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EAST CARROLL PARISH SHERIFF  
LAKE PROVIDENCE, LOUISIANA  
  
COMPONENT LIST FINANCIAL STATEMENTS  
  
FOR THE YEAR ENDED JUNE 30, 1967  
WITH SUPPLEMENTAL INFORMATION SCHEDULES

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or reviewed, orally 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 JAN 01 1968

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**EAST CARROLL PARISH SHERIFF**  
**LAKE PROVIDENCE, LOUISIANA**  
**COMPONENT UNIT FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 1997**  
**WITH SUPPLEMENTAL INFORMATION SCHEDULES**

**CONTENTS**

		<b>Page</b>
<b>INDEPENDENT AUDITOR'S REPORT</b>		1-3
<b>COMPONENT UNIT FINANCIAL STATEMENTS:</b>		
<b>Combined Balance Sheet - All Fund Types and Account Groups</b>		3-4
<b>Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Fund Types - General and Special Revenue Funds</b>		5
<b>Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Governmental Fund Types - General and Special Revenue Funds</b>		6-7
<b>Statement of Revenues, Expenses, and Changes in Retained Earnings - Proprietary Fund Type</b>		8
<b>Statement of Cash Flows - Proprietary Fund Type</b>		9
<b>NOTES TO FINANCIAL STATEMENTS</b>		10-22
<b>SUPPLEMENTAL INFORMATION SCHEDULES</b>		
	<b>Schedule</b>	<b>Page</b>
<b>Agency Funds:</b>		23
<b>Combining Balance Sheet</b>	1	24-25
<b>Combining Schedule of Changes in Balances Due to Taxing Decisions and Other</b>	2	26-27
<b>Independent Auditor's Report on the Internal Control Structure Based on an Audit of Component Unit Financial Statements Performed in Accordance With Government Auditing Standards</b>		28-30
<b>Independent Auditor's Report on Compliance Based on an Audit of Component Unit Financial Statements Performed in Accordance With Government Auditing Standards</b>		31-33



# Hulsey, Harwood & Co.

A Professional Accounting Corporation

Certified Public Accountants

## INDEPENDENT AUDITOR'S REPORT

To East Carroll Parish Sheriff  
Lake Providence, Louisiana

We have audited the accompanying combined balance sheet of the East Carroll Parish Sheriff, a component unit of the East Carroll Parish Police Jury, as of June 30, 1997, and the related combined statement of revenues, expenditures and fund balances for the year then ended. These financial statements are the responsibility of the East Carroll Parish Sheriff. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we 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. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the East Carroll Parish Sheriff, as of June 30, 1997, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued reports dated October 24, 1997, on the East Carroll Parish Sheriff's compliance with laws, regulations, and contracts and our consideration of the entity's internal control structure.

Our audit was made for the purpose of forming an opinion on the component unit financial statements taken as a whole and on the combining individual fund and account group financial statements. The accompanying financial information listed as supplementary information in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of the East Carroll Parish Sheriff. Such information has been subjected to the auditing

procedures applied in the audit of the component unit financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements of each of the respective individual funds and account groups, taken as a whole.

HULSEY, HARWOOD AND CO., CPAs  
A Professional Accounting Corporation

*Hulsey, Harwood & Co.*

October 24, 1997

**COMPONENT UNIT FINANCIAL STATEMENTS**

EAST CARROLL PARISH SHERIFF  
 (A COMPONENT UNIT OF THE EAST CARROLL PARISH POLICE JURY)  
 LAKE PROVIDENCE, LOUISIANA  
 COMBINED BALANCE SHEET -  
 ALL FUND TYPES AND ACCOUNT GROUPS  
 JUNE 30, 1997

	Governmental Fund Types		Proprietary Fund Type
	General Fund	Special Revenue Fund	Enterprise Fund Type
<b>Assets:</b>			
Cash and cash equivalents	\$ 107,495	\$ 388,273	\$ 8,085
Receivables	33,881	380,415	-
Inventory	-	-	25,982
Due from other funds	8,704	1,000	295
Due from other agencies	-	-	-
Utility deposit	-	280	-
Equipment	-	-	707
Amount to be provided for unexpended advances	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 150,080</u>	<u>\$ 469,968</u>	<u>\$ 35,069</u>
<b>Liabilities and Fund Equity:</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 4,921	\$ 195,294	\$ -
Salaries and related taxes payable	7,855	128,277	-
Due to other agencies	-	-	-
Due to other funds	-	340	1,000
Due to others	-	-	-
Loans payable	-	60,000	-
Unexpended advances, noncurrent	-	-	-
<b>Total liabilities</b>	<u>12,776</u>	<u>383,911</u>	<u>1,000</u>
<b>Fund Equity:</b>			
Investment in general fund assets	-	-	787
Unexpended - undesignated	127,304	184,958	24,269
<b>Total fund equity</b>	<u>127,304</u>	<u>184,958</u>	<u>25,056</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>\$ 150,080</u>	<u>\$ 469,968</u>	<u>\$ 35,069</u>

Fiduciary Fund Type	Account Groups		Total (Miscellaneous Code)
	General Fund Assets	General Long-Term Debt	
\$ 53,800	\$ -	\$ -	\$ 53,800
319	-	-	319,000
-	-	-	23,982
-	-	-	83,189
64,436	-	-	64,436
-	-	-	780
-	428,131	-	428,131
-	-	96,346	96,346
<u>\$ 117,508</u>	<u>\$ 428,131</u>	<u>\$ 96,346</u>	<u>\$ 1,118,089</u>

\$ -	\$ -	\$ -	\$ 208,215
-	-	-	110,238
181,428	-	-	600,415
4,258	-	-	5,631
14,850	-	-	14,815
-	-	-	60,800
-	-	96,346	96,346
<u>197,318</u>	<u>-</u>	<u>96,346</u>	<u>811,859</u>
-	428,131	-	428,131
-	-	-	788,023
<u>-</u>	<u>428,131</u>	<u>-</u>	<u>698,758</u>
<u>\$ 197,318</u>	<u>\$ 428,131</u>	<u>\$ 96,346</u>	<u>\$ 1,118,089</u>

The accompanying notes to financial statements are an integral part of this statement.

EAST CARRILL PARISH SHERIFF  
 (A COMPONENT UNIT OF THE EAST CARRILL PARISH POLICE JURY)  
 LAKE PROVIDENCE, LOUISIANA  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES - GOVERNMENTAL FUND TYPES -  
 GENERAL AND SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 1997

	General Fund	Special Revenue Funds	Total (Memorandum Only)
<b>Revenues:</b>			
Local sources:			
Taxes - Ad valorem	\$ 432,297	\$ -	\$ 432,297
Intergovernmental revenues:			
State grants:			
State revenue sharing	43,086	-	43,086
State supplemental pay	17,184	-	17,184
State Department of Corrections	15,144	3,815,478	3,990,722
Fees, charges and commissions for services:			
Civil and criminal fines	48,999	-	48,999
Court attendance	3,050	-	3,050
Commission on business and fees	15,999	-	15,999
Feeding and keeping of prisoners	38,103	26,369	64,472
Other revenues	15,401	-	15,401
Interest income	8,305	4,890	13,195
Miscellaneous	28,551	27,897	56,448
<b>Total revenues</b>	<b>732,132</b>	<b>3,776,965</b>	<b>4,509,097</b>
<b>Expenditures:</b>			
Public safety:			
Personnel services and related benefits	497,878	1,692,420	2,190,298
Operating services	100,868	1,211,286	1,312,154
Material and supplies	28,175	125,132	153,307
Travel and other charges	24,246	238,553	262,799
Capital outlay	-	19,488	19,488
Miscellaneous	1,813	8,420	10,233
<b>Total expenditures</b>	<b>621,230</b>	<b>3,283,051</b>	<b>3,904,281</b>
Excess (deficiency) of revenues over expenditures	110,902	(506,086)	(395,184)
Other financing sources (uses):			
Operating transfers in	24,383	-	24,383
Operating transfers out	-	(24,383)	(24,383)
<b>Total other financing sources (uses)</b>	<b>24,383</b>	<b>(24,383)</b>	<b>-</b>
Excess (deficiency) of revenues and other sources over expenditures and other uses	135,285	(530,469)	(395,184)
Fund balance, beginning	( 4,772 )	163,882	159,110
Price period adjustment	33,208	( 31,185 )	( 1,977 )
<b>Fund balance, ending</b>	<b>\$ 128,311</b>	<b>\$ 132,697</b>	<b>\$ 261,008</b>

The accompanying notes to financial statements are an integral part of this statement.

EAST CARROLL PARISH SHERIFF  
(A COMPONENT UNIT OF THE EAST CARROLL PARISH POLICE JURY)  
LAKE CHARLOTTE, LOUISIANA  
COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL -  
GOVERNMENTAL FUNDS TYPES  
GENERAL AND SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 1997

	General Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
<b>Revenues:</b>			
Legal services:			
Taxes - Ad valorem	\$ 308,086	\$ 402,257	\$ 94,171
Intergovernmental revenues:			
State grants:			
State revenue sharing	42,000	42,000	-
State supplemental pay	20,000	17,004	( 2,996 )
State Department of Corrections	-	75,240	75,240
Fees, charges, and commissions for services:			
Civil and criminal fees	47,000	48,810	1,810
Court attendance	4,000	3,850	( 150 )
Transportation of prisoners	5,000	-	( 5,000 )
Commissions on licenses and fees	25,000	25,000	-
Feeding and keeping of prisoners	120,000	28,302	( 91,698 )
Other revenues	15,000	11,481	( 3,519 )
Interest income	5,000	8,300	3,300
Miscellaneous	-	24,551	24,551
<b>Total revenues</b>	<u>678,086</u>	<u>718,137</u>	<u>40,051</u>
<b>Expenditures:</b>			
Public safety:			
Personnel services and benefits	513,700	457,056	56,644
Operating services	138,550	110,368	28,182
Material and supplies	47,500	18,153	29,347
Taxol and other charges	44,500	34,649	9,851
Capital outlay	50,000	-	50,000
Miscellaneous	-	1,013	( 1,013 )
<b>Total expenditures</b>	<u>894,250</u>	<u>621,237</u>	<u>273,013</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>( 216,164 )</u>	<u>97,900</u>	<u>229,971</u>
<b>Other financing sources (uses):</b>			
Operating transfers in	-	24,393	24,393
Operating transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>24,393</u>	<u>24,393</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>\$ ( 216,164 )</u>	<u>122,300</u>	<u>\$ 254,364</u>
<b>Fund balance, beginning</b>		( 4,792 )	
<b>Prior period adjustment</b>		13,508	
<b>Fund balance, ending</b>		<u>\$ 122,816</u>	

Special Revenue Fund		
Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -
-	-	-
3,312,889	3,313,478	2,589
-	-	-
-	-	-
-	26,399	26,399
-	-	-
6,925	6,892	( 33 )
<u>23,800</u>	<u>22,892</u>	<u>3,882</u>
<u>3,344,814</u>	<u>3,376,608</u>	<u>31,852</u>
[ 608,300	[ 692,428	( 32,320 )
[ 158,200	[ 231,206	( 47,006 )
138,800	121,132	4,868
367,800	399,375	25,825
38,900	50,508	( 10,508 )
<u>3,143,300</u>	<u>3,181,061</u>	<u>( 42,761 )</u>
-	( 6,385 )	( 10,909 )
-	( 24,393 )	( 24,393 )
-	( 24,393 )	( 24,393 )
\$ 4,524	( 34,788 )	\$ ( 35,312 )
	167,882	
	( 31,026 )	
	<u>\$ 165,958</u>	

The accompanying notes to financial statements are an integral part of this statement.

EAST CARROLL PARISH SHERIFF  
 (A COMPONENT UNIT OF THE EAST CARROLL PARISH POLICE JURY)  
 LAKE PROVIDENCE, LOUISIANA  
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN  
 RETAINED EARNINGS - PROPRIETARY FUND TYPE  
 FOR THE YEAR ENDED JUNE 30, 1997

Operating revenues:	
Sales - groceries	\$ 378,200
 TOTAL OPERATING REVENUES	 378,200
Operating expenses:	
Purchases of groceries	100,648
Personal services and related benefits	34,375
Rental of equipment	1,850
Materials and supplies	14,500
Depreciation	58
Other	18,232
 TOTAL OPERATING EXPENSES	 255,778
 Net income	 12,422
Retained earnings, beginning	9,682
Retained earnings, ending	\$ 22,104

The accompanying notes to financial statements are an integral  
 part of this statement.

EAST CARROLL PARISH SHERIFF  
 (A COMPONENT UNIT OF THE EAST CARROLL PARISH POLICE JURY)  
 LAKE PROVIDENCE, LOUISIANA  
 STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE  
 FOR THE YEAR ENDED JUNE 30, 1997

Cash flows from operating activities:	
Operating income	\$ 22,423
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	58
(Increase) Decrease in operating assets:	
Inventory	( 23,903 )
Increase (Decrease) in operating liabilities:	
Due to other funds	607
Net cash used by operating activities	<u>( 1,815 )</u>
Cash flows from non-capital and related financing activities	<u>          -</u>
Net cash flows from non-capital and related financing activities	<u>          -</u>
Cash flows from capital and related financing activities:	
Purchase of capital assets	<u>( 768 )</u>
Net cash used for capital and related financing activities:	<u>( 768 )</u>
Net decrease in cash	( 1,578 )
Cash and cash equivalents, beginning	<u>9,682</u>
Cash and cash equivalents, ending	<u>\$ 8,104</u>

The accompanying notes to financial statements are an integral  
 part of this statement.

**EAST CARROLL PARISH SHERIFF**  
**(A Component Unit of the East Carroll Parish Police Jury)**  
**LAKE PROVIDENCE, LOUISIANA**  
**NOTES TO THE COMBINED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 1997**

## **INTRODUCTION**

As provided by Article V, Section 27 of the Louisiana Constitution of 1904, the Sheriff serves a four-year term as the chief executive officer of the law enforcement division 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 system, and serving subpoenas.

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

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

## **NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **Basis of Presentation**

The accompanying financial statements of the East Carroll Parish Sheriff have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

### **Reporting Entity**

As the governing authority of the parish, for reporting purposes, the East Carroll Parish Police Jury is the financial reporting entity for East Carroll Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

**EAST CARROLL PARISH SHERIFF**  
(A Component Unit of the East Carroll Parish Police Jury)  
**LAKE PROVIDENCE, LOUISIANA**  
**NOTES TO THE COMBINED FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 1997**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Reporting Entity (Continued)**

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the East Carroll Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the police jury to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury provides for the operation and maintenance of office space and jail facilities in its parish courthouse, the Sheriff was determined to be a component unit of the East Carroll Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Sheriff and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

**Fund Accounting**

The Sheriff uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

**EAST CARROLL PARISH SHERIFF**  
**(A Component Unit of the East Carroll Parish Police Jury)**  
**LAKE PROVIDENCE, LOUISIANA**  
**NOTES TO THE COMBINED FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 1997**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Fund Accounting (Continued)**

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". The funds presented in the financial statements are described as follows:

**Governmental Type Funds:**

These are funds through which most governmental functions are typically financed. The funds included in this category are 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 is used to account for the operations of the Sheriff's office. The Sheriff's primary source of revenue is an ad valorem tax levied by the law enforcement district.

Other sources of revenue include commissions on state revenue sharing, state supplemental pay for deputies, civil and criminal fees, fees for court attendance and maintenance of prisoners, et cetera. General operating expenditures are paid from this fund.

**Special Revenue Fund:**

The Special Revenue Fund is the principal fund for the maintenance of state prisoners. The Fund's primary source of revenue is from the allowable state maintenance per diem of twenty-one dollars per prisoner per day. The operating expenditures are paid from this fund.

**Proprietary Type Funds:**

These funds account for operations that are organized to be self-supporting through user charges.

**Enterprise Fund:**

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing entity is that the cost of providing goods and services on a continuing basis be financed or recovered primarily through user charges.

**EAST CARROLL PARISH SHERIFF**  
(A Component Unit of the East Carroll Parish Police Jury)  
**LAKE PROVIDENCE, LOUISIANA**  
**NOTES TO THE COMBINED FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 1997**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Educatory Type Funds:**

These funds account for assets held by the Sheriff as a trustee or agent for other units of government. This fund includes the following:

**Agency Funds:**

The agency funds are used as depositories for civil suits, cash bonds, taxes, fines, or costs. Disbursements from these funds are made to various parish agencies, litigants in suits, or persons, 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. The Tax Collector Agency Fund, included in the accompanying component unit financial statements, is reported for the periods from April 30, 1996 to April 30, 1997.

**Fixed Assets and Long-term Liabilities:**

Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Account Group, rather than in the Governmental Funds. General fixed assets provided by the police jury are not recorded within the general fixed assets account group. Fixed assets are valued at historical cost or estimated historical cost, if historical cost is not available. No depreciation has been provided on general fixed assets.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-term Debt Account Group, rather than in the governmental funds.

These account groups are not "funds". They are concerned with the measurement of financial position and do not involve measurement of results of operations.

**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 refers to the timing of the measurements made, regardless of the measurement bases applied.

The accompanying component unit financial statements have been prepared on the modified accrual basis of accounting, (except for the Tax Collector Agency Fund, which is prepared on the cash basis of accounting, which approximates the modified accrual basis of accounting). The modified accrual basis of accounting is used for reporting all governmental and educatory fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when

**EAST CARROLL PARISH SHERIFF**  
**(A Component Unit of the East Carroll Parish Police Jury)**  
**LAKE PROVIDENCE, LOUISIANA**  
**NOTES TO THE COMBINED FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 1997**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Basis of Accounting (Continued).**

they become both measurable and available. **Measurable** means the amount of the transaction that can be determined and **available** means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The General Fund uses the following practices in recording revenues and expenditures:

**Revenues:**

All valorem taxes and commissions earned from the related state revenue sharing (which is based on population and households in the parish) are recorded in the year the taxes are assessed. Ad valorem taxes are assessed for the calendar year and become due on November 15 of each year and become delinquent on December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year.

Intergovernmental revenues are recorded when the Sheriff is entitled to the funds.

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

All other revenues are recorded when received.

**Expenditures:**

Expenditures are generally recognized under the modified accrual basis of accounting when the related fixed liability is incurred.

**Other Financing Sources(Uses):**

Transfers between funds that are not expected to be repaid and the sale of general fixed assets are accounted for as other financing sources(uses).

**Budgetary Practices**

The East Carroll Parish Sheriff prepares annual budgets for the general and special revenue funds. The budgets are prepared on a modified accrual basis of accounting. After adoption, the budgets are periodically reviewed and amended, as necessary, to maintain financial control. Budgeted amounts in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments. Appropriations which are not expended lapse at year end.

**EAST CARROLL PARISH SHERIFF**  
(A Component Unit of the East Carroll Parish Police Jury)  
**LAKE PROVIDENCE, LOUISIANA**  
**NOTES TO THE COMBINED FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 1997**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Cash and Cash Equivalents**

Cash includes amounts in interest-bearing demand deposits, and petty cash. The Sheriff considers all highly liquid debt instruments with an initial maturity of three months or less to be cash equivalents. Under state law, the Sheriff may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. Tax collections must be deposited in a bank chartered in the parish where the funds are collected.

**Inventories**

Inventories of proprietary funds are recorded at the lower of cost or market, on a first-in, first-out basis.

**Fixed Assets and Depreciation**

Fixed assets of all funds are stated at historical cost. Governmental fund fixed assets are recorded in the general fixed asset account group and are not depreciated. Proprietary fund fixed assets are recorded in the respective fund and depreciated using the straight-line method. Estimated useful lives, in years, for depreciable assets are as follows:

Furniture, fixtures and equipment	3-20 years
-----------------------------------	------------

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset lives are not capitalized.

**Compensated Absences**

Employees are entitled to certain compensable absences based on their length of employment. Compensated absences for vacation pay do not vest and accumulate for employees of the East Carroll Parish Sheriff's Department. However, compensated absences for vacation pay do vest and accumulate for employees of the Detention Center. Compensated absences have been accrued and are recorded in the general long-term debt account group for the Detention Center. Payment of compensated absences are dependent on many factors, therefore, the timing of future payments is not readily determinable.

**EAST CARROLL PARISH SHERIFF**  
 (A Component Unit of the East Carroll Parish Police Jury)  
**LAKE PROVIDENCE, LOUISIANA**  
**NOTES TO THE COMBINED FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 1997**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Total Columns on Combined Statements - Omissions**

The total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

**Short-term Interfund Receivables/Payables**

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

**NOTE 2 - CASH AND CASH EQUIVALENTS**

At year end, the carrying amount of the Sheriff's deposits was \$291,653, and the bank balance was \$373,722. The bank balance is categorized as follows:

Amount insured by Federal Deposit Insurance	\$ 200,000
Amount collateralized with securities held by the pledging financial institution's agent in the Sheriff's name	173,722
Uncollateralized	-
<b>Total</b>	<b>\$ 373,722</b>

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. 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.

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 19:1228 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.

**EAST CARROLL PARISH SHERIFF**  
**(A Component Unit of the East Carroll Parish Police Jury)**  
**LAKE PROVIDENCE, LOUISIANA**  
**NOTES TO THE COMBINED FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 1997**

**NOTE 1. PENSION PLAN**

Substantially all employees of the East Carroll Parish Sheriff's office are members of the Louisiana Sheriff's Pension and Relief Fund, a multiple-employer (cost-sharing), public employer retirement system (PERS), controlled and administered by a separate board of trustees.

All sheriffs and deputies who are found to be physically fit, who earn at least \$400 per month, and who were between the ages of 18 and 55 at the time of original employment are required to participate in the System. If hired after January 1, 1991, participants must earn at least \$550 per month. Employees are eligible to retire at or after age 55 with at least 12 years of credited service and receive a benefit, payable monthly for life, equal to a percentage of their final-average salary for each year of credited service. The percentage factor to be used for each year of service is as follows:

Service earned before 1980 is computed as follows:

12 years, but less than 15 years	25% per year
15 years, but less than 20 years	27% per year
20 or more years	3% per year

Service earned 1980 and after is computed as follows (effective July 1, 1985):

12 years, but less than 15 years	25% per year
15 years, but less than 20 years	2% per year
20 or more years	35% per year

In any case, the retirement benefit cannot exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination as indicated previously. Employees who terminate with at least 20 years of credited service are also eligible to elect early benefits between ages 50 and 55 with reduced benefits equal to the actuarial equivalent of the benefit to which they would otherwise be entitled at age 55. The System also provides death and disability benefits. Benefits are established by state statute.

**Funding Policy:**

State statute requires employees to contribute 8.7 percent of their covered annual salary and the East Carroll Parish Sheriff is required to contribute at an actuarially determined rate. The current actuarially determined rate is 6 percent of annual covered payroll.

Contributions to the System include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and funds as required and available from insurance premium taxes. State statute requires covered employees to contribute a percentage of their salaries to the System. An

**EAST CARROLL PARISH SHERIFF**  
 (A Component Unit of the East Carroll Parish Police Jury)  
**LARK PROVIDENCE, LOUISIANA**  
**NOTES TO THE COMBINED FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 1997**

**NOTE 3 - PENSION PLAN (Continued)**

**Funding Policy (Continued):**

provided by Louisiana Revised Statutes 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. Actuarial assumptions used to compute actuarially determined contribution requirements are the same as those used to compute the pension benefit obligation. The East Carroll Parish Sheriff's contributions to the Louisiana Sheriff's Pension and Relief Fund for the years ending June 30, 1997, 1996, and 1995 were \$88,286, \$85,540, and \$65,677, respectively, and were approximately equal to the required contributions for each year.

The Louisiana Sheriff's Pension and Relief Fund issues an annual publicly available financial report that includes financial statements and required supplementary information for the Fund. That report may be obtained by writing to the Louisiana Sheriff's Pension and Relief Fund, P. O. Box 3163, Monroe, LA 71210 or by calling (518) 363-3188.

**NOTE 4 - RECEIVABLES**

General Fund receivables of \$12,801 at June 30, 1997, are as follows:

Department of Corrections	\$ 8,400
Fees and Charges	_____4,401
Total	\$ _____12,801

Special Revenue Fund receivables of \$380,415 at June 30, 1997, are as follows:

Department of Corrections	\$ _____380,415
Total	\$ _____380,415

Agency Fund receivables of \$310 at June 30, 1997, are comprised of three checks returned by the bank as insufficient funds.

**EAST CARROLL PARISH SHERIFF**  
 (A Component Unit of the East Carroll Parish Police Jury)  
**LAKE PROVIDENCE, LOUISIANA**  
**NOTES TO THE COMBINED FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 1997**

**NOTE 5 - DUE TO/FROM OTHER FUNDS**

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund:		
Criminal Fund	\$ 4,258	\$ -
Agency Fund	4,458	4,258
Special Revenue Fund:		
Agency Fund	1,000	391
Agency Funds		
Special Revenue Fund	383	1,000
<b>Totals</b>	<b>\$ 10,099</b>	<b>\$ 5,651</b>

As discussed in note 1, the tax collector, agency fund is reported as of April 30, 1997, consequently the Due To/Froms as of June 30, 1997, do not equal.

**NOTE 6 - CHANGES IN GENERAL FIXED ASSETS**

A summary of changes in general fixed assets follows:

	<u>General Fund Equipment</u>	<u>Special Revenue Fund Equipment</u>	<u>Proprietary Fund Equipment</u>	<u>Total</u>
Balance - July 1, 1996	\$ 279,186	\$ 202,068	\$ -	\$ 481,254
Additions	-	18,908	565	11,273
Deletions	(12,821)	-	-	(12,821)
	<b>\$ 266,365</b>	<b>\$ 220,976</b>	<b>\$ 565</b>	<b>\$ 487,906</b>
Less Accumulated depreciation	-	-	58	58
Balance June 30, 1997	<b>\$ 266,365</b>	<b>\$ 220,976</b>	<b>\$ 507</b>	<b>\$ 487,848</b>

**EAST CARROLL PARISH SHERIFF**  
 (A Component Unit of the East Carroll Parish Police Jury)  
 LAKE PROVIDENCE, LOUISIANA  
**NOTES TO THE COMBINED FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 1997**

**NOTE 7 - CHANGES IN AGENCY FUND BALANCES**

A summary of changes in agency fund balances due to taxing bodies and others for the year ended June 30, 1997, follows:

	Sheriff's Fund	Tax Collector's Fund	Criminal Fund	Narcotic Fund
Balance - June 30, 1996	\$ 147	\$ 84,153	\$ 97,154	\$ 3,148
Additions	81,984	2,945,371	360,379	153
Deductions	( 81,622 )	( 2,386,228 )	( 338,216 )	( 2,658 )
Balance - June 30, 1997	\$ 509	\$ 83,496	\$ 21,317	\$ 2,653

	Jail Inmate Fund	Detention Center Inmate Fund	Totals
Balance - June 30, 1996	\$ 420	\$ 7,643	\$ 134,683
Additions	3,199	284,328	3,039,264
Deductions	( 3,210 )	( 273,375 )	(3,093,413 )
Balance - June 30, 1997	\$ 209	\$ 38,596	\$ 123,538

For the year ended June 30, 1996, the Inmate Funds were included in the fund balance of the Special Revenue Fund.

**NOTE 8 - LITIGATION AND CLAIMS**

The East Carroll Parish Sheriff, at the present time, has pending litigation according to the client's legal counsel. In the opinion of counsel, the amount of the Sheriff's liability, if any, with respect to those matters will not materially affect the financial statements.

**EAST CARROLL PARISH SHERIFF**  
 (A Component Unit of the East Carroll Parish Police Jury)  
**LAKE PROVIDENCE, LOUISIANA**  
**NOTES TO THE COMBINED FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 1997**

**NOTE 9 - EXPENSES OF THE SHERIFF'S OFFICE PAID BY THE POLICE JURY**

The Sheriff's office is located in the parish courthouse. Expenditures of maintenance and operation of the parish courthouse are paid by the East Carroll Parish Police Jury.

**NOTE 10 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Budget/Actual Variances**

Actual revenues and expenditures exceeded budgeted revenues and expenditures on the general fund which is required to be budgeted by law, by more than 5%, as follows:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>General Fund:</b>			
<b>Total Revenues</b>	\$ 676,980	\$ 718,137	\$ 42,151

**NOTE 11 - LEASE COMMITMENTS**

At June 30, 1997, the entity was obligated under several operating leases, as follows:

- A. The entity leases the Riverbend Detention Center facility from E & T Enterprise, Inc. The lease is for a period of 25 years expiring April, 2022. Lease payments are based on the following:
  1. 25% of the gross monthly payments received from the Louisiana Department of Corrections and from any other entities or governmental agencies for the care of prisoners who are incarcerated at the facility.
  2. Fifty (50) cents per meal for each meal prepared at the Riverbend Detention Center, including all meals prepared for inmates incarcerated at the East Carroll Parish Detention Center, and the East Carroll Parish jail.
  
- B. The entity leases the East Carroll Parish Detention Center from East Carroll Correctional Systems, Inc. The lease is renewable annually in April. Lease payments are 20% of the gross monthly payments received by the Sheriff for the care of prisoners who are incarcerated in the East Carroll Parish Detention Center.

**EAST CARROLL PARISH SHERIFF**  
 (A Component Unit of the East Carroll Parish Police Jury)  
**LAKE PROVIDENCE, LOUISIANA**  
**NOTES TO THE COMBINED FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 1997**

**NOTE 12 - LOAN PAYABLE**

Loans payable of \$60,000 consisted of an 8.0% 90 day note dated May, 1997, with E & T Enterprises, Inc. This loan was made in accordance with L.R.S. 33:1823(3) and was subsequently repaid in full by August, 1997.

**NOTE 13 - PRIOR PERIOD ADJUSTMENTS**

Certain balance sheet accounts have been restated from the prior financial statement. At June 30, 1997, prior period adjustments were made as follows:

	General Fund	Special Revenue Fund
Beginning fund balance	\$( 4,772 )	\$ 167,882
Prior period adjustments:		
Operating transfers not recorded properly	13,508	( 13,508 )
Pension expenses not recorded in prior year	-	( 12,045 )
Receivable set up in error	-	( 5,152 )
Beginning fund balance, as restated	\$ 8,236	\$ 136,736

The activities and fund balances for the proprietary fund and the inmate fund (agency fund) was included in the activities and fund balances of the special revenue fund for the year ended June 30, 1996. These funds have been removed and presented independent of the special revenue fund for the year ended June 30, 1997.

**SUPPLEMENTAL INFORMATION SCHEDULES**

EAST CARROLL PARISH SHERIFF  
(A COMPONENT UNIT OF THE EAST CARROLL PARISH POLICE JURY)  
LAKE PROVIDENCE, LOUISIANA  
SUPPLEMENTAL INFORMATION SCHEDULES  
FOR THE YEAR ENDED JUNE 30, 1997

FIDUCIARY FUND TYPE - AGENCY FUNDS

Civil Fund

The Civil Fund accounts for the collection of funds in civil suits and Sheriff's sales, garnishments, and the 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, licenses, and fees. The Tax Collector Fund is used to collect and distribute these taxes, licenses, and fees to the appropriate taxing bodies.

Criminal Fund

The Criminal Fund accounts for the collection of cash bonds posted by individuals, and the collection of fines, forfeitures, and criminal costs awaiting disbursements to the respective agencies and refund of bonds and forfeitures in accordance with applicable laws.

Narcotic Fund

This fund accounts for the collection of monies seized from suspects involved in drug investigations and used in drug enforcement with the Court's permission.

Immate Fund

These funds account for the bank's belonging to the inmates of the prison facility, and are used by the inmates, to buy postage and miscellaneous items from the prison commissary.

**FINN COUNTY, MISSOURI**  
**(A COMPONENT UNIT OF THE EAST CARROLL PARISH POLICE DEPT.)**  
**LAKE PROVIDENT, LOUISIANA**  
**COMBINED BALANCE SHEET -**  
**ALL AGENCY FUNDS TYPES**  
**JUNE 30, 1997**

	<u>Monrill Civil Fund</u>	<u>Tax Collector Fund</u>	<u>General Fund</u>
<b>Assets</b>			
Cash and cash equivalents	\$ 389	\$ 19,040	\$ 20,747
Accounts receivable (net)			
Due from other funds	-	-	-
Due from others	-	-	288
Due from State of Louisiana	-	60,456	-
	<u>\$ 389</u>	<u>\$ 80,506</u>	<u>\$ 21,035</u>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities and fund equity:</b>			
<b>Liabilities:</b>			
Due to other funds	\$ -	\$ -	\$ 4,208
Due to others	-	-	-
Due to other agencies	389	61,456	6,797
<b>Total liabilities</b>	<u>389</u>	<u>61,456</u>	<u>21,005</u>
<b>Fund equity:</b>			
Fund balances	-	-	-
<b>Fund fund equity</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>\$ 389</u>	<u>\$ 61,456</u>	<u>\$ 21,005</u>

Marine Fund	Aid Income Fund	Education Center Income Fund	Total
\$ 2,659	\$ 239	\$ 14,596	\$ 17,494
-	-	-	-
-	-	-	133
-	-	-	64,435
<u>\$ 2,659</u>	<u>\$ 239</u>	<u>\$ 14,596</u>	<u>\$ 17,494</u>
\$ -	\$ -	\$ -	\$ 4,334
-	249	14,596	14,845
<u>2,659</u>	<u>-</u>	<u>14,596</u>	<u>64,435</u>
<u>2,659</u>	<u>249</u>	<u>14,596</u>	<u>17,494</u>
-	-	-	-
-	-	-	-
<u>\$ 2,659</u>	<u>\$ 249</u>	<u>\$ 14,596</u>	<u>\$ 17,494</u>

**THE LAGOON POLICE DEPARTMENT**  
**A COMPONENT UNIT OF THE LAGOON POLICE AREA**  
**LAKE WOODBINE, FLORIDA**  
**COMPARISON OF THE CHARGES DETAILED TO THE BUDGETED AMOUNTS AND OTHERS**  
**FOR THE YEAR ENDED 30.06.1997**

	Month Cost Fund	Two Months Fund	Total Fund
<b>Classified balance at beginning of year -</b> <b>(carrying forward and other)</b>	<b>\$ 100</b>	<b>\$ 80,000</b>	<b>\$ 80,100</b>
<b>Additional:</b>			
<b>Receipts:</b>			
Monthly pay	\$1,626	-	-
Grants funds	-	-	-
All contributions	-	189,000	-
Sale of surplus property	-	90,000	-
Cash funds, fines, and costs	-	404	388,511
Interest earned	304	-	3,041
Interest	-	47,041	-
Interest on debt/expense items/expense items/other	-	1,000	-
Total additional	<u>\$1,930</u>	<u>2,415</u>	<u>\$81,552</u>
<b>Total</b>	<b>\$1,030</b>	<b>2,415</b>	<b>\$81,652</b>
<b>Reductions:</b>			
<b>Salary and salaries:</b>			
1 out of month Month Month	\$800	-	-
1 out of month Month 1/2	900	-	20,000
Other (benefit/other/other)	100	-	-
Advertising	500	-	-
Appointments and contracts	400	-	-
Benefits	4000	-	-
Refunds	20,000	-	-
Calculations for other	300	-	-
Income withholdings	-	-	-
<b>Tax collection and criminal fines:</b>			
<b>Distributions:</b>			
State Department of Treasury			
Application and identity	-	1,000	-
Cash management information services	-	-	1,000
Military and Veterans associations	-	30,000	30
Locations for construction	-	400	-
Construction safety equipment	-	-	1,000
Locations for other (not included and)	-	-	8,000
Other police	-	-	1,000
Other other equipment	-	-	-
Funds 1 additional 1 year 1/2	-	30,000	-
Fund 1 month Month	-	-	-
Insurance	-	10,000	-
Language services district	-	70,000	-
Police pay	-	90,000	70,000
School fund	-	20,000	-
May 01	-	40,000	50,000
Fuel maintenance	-	40,000	-
Furniture funds	-	40,000	-
Refunds and other other/expense	-	100	10,000
Items of 1/2 additional	-	-	10
North National Police			
Language developer fund	-	-	10,000
CRISIS strategy	-	-	20,000
Anti-terrorism fund	-	-	10,000
North/National/International/International	-	-	20,000
State Bureau - Other	-	-	500
Special Investigations	-	-	-
Total reductions	<u>\$1,000</u>	<u>2,415</u>	<u>10,000</u>
<b>Final balance at end of year -</b> <b>(carrying forward and other)</b>	<b>\$ 300</b>	<b>\$ 81,552</b>	<b>\$ 81,852</b>

	Monetary Fund	Self Insuring Fund	Executive Compensation Funds	Total	
\$	3,198	\$	400	\$	3,598
				81,626	
		3,000	264,828	267,828	
				3,894,636	
				188,288	
				368,673	
198				3,873	
				88,343	
				11,734	
	<u>334</u>	<u>3,000</u>	<u>264,828</u>	<u>3,302,594</u>	
	3,532	3,400	268,228	3,005,160	
				8,827	
				50,855	
				328	
				528	
				428	
				4,938	
				81,288	
				288	
		13,800	275,428	289,228	
				3,724	
				3,924	
				89,488	
				888	
				3,827	
				8,887	
				3,573	
				3,688	
				46,724	
				111,788	
				138,888	
				1,088,127	
				288,888	
				187,888	
				8,188	
				84,227	
				13,884	
				98	
				81,884	
				88,787	
				88,122	
				21,122	
				588	
				3,688	
	<u>3,827</u>	<u>3,400</u>	<u>275,428</u>	<u>3,002,621</u>	
\$	3,421	\$	378	\$	3,799
				3,005,160	



## Hulsey, Harwood & Co.

A Professional Accounting Corporation

### Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
STRUCTURE BASED ON AN AUDIT OF COMPONENT UNIT  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

East Carroll Parish Sheriff  
Lake Providence, Louisiana

We have audited the component unit financial statements of the East Carroll Parish Sheriff as of and for the year ended June 30, 1997, and have issued our report thereon dated October 24, 1997.

We conducted our audit in accordance with generally accepted auditing standards and the standards for financial and compliance audits contained in the *Government Auditing Standards* issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the component unit financial statements are free of material misstatement.

The East Carroll Parish Sheriff is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by him are required to assess the expected benefits and related costs of internal control structures, 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, and that transactions are executed in accordance with the Sheriff's authorization and recorded properly to permit the preparation of the component unit financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, prevention of any evaluation of the structure for 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.

In planning and performing our audit of the component unit financial statements of the East Carroll Parish Sheriff for the year ended June 30, 1997, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the component unit financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors and irregularities in amounts that would be material in relation to the component unit 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. We noted the following matters involving internal control structure and its operation which we consider to be material weaknesses as defined above:

These conditions were considered in determining the nature, timing, and extent of the procedures to be performed in our audit of the financial statements of East Carroll Parish Sheriff, for the year ended June 30, 1997.

#### **Finding No. 1 - Pension Payable:**

During our procedures related to payroll and related liabilities and expenditures, we noted that some contributions to the Sheriff's Pension and Relief Fund were paid as much as 90 days past the payroll date. Payments to the Sheriff's Pension and Relief Fund should be made timely in accordance with Louisiana Revised Statute 11:2174, which states "... remittance covering such deductions, ... shall be made monthly to the treasurer of the board. In the event of the failure of any sheriff to make such deductions and remittances, the treasurer of the board shall notify the legislative auditor who shall order the depository to withhold payment of the checks of the sheriff's general fund until the remittance is made."

#### **Recommendation:**

We recommend that pension liabilities be paid timely in accordance with the above statute.

#### **Response:**

We have made the necessary changes in our accounting procedures to insure all pension contributions are paid monthly.

#### **Finding No. 2 - Budgeting:**

The East Carroll Parish Sheriff adopted its budget for the general fund on April 17, 1996, in accordance with Louisiana Revised Statute 39:1341. However, the budgets were not amended during the year to reflect changes in budgeted amounts. In addition, the proposed budgets for the fiscal year ending June 30, 1998, were not completed and made available for public inspection in accordance with Louisiana Revised Statute 39:1347, which states that this should be done no later than fifteen days prior to the beginning of the fiscal year.

Recommendation:

We recommend that the East Carroll Parish Sheriff monitor the revenues and expenditures on a monthly basis and when these amounts get close to exceeding the budgeted amount, then they should amend the budget in accordance with Louisiana Revised Statute 39:1308.

We also recommend that procedures be put in place to ensure that budgets are made available for public inspection at least 15 days prior to the beginning of the fiscal year in accordance with Louisiana Revised Statute 39:1307.

Response:

We are in the process of implementing monthly accounting procedures that will include a comparison of actual revenues and expenditures to budgeted. As needed, we will amend the budget. We will also make sure the budget is available for public inspection at least 15 days prior to the beginning of the fiscal year, in accordance with Louisiana Revised Statute 39:1307.

This report is intended for the information of the East Carroll Parish Sheriff and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report, which upon acceptance by the East Carroll Parish Sheriff, is a matter of public record.

HILSEY, HARRWOOD AND CO., CPAs  
A Professional Accounting Corporation

*Hilsey, Harrwood & Co.*  
October 24, 1997



## Hulsey, Harwood & Co.

A Professional Accounting Corporation

### Certified Public Accountants

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

East Carroll Parish Sheriff  
Lake Providence, Louisiana

We have audited the component unit financial statements of East Carroll Parish Sheriff, as of and for the year ended June 30, 1997, and have issued our report thereon dated October 24, 1997.

We conducted our audit in accordance with generally accepted auditing standards and the standards for financial and compliance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the component unit financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to East Carroll Parish Sheriff, is the responsibility of the Sheriff. As part of obtaining reasonable assurance about whether the component unit financial statements are free of material misstatement, we performed tests of the Sheriff's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the financial statements was not to provide an opinion on overall compliance with such provision. Accordingly we do not express such an opinion.

Material instances of noncompliance consist of failures to follow requirements or violations of prohibitions, contained in statutes, regulations, contracts, or grants, that cause us to conclude that the aggregation of the misstatements resulting from those failures or violations is material to the component unit financial statements. The results of our tests of compliance disclosed the following instances of noncompliance, the effects of which have been considered in the June 30, 1997, component unit financial statements of the East Carroll Parish Sheriff.

#### **Finding No. 1 - Pension Payable:**

During our procedures related to payroll and related liabilities and expenditures, we noted that some contributions to the Sheriff's Pension and Relief Fund were paid as much as 90 days past the payroll date. Payments to the Sheriff's Pension and Relief Fund should be made timely in accordance with Louisiana Revised Statute 11:2174, which states "...contribution covering such deductions, ... shall

be made monthly to the treasurer of the board. In the event of the failure of any sheriff to make such deductions and remittances, the treasurer of the board shall notify the legislative auditor who shall order the depository to withhold payment of the checks of the sheriff's general fund until the remittance is made."

**Recommendation.**

We recommend that pension liabilities be paid timely in accordance with the above statute.

**Response:**

We have made the necessary changes in our accounting procedures to insure all pension contributions are paid monthly.

**Finding No. 2 - Budgeting:**

The East Carroll Parish Sheriff adopted its budget for the general fund on April 13, 1996, in accordance with Louisiana Revised Statute 38:1300. However, the budgets were not amended during the year to reflect changes in budgeted amounts. In addition, the proposed budgets for the fiscal year ending June 30, 1998, were not completed and made available for public inspection in accordance with Louisiana Revised Statute 38:1307, which states that this should be done no later than fifteen days prior to the beginning of the fiscal year.

**Recommendation:**

We recommend that the East Carroll Parish Sheriff monitor the revenues and expenditures on a monthly basis and when these amounts get close to exceeding the budgeted amounts, then they should amend the budget in accordance with Louisiana Revised Statute 38:1307.

We also recommend that procedures be put in place to ensure that budgets are made available for public inspection at least 15 days prior to the beginning of the fiscal year in accordance with Louisiana Revised Statute 38:1307.

**Response:**

We are in the process of implementing monthly accounting procedures that will include a comparison of actual revenues and expenditures to budgeted. As needed, we will amend the budget. We will also make sure the budget is available for public inspection at least 15 days prior to the beginning of the fiscal year, in accordance with Louisiana Revised Statute 38:1307.

We considered these instances of noncompliance in forming our opinion on whether the component unit financial statements of the East Carroll Parish Sheriff are presented fairly, in all material respects, in conformity with generally accepted accounting principles, and this report does not affect our report dated October 24, 1997 on these financial statements.

This report is intended for the information of the East Carroll Parish Sheriff and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report, which upon acceptance by the East Carroll Parish Sheriff, is a matter of public record.

HULSEY, HARTWOOD AND CO., CPAs  
A Professional Accounting Corporation

*Hulsey, Hartwood & Co.*  
October 24, 1997