund, as provided by Louisiana Revised Statute 33:1422, is the principal fund of the Sheriff's office and accounts for the operations of the Sheriff's office. The Sheriff's primary sources of revenue are an ad valorem tax levied by the law enforcement district and fees for feeding and keeping prisoners. Other sources of revenue include state revenue sharing, state supplemental pay for deputies, civil and criminal fees, and fees for court attendance and maintenance of prisoners. General operating expenditures are paid from this fund.

Special Revenue Fund

911 Communications District Fund

This special revenue fund accounts for the operation of the communications district which was established to implement and administer the 911 emergency telephone system. The system is financed by user fees assessed on customer's telephone service. Expenditures for this system are paid from this fund.

Adult Protective Services Fund

This fund is used to account for the revenues and related expenditures of the Adult Protective Services Grant.

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Financial Statements (continued)

Debt Service Fund

This fund is used to account for the payment of general long-term debt principal, interest and related costs relating to the Certificate of Indebtedness, Series 1992.

Agency Funds

The agency funds are used as depositories for civil suits, cash bonds, taxes, fees, et cetera. Disbursements from these funds are made to various parish agencies, litigants in suits, et cetera, in the manner prescribed by law. The agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

C. General 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 parish council are not recorded within the general fixed assets account group. No depreciation has been provided on general fixed assets.

All purchased fixed assets are stated at historical cost or estimated historical cost if actual historical cost is not available. Infrastructure assets as well as interest costs are not capitalized. Donated fixed assets are stated at their estimated fair market value on the date donated. Estimated amounts are immaterial in relation to total fixed assets.

Long-term obligations expected to be financed from governmental funds are accounted for in the general long-term debt account group, not in the General Fund.

The two account groups are not funds. They are concerned only with the measurement of financial position and do not involve measurement of results of operations.

D. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Financial Statements (continued)

The accompanying general purpose financial statements have been prepared on the modified accrual basis of accounting, except for the Agency Funds which are prepared on the cash basis of accounting, which approximates the modified accrual basis of accounting. The General Fund uses the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes and the related state revenue sharing are recorded in the year taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December, January, and February of the fiscal year.

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

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except that principal and interest on general long-term obligations are recognized when due. Purchases of various operating supplies are recorded as expenditures at the time purchased.

Other Financing Sources

General fixed assets acquired through capital lease agreements are recognized as other financing sources and capital outlay expenditures at the time of acquisition. Also, proceeds from long-term loans are recognized as other financing sources when received.

E. Budget and Budgetary Accounting

The Sheriff follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The chief administrative deputy prepares a proposed budget and submits it to the Sheriff for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Financial Statements (continued)

2. A summary of the proposed budget is published and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for a hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the Sheriff. Such amendments were not material in relation to the original appropriations.

F. Interest-Bearing Deposits

Interest-bearing deposits are stated at cost, which approximates market.

G. Inventory

The inventory is stated at cost, which is determined by the first-in, first-out method. Inventory consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are consumed or used. Reported inventories are equally offset by a fund balance reserve which indicates that they do not constitute "available spendable resources" even though they are a component of total assets.

H. Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These interfund receivables and payables are classified as "Due from other funds" and "Due to other funds" on the balance sheet.

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Financial Statements (continued)

I. Vacation and Sick Leave

Employees of the Sheriff's office earn from 120 hours to 192 hours per calendar year of vacation leave depending on total years of service and number of hours worked. No vacation leave carryover is allowed. Full-time employees earn 8 hours per month of sick leave. Sick leave may be accumulated; however, if an employee resigns, retires, or is terminated, the accumulated sick leave is forfeited.

At June 30, 1999, there are no accumulated or vested benefits relating to vacation and sick leave that require disclosure to conform with generally accepted accounting principles.

J. Fund Equity

Reserved fund balances represent portions of fund equity not appropriable for expenditures (reserved for inventory and prepaid expenses) or legally segregated for a specific future use (reserved for debt service).

K. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Sheriff as an extension of formal budgetary integration in the funds.

L. Comparative Data

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Sheriff's financial position and results of operations. However, comparative (i.e., presentation of prior year totals by fund type) data have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

M. Total Columns on Combined Statements - Overview

Total columns on the Combined Statements - Overview are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Financial Statements (continued)

in 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.

N. Prior Year Reclassification

Certain previously reported amounts have been reclassified to enhance comparability with 1999 report classifications.

(2) Cash and Interest-Bearing Deposits

Under state law, the Sheriff may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Sheriff may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 1999, the Sheriff has cash and interest-bearing deposits (book balances) totaling \$2,088,603.

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

Bank balances	\$2,160,534 =====
Federal deposit insurance	\$ 704,188
Pledged securities (category 3)	<u>1,456,346</u>
Total secured deposits	\$2,160,534 =====

Pledged securities in Category 3 include uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the Sheriff's name. Even though the pledged securities are considered uncollateralized (Category 3) 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.

(3) Ad Valorem Taxes

The Sheriff is the ex-officio tax collector of the parish and is responsible for the collection and distribution of ad valorem property taxes. Ad valorem taxes attach as an enforceable lien on property as of January 1, of each year. Taxes are levied by the parish government in June and are

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Financial Statements (continued)

actually billed to the taxpayers by the Sheriff in October. Billed taxes are due by December 31, becoming delinquent on that date. The majority of taxes are collected in the months of December, January, and February. The taxes are based on assessed values determined by the Tax Assessor of St. Martin Parish and are collected by the Sheriff. The taxes are remitted to the appropriate taxing bodies net of deductions for pension fund contributions.

Ad valorem taxes are budgeted and recorded in the year levied and billed. For the year ended June 30, 1999, law enforcement taxes applicable to the Sheriff's General Fund, were levied at the rate of 17.91 mills on property with assessed valuations totaling \$93,376,891.

Total law enforcement taxes levied during 1999 were \$1,672,382.

(4) Interfund Receivables and Payables

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$42,761	\$ -
Special Revenue Funds	<u>-</u>	<u>42,761</u>
Totals	<u>\$42,761</u>	<u>\$42,761</u>

(5) Due From Governmental Units and Others

Amounts due from other governmental units at June 30, 1999, consist of the following:

Federal grants	\$ 79,549
Maintenance of prisoners	383,499
State and parish contracts	32,952
Video poker revenue	16,508
Telephone commissions	15,961
Court attendance, civil fees, bond fees, etc.	13,507
Other sources	<u>51,773</u>
	<u>\$593,749</u>

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Financial Statements (continued)

(6) Changes in General Fixed Assets

A summary of changes in general fixed assets follows:

	<u>Land and Buildings</u>	<u>Vehicles</u>	<u>Other Equipment</u>	<u>Total</u>
Balance, June 30, 1998	\$1, 600,167	\$1,286,831	\$1,964,281	\$4,851,279
Additions	1,499,439	355,728	242,892	2,098,059
Reductions	<u>-</u>	<u>(152,820)</u>	<u>(24,213)</u>	<u>(177,033)</u>
Balance, June 30, 1999	<u>\$3,099,606</u>	<u>\$1,489,739</u>	<u>\$2,182,960</u>	<u>\$6,772,305</u>

Assets acquired through capital lease agreements of \$167,232 are reflected in other equipment.

(7) Changes in Long - Term Debt

The following is a summary of long-term debt transactions of the St. Martin Parish Sheriff for the year ended June 30, 1999.

Long-term debt at June 30, 1998	\$355,000
Debt assumed	313,658
Debt retired	<u>(107,810)</u>
Long-term debt at June 30, 1999	<u>\$560,848</u>

Long-term debt at June 30, 1999 is comprised of the following:

	Total	Short-term	Long-term
\$750,000 1992 Certificate of Indebtedness due in annual installments of \$55,000 to \$100,000; interest rates of 3.2 percent to 5.5 percent; full maturity at March 1, 2002; secured by ad valorem tax revenue.	<u>\$275,000</u>	<u>\$85,000</u>	<u>\$190,000</u>

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Financial Statements (continued)

	Total	Short-term	Long-term
\$89,835 capital lease obligation due in monthly installments of \$129 to \$742; interest rate of 4.75 to 5.07 percent; full maturity at December, 2003.	\$81,784 =====	\$16,689 =====	\$65,095 =====
\$223,823 note payable due in monthly installments of \$150 to \$3,388; interest rate of 5.49 to 5.62 percent; full maturity at December, 2003.	\$204,064 =====	\$41,109 =====	\$162,955 =====

The annual requirements to amortize all debt outstanding at June 30, 1999, including interest payments of \$66,804 are as follows:

Year Ending <u>June 30</u>	
2000	\$171,437
2001	171,890
2002	177,030
2003	71,530
2004	<u>35,765</u>
Total	<u>\$627,652</u>

(8) Operating Lease Commitments

The Sheriff is obligated under operating lease agreements for two copiers, a radio tower and a property lease that is used as a gun range. The lease on one of the copiers is for an initial term of three years beginning August, 1997 with monthly payments of \$399. The other copier lease was entered into in February, 1996 for an initial term of 42 months with monthly payments of \$228. The radio tower agreement commenced in April of 1995. This lease is for an initial term of three years at an annual rate of \$3,990 and automatically renews for an additional three years at approximately the same annual rate. The property lease is for an initial term of five years, ending May 1, 2003 with yearly payments of \$3,600. Rental expense for the years ended June 30, 1999 and 1998, are \$12,789 and \$17,286, respectively. The lease payments for the remaining years are as follows:

2000	\$12,834
2001	8,388
2002	3,600
2003	<u>3,600</u>
Total	<u>\$28,422</u>

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Financial Statements (continued)

(9) Pension Plans

Plan Description: The St. Martin Parish Sheriff contributes to the Sheriff's Pension and Relief Fund, a cost-sharing multiple employer defined benefit pension plan administered by the Sheriff's Pension and Relief Fund, a public corporation created in accordance with the provisions of Louisiana Revised Statute 11:2171 to provide retirement, disability and survivor benefits to sheriff and deputy sheriff members throughout the State of Louisiana. The Sheriff's Pension and Relief Fund issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Sheriff's Pension and Relief Fund, P.O. Box 3163, Monroe, Louisiana 71210-3136.

Funding Policy: Plan members are required to contribute 8.7% of their annual covered salary, and the St. Martin Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 5.0% of annual covered payroll. The contribution requirements of plan members and the St. Martin Parish Sheriff are established and may be amended by the Sheriff's Pension and Relief Fund. The St. Martin Parish Sheriff's contributions to the Retirement System for the years ended June 30, 1999, 1998 and 1997 were \$457,885, \$389,245 and \$379,492, respectively.

(10) Postretirement Health Care and Life Insurance Benefits

The Sheriff provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the Sheriff's employees become eligible for those benefits if they reach normal retirement age while working for the Sheriff. At present, ten employees are eligible to receive these benefits. Those benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid by the Sheriff. The Sheriff's costs of providing retiree health care and life insurance benefits are recognized as expenditures when the monthly premiums are paid. For the years ended June 30, 1999 and 1998, the costs of retiree benefits approximated \$19,343 and \$20,157, respectively.

(11) Changes in Agency Fund Balances

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

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Financial Statements (continued)

	<u>Civil Fund</u>	<u>Tax Collector Fund</u>	<u>Installment Fines Fund</u>	<u>Bonds and Fines Fund</u>	<u>Prison Inmate Fund</u>
Balances, June 30, 1998	\$ 7,905	\$ 307,361	\$ 126,031	\$ 332,346	\$ 10,957
Additions	414,642	12,644,437	146,000	1,424,198	365,789
Reductions	<u>(414,673)</u>	<u>(12,453,635)</u>	<u>(156,338)</u>	<u>(1,117,988)</u>	<u>(348,836)</u>
Balances, June 30, 1999	<u>\$ 7,874</u>	<u>\$ 498,163</u>	<u>\$ 115,693</u>	<u>\$ 638,556</u>	<u>\$ 27,910</u>

(12) Litigation and Claims

Management and legal counsel are of the opinion that insurance coverage is sufficient to protect the Sheriff from any monetary liability as it pertains to litigation. Therefore, no liability has been recorded on the balance sheet for litigation.

(13) Expenditures of the Sheriff's Office Paid by the Parish Council

The cost of maintaining and operating the Sheriff's office building, as required by statute, is paid by the St. Martin Parish Council. These expenditures are not included in the accompanying financial statements.

(14) Risk Management

The Sheriff is exposed to risks of loss in the areas of general and auto liability, property hazards, and workers' compensation. Those risks are handled by purchasing commercial insurance. There have been no significant reductions in insurance coverage during the current fiscal year nor have settlements exceeded coverage during the current year or preceding two years.

(15) Contingency

At June 30, 1997, the Sheriff's office was the subject of an ongoing internal investigation surrounding the possibility of misappropriation of funds. The investigation is still on-going at June 30, 1999. The outcome at this time is uncertain and therefore, no liability has been recorded in the financial statements.

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Notes to Financial Statements (continued)

(16) Construction Contracts

As of June 30, 1999, the Sheriff had the following commitments with respect to unfinished capital projects:

<u>Capital Project</u>	<u>Remaining Construction Commitment</u>	<u>Expected Date of Completion</u>
16 th Judicial District Juvenile Detention Center	\$58,298	March 31, 2000

SUPPLEMENTAL INFORMATION

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Year 2000 Issue (unaudited)
Year Ended June 30, 1999

Impact of Year 2000 on Computer Programs (Unaudited)

The Year 2000 issue is the result of computer programs being written using two digits rather than four to define the applicable year. Any of the Sheriff's computer programs that have time sensitive software may recognize a date using "00" as the year 1900 rather than the year 2000. This could result in a system failure or miscalculations causing disruptions of operations, including among other things, a temporary inability to process transactions or engage in similar normal business activities.

The Sheriff has completed an inventory of computer systems and other electronic equipment that may be affected by the year 2000 issue and that are necessary to conducting Sheriff operations and have identified such systems as being financial reporting, payroll, and tax collection.

- The tax collection system has been assessed, remediated, tested, and validated.
- The financial reporting and payroll systems have been assessed and are currently being remediated. Testing and validation will have to occur prior to the systems being used for financial reporting and payroll processing.

Remaining contracted amounts of \$129,380 are committed (but not yet incurred) to this project as of June 30, 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 in part, or that parties with whom the Sheriff does business will be Year 2000 ready. The Sheriff is utilizing external resources to identify and test the systems for Year 2000 compliance.

SCHEDULES OF INDIVIDUAL FUNDS

GENERAL FUND

To account for resources traditionally associated with governments which are not required to be accounted for in another fund.

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana
General Fund

Comparative Balance Sheet
June 30, 1999 and 1998

	1999	1998
ASSETS		
Cash and interest-bearing deposits	\$ 737,646	\$ 1,693,427
Receivables:		
Due from governmental units and others	593,749	730,768
Interest	1,640	15,051
Due from other funds	42,761	60,534
Inventory	313	-
Prepaid expenses	23,785	62,218
Total assets	\$ 1,399,894	\$ 2,561,998
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	66,854	321,867
Contracts payable	2,495	-
Retainage payable	55,803	-
Other accrued liabilities	3,896	2,453
Total liabilities	129,048	324,320
Fund balance:		
Reserved for inventory	313	-
Reserved for prepaid expenses	23,785	62,218
Unreserved, undesignated	1,246,748	2,175,460
Total fund balance	1,270,846	2,237,678
Total liabilities and fund balance	\$ 1,399,894	\$ 2,561,998

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana
General Fund

Statement of Expenditures Compared to Budget (GAAP Basis)
Year Ended June 30, 1999

	Budget	Actual	Variance - Favorable (Unfavorable)
Current:			
Public safety -			
Personal services and related benefits:			
Sheriff salary	\$ 65,000	\$ 65,000	\$ -
Deputies salaries	4,017,812	3,846,975	170,837
Pension and payroll taxes	534,810	499,772	35,038
Sheriff's expense allowance	6,500	6,500	-
Other	30,000	23,081	6,919
Total personal services and related benefits	4,654,122	4,441,328	212,794
Operating services:			
Hospitalization insurance	700,000	651,822	48,178
Auto insurance	99,571	109,581	(10,010)
Other liability insurance	301,321	294,993	6,328
Total operating services	1,100,892	1,056,396	44,496
Operations and maintenance:			
Auto fuel and oil	115,000	116,986	(1,986)
Auto maintenance	145,000	158,590	(13,590)
Deputy uniforms, supplies, etc.	150,800	176,247	(25,447)
Office supplies and expenses	311,000	288,158	22,842
Telephone and utilities	268,000	234,856	33,144
Radio	25,000	20,138	4,862
Prisoner feeding and maintenance	888,000	849,201	38,799
Legal and professional fees	117,829	89,405	28,424
Criminal investigation expense	20,000	18,865	1,135
Leases and rents	65,090	12,789	52,301
Commissary expense	260,000	265,092	(5,092)
Grant expenses	18,097	8,069	10,028
Commodities expense	-	8,809	(8,809)
Other	163,578	539,633	(376,055)
Total operations and maintenance	2,547,394	2,786,838	(239,444)
Debt service:			
Principal	-	27,810	(27,810)
Interest	-	7,955	(7,955)
Total debt service	-	35,765	(35,765)
Capital outlay:			
Land and building	1,581,067	1,476,694	104,373
Autos	294,700	338,507	(43,807)
Other equipment	185,376	245,117	(59,741)
Total capital outlay	2,061,143	2,060,318	825
Total expenditures	\$ 10,363,551	\$ 10,380,645	\$ (17,094)

SPECIAL REVENUE FUNDS

911 Communication District - To account for the 911 Emergency Telephone System user fees and related expenditures.

Adult Protective Services - To account for the Adult Protective Services State Grant revenue and related expenditures.

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana
Special Revenue Funds

Combining Balance Sheet
June 30, 1999
With Comparative Totals for June 30, 1998

	911 Communication District Fund	Adult Protective Services Fund	Totals	
			1999	1998
ASSETS				
Cash and interest-bearing deposits	\$ 41,103	\$ 13,739	\$ 54,842	\$ 99,148
Other receivables	<u>30,388</u>	<u>-</u>	<u>30,388</u>	<u>18,220</u>
 Total assets	 <u>\$ 71,491</u>	 <u>\$ 13,739</u>	 <u>\$ 85,230</u>	 <u>\$ 117,368</u>
 LIABILITIES AND FUND BALANCE				
Liabilities:				
Due to other funds	\$ 29,022	\$ 13,739	\$ 42,761	\$ 60,534
Fund balance:				
Unreserved - undesignated	<u>42,469</u>	<u>-</u>	<u>42,469</u>	<u>56,834</u>
 Total liabilities and fund balance	 <u>\$ 71,491</u>	 <u>\$ 13,739</u>	 <u>\$ 85,230</u>	 <u>\$ 117,368</u>

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana
Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance -
Year Ended June 30, 1999

	<u>911 Communication District Fund</u>	<u>Adult Protective Services Fund</u>	<u>Total</u>
Revenues:			
Intergovernmental revenue - Adult protective services grant	\$ -	\$ 147,382	\$ 147,382
Fees, charges, and commissions for services - 911 fees	<u>222,972</u>	<u>-</u>	<u>222,972</u>
Total revenues	<u>222,972</u>	<u>147,382</u>	<u>370,354</u>
Expenditures:			
Current -			
Public safety:			
Personal services and related benefits:			
Salaries	79,303	88,373	167,676
Pension and payroll taxes	10,868	12,173	23,041
Other	<u>-</u>	<u>18,740</u>	<u>18,740</u>
Total personal services and related benefits	<u>90,171</u>	<u>119,286</u>	<u>209,457</u>
Operating services:			
Hospitalization	18,706	14,400	33,106
Liability insurance	<u>5,941</u>	<u>3,534</u>	<u>9,475</u>
Total operating services	<u>24,647</u>	<u>17,934</u>	<u>42,581</u>
Operations and maintenance:			
Office supplies and expense	23,687	1,469	25,156
Telephone	-	2,920	2,920
Leases and rents	-	4,906	4,906
E - 911 implement	57,598	-	57,598
Other	<u>3,493</u>	<u>867</u>	<u>4,360</u>
Total operations and maintenance	<u>84,778</u>	<u>10,162</u>	<u>94,940</u>
Capital outlay	<u>37,741</u>	<u>-</u>	<u>37,741</u>
Total expenditures	<u>237,337</u>	<u>147,382</u>	<u>384,719</u>
Deficiency of revenues over expenditures	(14,365)	-	(14,365)
Fund balance, beginning	<u>56,834</u>	<u>-</u>	<u>56,834</u>
Fund balance, ending	<u>\$ 42,469</u>	<u>\$ -</u>	<u>\$ 42,469</u>

ST. MARTIN PARISH SHERIFF
 St. Martinville, Louisiana
 Special Revenue Fund
 911 Communication District Fund

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

	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:			
Fees, charges, and commissions for services - 911 fees	\$ 218,131	\$ 222,972	\$ 4,841
Expenditures:			
Current -			
Public safety:			
Personal services and related benefits:			
Salaries	78,550	79,303	(753)
Pension and payroll taxes	10,779	10,868	(89)
Other	-	-	-
Total personal services and related benefits	89,329	90,171	(842)
Operating services:			
Hospitalization	17,776	18,706	(930)
Liability insurance	5,922	5,941	(19)
Total operating services	23,698	24,647	(949)
Operations and maintenance:			
Office supplies and expense	15,040	23,687	(8,647)
E - 911 implement	57,598	57,598	-
Other	2,540	3,493	(953)
Total operations and maintenance	75,178	84,778	(9,600)
Capital outlay	37,743	37,741	2
Total expenditures	225,948	237,337	(11,389)
Excess (deficiency) of revenues over expenditures	(7,817)	(14,365)	(6,548)
Fund balance, beginning	56,834	56,834	-
Fund balance, ending	\$ 49,017	\$ 42,469	\$ (6,548)

ST. MARTIN PARISH SHERIFF
 St. Martinville, Louisiana
 Special Revenue Fund
 Adult Protective Services Fund

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

	<u>Budget</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
Revenues:			
Intergovernmental revenue - Adult protective services grant	\$ 147,382	\$ 147,382	\$ -
Expenditures:			
Current -			
Public safety:			
Personal services and related benefits -			
Salaries	90,780	88,373	2,407
Pension and payroll taxes	13,117	12,173	944
Other	16,140	18,740	(2,600)
Total personal services and related benefits	120,037	119,286	751
Operating services:			
Hospitalization	11,280	14,400	(3,120)
Liability insurance	2,916	3,534	(618)
Total operating services	14,196	17,934	(3,738)
Operations and maintenance:			
Office supplies and expense	3,378	1,469	1,909
Telephone	2,868	2,920	(52)
Leases and rents	6,000	4,906	1,094
Other	903	867	36
Total operations and maintenance	13,149	10,162	2,987
Total expenditures	147,382	147,382	-
Excess of revenues over expenditures	-	-	-
Fund balance, beginning	-	-	-
Fund balance, ending	\$ -	\$ -	\$ -

FIDUCIARY FUND TYPE - AGENCY FUNDS

Civil Fund - To account for funds held in connection with civil suits, sheriff's sales and garnishments and payment of these collections to the sheriff's General Fund and other 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 and fees. The Tax Collector Fund is used to collect and distribute these taxes and fees to the appropriate taxing bodies.

Installment Fines Fund - To account for the collection of fines paid on an installment basis as authorized by the court. Transfers are made to the Bonds and Fines Fund when the fine has been completely collected and disposition is made by that fund.

Bonds and Fines Fund - To account for the collection of bonds, fines, and costs and payment of these collections to the sheriff's General Fund and other recipients in accordance with applicable laws.

Prison Inmate Fund - To account for the deposits made by, and for, inmates to their individual accounts and the appropriate disbursements to these inmates.

ST. MARTIN PARISH SHERIFF
 St. Martinville, Louisiana
 Fiduciary Fund Type - Agency Funds

Combining Balance Sheet
 June 30, 1999
 With Comparative Totals for June 30, 1998

	Civil Fund	Tax Collector Fund	Installment Fines Fund	Bonds and Fines Fund	Prison Inmate Fund	Totals
						1999
						1998
ASSETS						
Cash and interest-bearing deposits	\$ 7,874	\$ 498,163	\$ 115,693	\$ 638,556	\$ 27,910	\$ 1,288,196
						\$ 784,600
LIABILITIES						
Due to taxing bodies and others	7,874	498,163	115,693	638,556	-	1,260,286
Due to inmates	-	-	-	-	27,910	27,910
						773,643
Total liabilities	\$ 7,874	\$ 498,163	\$ 115,693	\$ 638,556	\$ 27,910	\$ 1,288,196
						\$ 784,600

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana
Agency Funds

Combining Statement of Changes in Assets and Liabilities
Year Ended June 30, 1999

	Civil Fund	Tax Collector Fund	Installment Fines Fund	Bonds and Fines Fund	Prison Inmate Fund	Total
Balances, beginning of year	\$ 7,905	\$ 307,361	\$ 126,031	\$ 332,346	\$ 10,957	\$ 784,600
Additions:						
Deposits -						
Sheriff's sales, suits, and seizures	401,442	-	-	-	-	401,442
Garnishments	13,200	-	-	-	-	13,200
Bonds	-	-	-	1,174,004	-	1,174,004
Fines and costs	-	-	-	206,846	-	206,846
Other	-	-	146,000	43,348	365,789	555,137
Taxes, fees, etc. paid to tax collector	-	12,644,437	-	-	-	12,644,437
<i>Total additions</i>	<u>414,642</u>	<u>12,644,437</u>	<u>146,000</u>	<u>1,424,198</u>	<u>365,789</u>	<u>14,995,066</u>
<i>Total</i>	<u>422,547</u>	<u>12,951,798</u>	<u>272,031</u>	<u>1,756,544</u>	<u>376,746</u>	<u>15,779,666</u>
Reductions:						
Taxes, fees, etc. distributed to taxing bodies and others	-	12,453,635	-	-	-	12,453,635
Deposits settled to -						
Sheriff's General Fund and Clerk of Court	101,794	-	-	148,107	-	249,901
Iberia Parish commission	-	-	-	334,400	-	334,400
District attorney expense fund	-	-	-	172,122	-	172,122
Indigent defender board	-	-	-	156,348	-	156,348
Litigants and attorneys	296,661	-	-	-	-	296,661
Appraisers	5,390	-	-	-	-	5,390
Louisiana Commission on Law Enforcement	-	-	-	22,363	-	22,363
Crime laboratory	-	-	-	40,700	-	40,700
Other reductions -						
Restitution	-	-	-	956	-	956
Refunds	10,828	-	-	2,421	-	13,249
Other reductions	-	-	156,338	240,571	348,836	745,745
<i>Total reductions</i>	<u>414,673</u>	<u>12,453,635</u>	<u>156,338</u>	<u>1,117,988</u>	<u>348,836</u>	<u>14,491,470</u>
Balances, end of year	<u>\$ 7,874</u>	<u>\$ 498,163</u>	<u>\$ 115,693</u>	<u>\$ 638,556</u>	<u>\$ 27,910</u>	<u>\$ 1,288,196</u>

INTERNAL CONTROL, COMPLIANCE
AND
OTHER INFORMATION

KOLDER, CHAMPAGNE, SLAVEN & RAINEY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA
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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Charles A. Fuselier
St. Martin Parish Sheriff
St. Martinville, Louisiana

We have audited the general purpose financial statements of the St. Martin Parish Sheriff as of and for the year ended June 30, 1999, and have issued our report thereon dated October 22, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the St. Martin Parish Sheriff's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards. However, we did note a certain immaterial instance of noncompliance that we have reported to the management of St. Martin Parish Sheriff in a separate letter dated October 22, 1999.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the St. Martin Parish Sheriff's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the St. Martin Parish Sheriff's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements. The reportable condition noted is described in the accompanying schedule of findings, questioned costs and management's corrective action plan as item 99-1.

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 general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. We believe the reportable condition identified as item 99-1 in the schedule of findings, questioned costs and management's corrective action plan is a material weakness.

This report is intended solely for the information and use of management, others within the organization, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Kolder, Champagne, Slaven & Rainey, LLC

Certified Public Accountants

Breaux Bridge, Louisiana
October 22, 1999

KOLDER, CHAMPAGNE, SLAVEN & RAINEY, LLC

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

The Honorable Charles A. Fuselier
St. Martin Parish Sheriff
St. Martinville, Louisiana

Compliance

We have audited the compliance of the St. Martin Parish Sheriff, with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 1999. The St. Martin Parish Sheriff's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings, questioned costs, and management's corrective action plan. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the St. Martin Parish Sheriff's management. Our responsibility is to express an opinion on the St. Martin Parish Sheriff's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about St. Martin Parish Sheriff's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on St. Martin Parish Sheriff's compliance with those requirements.

In our opinion, the St. Martin Parish Sheriff complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 1999.

Internal Control Over Compliance

The management of St. Martin Parish Sheriff, is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the St. Martin Parish Sheriff's internal control over compliance with requirements that could have a direct and material effect on major federal programs in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

We noted a certain matter involving the internal control over compliance and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgement, could adversely affect the St. Martin Parish Sheriff's ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts and grants. The reportable condition is described in the accompanying schedule of findings, questioned costs, and management's corrective action plan as item 99-1.

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 of risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, do not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we consider the reportable condition described as item 99-1 in the accompanying schedule of findings, questioned costs, and management's corrective action plan, to be a material weakness.

This report is intended solely for the information and use of management, others within the organization, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Kolder, Champagne, Slaven & Rainey, LLC

Certified Public Accountants

Breaux Bridge, Louisiana
October 22, 1999

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Schedule of Expenditures of Federal Awards
Year Ended June 30, 1999

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	State Pass-through Entity Identifying Number	Expended This Year
<u>United States Department of Agriculture -</u>			
<i>Passed through the Louisiana Department</i>			
of Agriculture and Forestry - Food			
Distribution			
	10.550	N/A	\$ 8,809
<u>United States Department of Justice -</u>			
<i>Passed through Louisiana Commission</i>			
on Law Enforcement and Administration			
of Criminal Justice:			
Community Policing*	16.579	98B4B40037	6,023
Desire (Community Policing)*	16.579	97B4B130028	20,616
Universal Hiring (Community Policing)*	16.579	95CFWX4418S-1	70,883
Resource Officer (Community Policing)*	16.579	95CFWX4418S-2	87,731
Mentoring Program*	16.540	96J4J30251	20,998
Community Oriented Policing Services(COPS)*	16.710	95CFWX4418	11,941
Elderly Victims of Crime	16.575	95C8V40305	229,375
Violent Offender Incarceration			
Truth in Sentencing*	16.586	N/A	358,658
Domestic Violence Investigation	16.588	97M4M02D411	41,878
At Risk Youth Program	16.548	W964001	32,017
1998 Local Law Enforcement Block Grant	16.592	97LBVX5043	11,321
<u>United States Department of Treasury -</u>			
<i>Federal Emergency Management Agency -</i>			
Passed through Louisiana Military			
Department - Office of Emergency			
Preparedness			
	85.503	N/A	<u>15,763</u>
Total			<u>\$ 916,013</u>

*Denotes major federal program.

The accounting policies used in preparing this schedule are the same as those used in preparing the audited financial statements. See Note (1) on page 9.

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Schedule of Findings, Questioned Costs, and
Management's Corrective Action Plan
Year Ended June 30, 1999

Part I: Summary of Auditor's Results:

1. An unqualified report was issued on the financial statements.
2. A reportable condition in internal control was disclosed by the audit of the financial statements, and it was considered to be a material weakness.
3. No material noncompliance was disclosed.
4. A reportable condition in internal control over the major program was disclosed by the audit of the financial statements.
5. An unqualified opinion was issued on compliance for the major programs.
6. The audit disclosed a reportable condition over major programs required to be reported under Section 510(a) of Circular A-133.
7. The major programs were:

United States Department of Justice - Passed through Louisiana Commission
on Law Enforcement and Administration of Criminal Justice:

Community Policing Programs
Mentoring Program
Violent Offender Incarceration - Truth in Sentencing
8. The dollar threshold used to distinguish between Type A and Type B programs, as described in Section 520(b) of Circular A-133 was \$300,000.
9. The auditee did not qualify as a low-risk auditee under Section 530 of Circular A-133.

(continued)

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Schedule of Findings, Questioned Costs, and
Management's Corrective Action Plan (continued)
Year Ended June 30, 1999

Part II: Findings which are required to be reported in accordance with generally accepted governmental auditing standards:

Item 99-1 Inadequate Segregation of Accounting Functions

Finding:

Due to the small number of employees, the Sheriff did not have adequate segregation of functions within the accounting system.

Management's Corrective Action Plan:

Management has determined that it is not cost effective to achieve complete segregation of duties within the accounting department. No plan is considered necessary.

Part III: Findings and questioned costs for Federal awards which include audit findings as defined in Section 510(a) of Circular A-133:

Finding 99-1 described above applies to the major programs. There are no questioned costs relating to this finding.

Part IV: Management Letter Items:

Item 99-2 Noncompliance with Louisiana Fiscal Agency and Cash Management Laws

Finding:

The St. Martin Parish Sheriff did not comply with Louisiana Revised Statutes (LSA-R.S.) 39:1225. This statute states that the amount of funds on deposit with financial institutions must, at all times, be one hundred percent secured. The Sheriff had inadequate security at one financial institution at December 31, 1998. Because this was an immaterial instance of noncompliance, it is only mentioned in the management letter.

Management's Corrective Action Plan:

The St. Martin Parish Sheriff closely monitored securities pledged during the year. The Sheriff was undersecured at December 31, 1998 due to an error by the financial institution responsible for pledging the securities. Therefore, there is no corrective action to be taken by the St. Martin Parish Sheriff.

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

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

The audit findings at June 30, 1998 were as follows:

Section I: Internal Control and Compliance material to the Financial Statements

98-1 Noncompliance with Louisiana Fiscal Agency and Cash Management Laws

Finding:

The St. Martin Parish Sheriff did not comply with Louisiana Revised Statutes (LSA-R.S.)39:1225. This statute states that the amount of funds on deposit with financial institutions must, at all times, be one hundred percent secured. The Sheriff had inadequate security at two financial institutions at December 31, 1997.

Status:

Partially resolved. See Item 99-2.

98-2 Noncompliance with Louisiana Local Government Budget Act

Finding:

The St. Martin Parish Sheriff did not comply with certain budget requirements set forth in Louisiana law relating to amended budgets. Louisiana Revised Statutes (LSA-R.S.) 39:1301-1314, known as the Local Government Act, contain various budget requirements for political subdivisions of the state. The Sheriff was not in compliance with the following requirement:

The Budget must be amended when total actual expenditures and other uses plus projected expenditures and other uses for the remainder of the year, within a fund, are exceeding the total budgeted expenditures and other uses by 5% or more. {LSA-R.S. 39:1310 (A) (2) }. The following fund had an unfavorable variance in expenditures of five percent or more:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Percent</u>
911 communication District Fund	\$187,668	\$213,009	\$(25,341)	13.5%

Status:

Resolved.

(continued)

ST. MARTIN PARISH SHERIFF
St. Martinville, Louisiana

Summary Schedule of Prior Audit Findings (continued)
Year Ended June 30, 1999

98-3 Inadequate Segregation of Accounting Functions

Finding:

Due to the small number of employees, the Sheriff did not have adequate segregation of duties within the accounting system.

Status:

Unresolved. See Item 99-1.

Section II: Internal Control and Compliance Material to Federal Awards

Finding 98-3 described above applies to the major programs. There are no questioned costs relating to this finding.

Status:

Unresolved. See Item 99-1.

Section III: Management Letter

There were no management letter items for the year ended June 30, 1998.

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MANAGEMENT LETTER

The Honorable Charles A. Fuselier
St. Martin Parish Sheriff
St. Martinville, Louisiana

During our audit of the financial statements of the St. Martin Parish Sheriff as of and for the year ended June 30, 1999 we noted a certain area in which improvement in your financial practices may be desirable. Therefore, the following improvement is recommended:

Securities pledged should be more closely monitored to prevent undersecuring. However, we have noted significant improvement over prior years.

We would like to express our appreciation to you and your office staff for the courtesies and assistance rendered to us in the performance of our audit. Should you have any questions or need assistance in implementing our recommendation please feel free to contact us.

Kolder, Champagne, Slaven & Rainey, LLC
Certified Public Accountants

Breaux Bridge, Louisiana
October 22, 1999

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