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FINANCIAL STATEMENTS AND AUDITOR'S REPORT

STATE TREASURY

STATE OF LOUISIANA

Year ended June 30, 1986

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.

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Angela J. Parker

Certified Public Accountant

To the Board of Directors
Safe Harbor
Slidell, LA

INDEPENDENT AUDITOR'S COMBINED REPORT ON THE BASIC FINANCIAL STATEMENTS AND THE SCHEDULES OF FEDERAL AWARDS

I have audited the accompanying statement of financial position of Safe Harbor, a nonprofit organization, as of June 30, 1994, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Institutions." These standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence, supporting the amounts and disclosures in the 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 financial statements referred to above present fairly, in all material respects, the financial position of Safe Harbor as of June 30, 1994, and the changes in its net assets and cash flows 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 basic financial statements of Safe Harbor taken as a whole. The accompanying schedule of federal awards is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

December 6, 1994



Angela J. Parker

Certified Public Accountant

December 6, 1998

Mr. Ken Thomas
Sally Harber
P.O. Box 400
Slidell, LA 70579

Dear Ken Thomas,

In planning and performing my audit of the financial statements of Sally Harber for the year ended June 30, 1998, I examined Sally Harber's internal control structure to plan my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control structure.

However, during my audit, I noted certain matters involving the internal control structure and other operational matters that are presented for your consideration. I previously reported on Sally Harber's internal control structure in my report dated December 6, 1998. This letter does not affect my report dated December 6, 1998, on the financial statements of Sally Harber. I will review the status of these matters during my next audit engagement. My comments and recommendations are intended to improve the internal control structure or result in other operating efficiencies. I will be pleased to discuss these concerns in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations. My comments are summarized as follows:

1. All receipts for expenditures should be approved by a board of director's authorized person and maintained on file prior to payment. Policies should be periodically reviewed to insure the receipts paid on accounts.
2. The size of the organization's accounting and administrative staff precludes certain internal controls that would be preferred if the office staff were large enough to provide optimum segregation of duties. This situation dictates that the board of director's remain involved in the financial affairs of the organization to provide oversight and independent review functions.

This letter is intended for the information of management and others within the organization, as well as the Louisiana Legislative Auditor. This letter is not intended to limit the distribution of this report, which is a matter of public record.

If you have any questions or comments, please feel free to call me at 814-6281.

Very truly yours,



Angela J. Parker
Certified Public Accountant

SAFE HARBOR

STATEMENT OF FINANCIAL POSITION

JUNE 30, 1990

ASSETS

Current Assets:		
Cash and cash equivalents		\$13,752
Accounts receivable - grants and contracts		17,850
Accounts receivable - other		150
Unconditional promises to give		18,243
Prepaid expenses		8,535
Total current assets		58,530
Fixed Assets:		
Equipment	\$7,545	
Furniture and fixtures	10,215	
Leasehold improvements	35,670	
	49,530	
Less: accumulated depreciation	(13,281)	36,249
Security deposits		1,500
TOTAL ASSETS		\$94,308

LIABILITIES AND NET ASSETS

Current Liabilities:		
Accounts payable and accrued expenses		\$3,212
Payroll taxes payable		2,487
Total current liabilities		5,699
Net Assets:		
Unrestricted net assets		63,940
Temporarily restricted net assets		24,740
Total net assets		88,680
TOTAL LIABILITIES AND NET ASSETS		\$94,308

SAFE HARBOR

STATEMENT OF ACTIVITIES

For The Year Ended June 30, 1995

UNRESTRICTED NET ASSETS	
Revenue and support:	
Grants and contracts	82,000
Contributions	22,080
Membership dues	100
Special events	21,419
Net assets released from restrictions	114,485
TOTAL UNRESTRICTED REVENUE AND SUPPORT	160,084
EXPENSES:	
Program services	115,517
Supporting services:	
Management and general	21,320
Grant expenses	600
Fundraising	10,772
TOTAL EXPENSES	158,109
(DECREASE) IN UNRESTRICTED NET ASSETS	2,981
TEMPORARILY RESTRICTED NET ASSETS	
State Grant - OCS funding for next year	14,453
State Grants - funding for current year	95,151
KOLTA Grant - funding for next year	3,750
Other grants and contracts for the current year	17,600
Interest income	453
Net assets released from restrictions	(114,485)
INCREASE IN TEMPORARILY RESTRICTED NET ASSETS	19,922
INCREASE IN NET ASSETS	19,943
NET ASSETS AT BEGINNING OF YEAR	69,442
NET ASSETS AT ENDING OF YEAR	89,385

SAFE HARBOR
STATEMENT OF CASH FLOWS
For The Year Ended June 30, 1998

CASH FLOWS FROM OPERATING ACTIVITIES	
Increase in net assets	\$19,243
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation	5,694
(Increase)/decrease in operating assets:	
Accounts receivable - grants and contracts	(181)
Accounts receivable - other	225
Unconditional promises to give	(18,243)
Prepaid expenses	(2,500)
Increase (decrease) in operating liabilities:	
Accounts payable	2,288
Payroll taxes payable	888
NET CASH PROVIDED BY OPERATING ACTIVITIES	7,383
CASH FLOWS FROM INVESTING ACTIVITIES	
Payments for property and equipment	(42,605)
NET CASH USED BY INVESTING ACTIVITIES	(42,605)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(45,242)
BEGINNING CASH AND CASH EQUIVALENTS	58,894
NET CASH AND CASH EQUIVALENTS	\$13,752

DAVE HARRIS

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 1998

	Program Expenses	Management & General	Board Expenses	Fundraising	Total
Compensation and related expenses:					
Compositions:					
Executive Director	\$24,158	2,084	-	-	\$26,242
Executive Director	4,885	-	-	-	4,885
Social Worker	3,152	-	-	-	3,152
Children's Coordinator	12,578	-	-	-	12,578
Headboard Aide	4,278	-	-	-	4,278
Cook	4,378	-	-	-	4,378
Office administrator	-	15,743	-	-	15,743
Volunt Staff	8,881	-	-	-	8,881
Retired benefits:					
Payroll taxes	4,288	1,800	-	-	6,088
Advertising	488	-	-	-	488
Automobile	1,244	-	-	-	1,244
Audit	1,500	-	-	-	1,500
Accounting	-	2,500	-	-	2,500
Bank charges	-	228	-	-	228
Client transportation	2,881	-	-	-	2,881
Client travel	180	-	-	-	180
Legal	5,024	-	-	-	5,024
Dues & subscriptions	848	180	-	-	1,028
Depreciation	5,125	180	-	-	5,305
Grant requests	-	-	600	-	600
Printing expense	-	-	-	\$1,732	\$1,732
Meals/entert	1,388	-	-	-	1,388
Maintenance/Equipment	1,187	420	-	-	1,607
Maintenance/Supplies	3,074	434	-	-	3,508
Meetings and conferences	675	-	-	-	675
Postage	-	145	-	-	145
Office	-	2,188	-	-	2,188
Insurance	4,188	2,610	-	-	6,798
Utilities	5,280	640	-	-	5,920
Telephone	4,028	457	-	-	4,485
Taxes	1,854	-	-	-	1,854
Building rent	12,800	1,200	-	-	14,000
Program supplies:					
Children's program supplies	1,487	-	-	-	1,487
Contracting expenses	808	-	-	-	808
Fuel & oil	88	-	-	-	88
Supplies:					
Facility supplies	221	-	-	-	221
Client supplies	261	-	-	-	261
Food supplies	2,274	-	-	-	2,274
	\$176,567	\$34,230	\$688	\$12,732	\$224,197

Safe Harbor

NOTES TO FINANCIAL STATEMENTS

June 30, 1996

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies followed by Safe Harbor in the preparation of its financial statements.

1. Nature of Activities

Safe Harbor was incorporated on January 24, 1991. It was organized to provide services to victims of domestic violence in St. Tammany Parish, Louisiana with the primary focus on women and their dependent children. Safe Harbor operates a women's hot facility and provides temporary housing, food, clothing, and free medical and dental care. Its clients also receive information on housing, legal and welfare aid, educational assistance, training and employment counseling.

2. Financial Statement Presentation

The financial statements are prepared under SFAS No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 119, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition the Organization is required to present a statement of cash flows. As permitted by this new Statement, the Organization has discontinued its use of fund accounting and has, accordingly, reclassified its financial statements to present the three classes of net assets required.

3. Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in checking accounts. Management believes the Organization is not exposed to any significant credit risk on cash and cash equivalents.

4. Functional Allocation of Expenses

The cost of providing the various programs, fund-raising and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and fund-raising activities benefited.

Safe Harbor

NOTES TO FINANCIAL STATEMENTS

June 30, 1986

3. Income Taxes

Safe Harbor is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the organization has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 585(a) of the code.

4. Donated Materials and Services

Safe Harbor records the value of donated goods or services when there is an objective basis available to measure their value. Donated office space, household furniture, and household improvements are reflected as contributions in the accompanying statements at their estimated values at date of receipt. No amounts have been reflected in the statements for donated food, clothing or services as no objective basis is available to measure the value of such goods and services. However, a substantial number of volunteers donated significant amounts of time to Safe Harbor.

5. Depreciation and Amortization

Depreciation of household furniture and household improvements are provided on the straight-line basis over the estimated useful lives of the assets as follows:

Household furniture	5 years
Household improvements	10 years

Depreciation for the year ended June 30, 1986 on assets carried at historical cost and estimated values is \$ 471 and \$3,734, respectively.

NOTE H - GRANTS FROM GOVERNMENTAL AGENCIES

Included in grants from governmental agencies is \$15,500 received from the St. Tammany Parish Police Jury through an agreement with the Louisiana Department of Social Services, Office of Community Services. These funds are from the HIV/Emergency Shelter Grants Program. Also, funds of \$41,000 were received under a contract with the State of Louisiana, Office of the Governor, Office of Women's Services and included \$8,236 of Federal funds through the Family Violence Prevention and Services Act.

Safe Harbor

NOTES TO FINANCIAL STATEMENTS

June 30, 1996

NOTE C - RECEIVABLES

Receivables in the restricted fund consist of the following amount:

Due from Office of Women's Services	\$ 15,111
Due from Office of Community Services	3,749

	\$ 18,860

NOTE D. RESTRICTIONS ON ASSETS

Temporarily restricted net assets are available for the following program service expenses:

Children's coordinator	\$ 4,550
Paralegal, court fees, accounting, audit costs and office supplies	5,600
Operations, services and homeless prevention costs	14,490

Total	\$ 24,740

NOTE E - PROMISES TO GIVE

Unconditional promises to give consists of the following:

Office of Community Services	\$ 17,241
1049A grant	3,750

Total	\$ 20,991

The total amounts are due within one year. The 1049A grant amount is for paralegal costs, audit fees, accounting, court fees and office supplies to be incurred during the next fiscal year. The amount from Office of Community Services is the remaining grant amount from a two year contract for operations, services and homeless prevention costs.

Safe Harbor

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

NOTE F - DOMESTIC MATERIALS AND SERVICES

The value of donated materials and services included in the financial statements for the year ended June 30, 1998 is as follows:

Assets	
Household furniture	\$ 7,288
Household improvements	34,937

	\$ 42,225

NOTE G. FAIR VALUES OF FINANCIAL STATEMENTS

Disclosures of fair value information about certain financial instruments, whether or not recognized in the statement of financial position for which it is practicable to estimate that value, is required by Statement of Accounting Standards (SAP) 107, Disclosures about Fair Value of Financial Instruments. The following methods and assumptions were used in estimating fair values:

	Carrying Amounts	Fair Value
Cash and cash equivalents	\$ 13,752	\$ 13,752

NOTE H - COMMITMENTS

Safe Harbor leases its wireless yard facility under a lease expiring on January 31, 1999. Rent is \$1,000 per month. With written notification, the lease provides for a continuous renewal term of one year.

The minimum rental commitments under the lease is as follows:

Year ended June 30,	Amount
-----	-----
1997	\$7,880

	\$7,880

SUPPLEMENTAL INFORMATION

SAFE HARBOR

SCHEDULE OF FEDERAL AWARDS

For the Year Ended June 30, 1996

<u>Federal Grant/Pass-through Grant/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Program Revenue Received</u>	<u>Federal Revenue Received</u>
Federal Family Violence Prevention and Services Act:			
Pass-through from State of Louisiana Office of the Governor/ Office of Women's Services	93.671	\$77,159	\$14,337
U.S. Department of Housing and Urban Development:			
Pass-through from State of Louisiana Dept. of Social Services/ Office of Community Services HUD/Emergency Shelter Grants Program	14.331	16,740	16,740
TOTAL		\$93,899	\$31,077

Angela J. Parker

Certified Public Accountant

To the Board of Directors
Safe Harbor
Bridgely, LA

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE REQUIRED BY SAS CIRCULAR A-133

I have audited the financial statements of Safe Harbor, a nonprofit organization, for the year ended June 30, 1996, and have issued my report thereon dated December 8, 1996.

I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards issued by the Comptroller General of the United States, and Office of Management and Budget (OMB) Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Institutions." These standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In planning and performing my audit of the financial statements of Safe Harbor for the year ended June 30, 1996, I considered its internal control structure in order to determine my auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure.

The management of Safe Harbor is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to address the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that federal awards programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

Board of Directors
December 6, 1994
Page 2

For the purpose of this report, I have classified the significant internal control structure policies and procedures in the following categories: Cash receipts and disbursements, support and related receivables, donated facilities and services, payables, payroll and related liabilities, property and equipment, and governmental financial assistance programs including political activity, civil rights, cash management, allowable costs/cost principles, Drug-Free Workplace Act and the specific requirements of the types of services and allowability of expenditures.

For all of the internal control structure categories listed above, I obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and I assessed control risk.

During the year ended June 30, 1994, Safe Harbor had no major programs and expended 100% of its total federal awards under the following nonmajor programs:

HHS/Emergency Shelter Grants Program
Family Violence Prevention and Services Act

I performed tests of controls, as required by OMB Circular A-113, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that I considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to the aforementioned nonmajor programs. My procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, I do not express such an opinion.

Significant conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control structure that, in my judgment, could adversely affect the Organization's ability to record, process, summarize, and report financial data consistent with the specifications of management in the financial statements or to administer Federal awards programs in accordance with applicable laws and regulations.

Board of Directors

December 4, 1994

Page 3

A material weakness is a reportable condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited or that noncompliance with laws and regulations that would be material to a federal awards program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, I noted the following matter involving the internal control structure and its operation that I consider to be a material weakness as defined above. This condition was considered in determining the nature, timing, and extent of the procedures to be performed in my audit of the financial statements of Safe Harbor for the year ended June 30, 1994, and this report does not affect my report thereon dated December 4, 1994.

The size of the Organization's operations and its limited staff preclude an adequate segregation of duties and other features of an adequate system of internal control. However, it would not be cost beneficial for Safe Harbor to change its present system.

I also noted other matters involving the internal control structure and its operation that I have reported to management of Safe Harbor in a separate letter dated December 4, 1994.

This report is intended for the information of the Board of Directors, management, and the Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

December 6, 1994

Angela J. Pate, CPA

Angela J. Parker

Certified Public Accountant

To the Board of Directors
Safe Harbor
Slidell, LA

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
LAW AND REGULATIONS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

I have audited the financial statements of Safe Harbor (a nonprofit organization) as of and for the year ended June 30, 1996, and have issued my report thereon dated December 6, 1996.

I have 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 financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to Safe Harbor is the responsibility of Safe Harbor's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of Safe Harbor's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of my audit of the financial statements was not to provide an opinion on overall compliance with such provisions. 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.

This report is intended for the information of the Board of Directors, management, and the Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

December 6, 1996

Angela J. Parker, CPA

Angela J. Parker

Certified Public Accountant

To the Board of Directors
Safe Harbor
Minden, LA

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE FEDERAL REQUIREMENTS APPLICABLE TO FEDERAL AWARD PROGRAMS

I have audited the financial statements of Safe Harbor, a nonprofit organization, as of and for the year ended June 30, 1994 and have issued my report thereon dated December 4, 1994.

I have applied procedures to test Safe Harbor's compliance with the following requirements applicable to its federal award programs which are identified in the accompanying schedule of federal awards, for the year ended June 30, 1994: political activity, civil rights, cash management, allowable costs/cost principles, and Drug-Free Workplace Act.

My procedures were limited to the applicable procedures described in the Office of Management and Budget's "Compliance Supplement for Entities of Educational Institutions and Other Nonprofit Institutions." My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on Safe Harbor's compliance with the requirements listed in the preceding paragraph. Accordingly, I do not express such an opinion.

With respect to the items tested, the results of these procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to my attention that caused me to believe that Safe Harbor had not complied, in all procedures did not disclose any immaterial instances of noncompliance with these requirements.

This report is intended for the information of the Board of Directors, management, and the Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

December 4, 1994

Angela J. Parker, CPA

Angela J. Parker

Certified Public Accountant

To the Board of Directors
Safe Harbor
Slidell, LA

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO SUMMAJOUR PROGRAM TRANSACTIONS

I have audited the financial statements of Safe Harbor in nonprofit organizational as of and for the year ended June 30, 1994, and have issued my report thereon dated December 8, 1994.

In connection with my audit of the financial statements of Safe Harbor, and with my consideration of the Organization's record structure used to administer Federal awards, as required by Office of Management and Budget Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Institutions," I selected certain transactions applicable to certain summer programs for the year June 30, 1994. As required by Circular A-133, I have performed auditing procedures to test compliance with the requirements governing types of services and allowability of expenditures that are applicable to those transactions. My procedures were substantially less in scope than an audit, the objectives of which is the expression of an opinion on the Organization's compliance with these requirements. Accordingly, I do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to my attention that caused me to believe that Safe Harbor had not complied, in all material respects, with those requirements. Also, the results of my procedures did not disclose any immaterial instances of noncompliance with those requirements.

This report is intended for the information of the Board of Directors, managers, and the Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

December 8, 1994

Angela J. Parker, CPA