

ST. JAMES PARISH SHERIFF  
 Convent, Louisiana  
 Agency Funds

Combining Statement of Changes in Assets and Liabilities  
 Year Ended June 30, 1996  
 With Comparative Totals for Year Ended June 30, 1995

|   | Sheriff's Fund | Tax Collector Fund | Bond Fund  | Prison Inmate Trust Fund | Commissary Fund | Deferred Compensation Fund | Totals     |
|---|----------------|--------------------|------------|--------------------------|-----------------|----------------------------|------------|
|   | 1996           | 1996               | 1996       | 1996                     | 1996            | 1996                       | 1995       |
| Balances, beginning of year                               | \$ 30,222      | \$ 26,938          | \$ 172,504 | \$ 2,445                 | \$ 7,821        | \$ 184,442                 | \$ 290,950 |
| Additions:  |                |                    |            |                          |                 |                            |            |
| Deposits -  |                |                    |            |                          |                 |                            |            |
| Sheriff's sales   | 69,260         | -                  | -          | -                        | -               | -                          | 86,570     |
| Bonds   | -              | -                  | 462,140    | -                        | -               | -                          | 365,364    |
| Fines and costs   | -              | -                  | 124,162    | -                        | -               | -                          | 133,212    |
| Garnishments  | 144,351        | -                  | -          | -                        | -               | -                          | 141,818    |
| Inmates   | -              | -                  | -          | 47,050                   | -               | -                          | 45,768     |
| Public Employee Benefit Services Corporation              | -              | -                  | -          | -                        | 27,853          | -                          | 29,256     |
| Taxes, fees, etc. paid to tax collector                   | -              | 19,899,643         | -          | -                        | -               | -                          | 16,237,224 |
| Interest on investments                                   | -              | -                  | 5,922      | -                        | -               | -                          | 3,929      |
| Other additions   | 9,843          | -                  | -          | -                        | -               | -                          | 36,096     |
| Total additions   | 223,454        | 19,899,643         | 592,224    | 47,050                   | 27,853          | 40,607                     | 17,079,237 |
| Total   | 253,676        | 19,926,581         | 764,728    | 49,495                   | 38,585          | 212,295                    | 17,370,187 |
| Reductions:   |                |                    |            |                          |                 |                            |            |
| Taxes, fees, etc. distributed to taxing bodies and others | -              | 19,899,315         | -          | -                        | -               | -                          | 16,235,793 |
| Deposits settled to -                                     |                |                    |            |                          |                 |                            |            |
| Sheriff's General Fund                                    | 40,289         | -                  | 132,270    | -                        | -               | -                          | 124,376    |
| Parish council  | -              | -                  | 127,468    | -                        | -               | -                          | 102,509    |
| District attorney   | -              | -                  | 67,807     | -                        | -               | -                          | 50,136     |
| Clerk of court  | 5,668          | -                  | 47,973     | -                        | -               | -                          | 38,898     |
| Indigent defender board                                   | -              | -                  | 100,328    | -                        | -               | -                          | 81,413     |
| Litigants   | 147,760        | -                  | -          | -                        | -               | -                          | 142,210    |
| Attorneys, appraisers, etc.                               | 17,530         | -                  | -          | -                        | -               | -                          | 43,514     |
| Plan participants   | -              | -                  | -          | -                        | 569             | -                          | 518        |
| Other settlements   | -              | -                  | 20,161     | 15,991                   | -               | -                          | 28,374     |
| Other reductions  | 12,631         | -                  | 112,423    | 30,763                   | -               | 700                        | 98,074     |
| Total reductions  | 223,878        | 19,899,315         | 608,430    | 46,754                   | 1,269           | 28,637                     | 16,945,815 |
| Balances, end of year                                     | \$ 29,798      | \$ 27,266          | \$ 156,298 | \$ 2,741                 | \$ 9,948        | \$ 211,026                 | \$ 424,372 |

ST. JAMES PARISH SHERIFF  
Convent, Louisiana

Notes to Financial Statements (Continued)

exercises no oversight responsibility, such as the parish council, 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 source of revenue is an ad valorem tax levied by the law enforcement district. 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.

Agency Funds

The agency funds are used as depositories for civil suits, cash bonds, taxes, fees, inmate funds, commissary receipts, 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.

GENERAL FUND

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

**SUPPLEMENTAL INFORMATION**

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**ST JAMES PARISH SHERIFF**  
Convent, Louisiana

Financial Report

Year Ended June 30, 1996

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 DEC 04 1996

ST. JAMES PARISH SHERIFF  
Convent, Louisiana

Notes to Financial Statements (Continued)

(9) Litigation and Claims

At June 30, 1996, the Sheriff is involved in several lawsuits claiming damages. In the opinion of the Sheriff's legal counsel, resolution of these lawsuits would not create a liability to the Sheriff in excess of insurance coverage.

(10) Postretirement Health Care and Life Insurance Benefits

The Sheriff provides certain health care and life insurance benefits for its retired employees. Substantially all of the Sheriff's employees are eligible for these benefits if they reach normal retirement age while working for the Sheriff. These benefits for retirees and similar benefits for active employees are provided through an insurance company in which the monthly premium is paid by the Sheriff. The Sheriff's cost of providing retiree's health care and life insurance benefits are recognized as expenses when the monthly premiums are paid. For the year ended June 30, 1996 the amount of retiree benefits totaled \$24,796.

(11) Self-Insurance Plan

The Sheriff has established a self-insurance health plan to account for and finance its uninsured risk of loss which is administered by Risk Management, Inc. Under this plan, the United National Insurance Co. agreed to reimburse the Sheriff for specific incurred claims related to any one covered employee or dependent which exceeds the retention by the Sheriff which is \$25,000. United National Insurance Co. has agreed to reimburse the Sheriff for aggregate incurred claims during the period of insurance, less any amounts paid with respect to the specific incurred claims, which exceeds the greater of \$499,863 or the total of monthly payments by the Sheriff which is calculated based on the number of employees covered multiplied by \$208. At June 30, 1996 a recap of the health plan follows, which is not reflected in the general purpose financial statements:

| <u>Self Funded<br/>Claims Incurred</u> | <u>Claim<br/>Payments</u> | <u>Outstanding<br/>Claims<br/>Liability</u> | <u>Cash<br/>Balance</u> | <u>Available Cash<br/>for Future<br/>Claims</u> |
|--|---------------------------|---|-------------------------|---|
| \$414,442                              | \$393,310                 | \$21,132                                    | \$456,919               | \$435,787                                       |
| =====                                  | =====                     | =====                                       | =====                   | =====   |

ST. JAMES PARISH SHERIFF  
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Notes to Financial Statements (Continued)

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the Sheriff (without being restricted to the provisions of benefits under the plan) subject only to the claims of the Sheriff's general creditors. Participants' rights under the plan are equal to those general creditors of the Sheriff in an amount equal to the fair market value of the deferred account for each participant.

(7) Changes in Agency Fund Balances

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

|                         | <u>Sheriff's<br/>Fund</u> | <u>Tax<br/>Collector<br/>Fund</u> | <u>Prison<br/>Inmate<br/>Trust Fund</u> |
|-------------------------|---------------------------|-----------------------------------|---|
| Balances, June 30, 1995 | \$ 30,222                 | \$ 26,938                         | \$ 2,445                                |
| Additions               | 223,454                   | 19,899,643                        | 47,050                                  |
| Deductions              | <u>223,878</u>            | <u>19,899,315</u>                 | <u>46,754</u>                           |
| Balances, June 30, 1996 | <u>\$ 29,798</u>          | <u>\$ 27,266</u>                  | <u>\$ 2,741</u>                         |

  

|                         | <u>Commissary<br/>Fund</u> | <u>Bond<br/>Fund</u> | <u>Deferred<br/>Compensation<br/>Fund</u> |
|-------------------------|----------------------------|----------------------|---|
| Balances, June 30, 1995 | \$ 7,821                   | \$172,504            | \$184,442                                 |
| Additions               | 30,764                     | 592,224              | 27,853                                    |
| Deductions              | <u>28,637</u>              | <u>608,430</u>       | <u>1,269</u>                              |
| Balances, June 30, 1996 | <u>\$ 9,948</u>            | <u>\$156,298</u>     | <u>\$211,026</u>                          |

(8) Taxes Paid Under Protest

The unsettled balances due to taxing bodies and others in the agency funds at June 30, 1996, include \$19,660 of taxes paid under protest plus interest earned to date on the investment of these funds. These funds are held pending resolution of the protest and are accounted for in the Tax Collector Agency Fund.

ST. JAMES PARISH SHERIFF  
Convent, Louisiana

Notes to Financial Statements (Continued)

(4) Changes in General Fixed Assets

A summary of changes in general fixed assets (vehicles, office furniture and equipment) follows:

|                        |                    |
|------------------------|--------------------|
| Balance, June 30, 1995 | \$1,305,266        |
| Additions              | 145,450            |
| Deductions             | <u>(102,386)</u>   |
| Balance, June 30, 1996 | <u>\$1,348,330</u> |

(5) Pension Plan

Plan Description. The St. James Parish Sheriff contributes to the Sheriff's Pension and Relief Fund (Retirement System), 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 7.0% of their annual covered salary and the St. James 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. James Parish Sheriff are established and may be amended by the Sheriff's Pension and Relief Fund. The St. James Parish Sheriff's contributions to the Retirement System for the years ended June 30, 1996, 1995, and 1994 were \$112,121, \$91,442 and \$91,310 respectively.

(6) Deferred Compensation Plan

The Sheriff offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457 which is reported as an agency fund of the Sheriff's financial statements. The plan, available to all Sheriff employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or proof of hardship.

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Notes to Financial Statements (Continued)

These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 1996, are secured as follows:

|  |  |                   |
|--|--|-------------------|
| Bank balances  |  | \$ 3,204,175      |
|  |  | =====             |
| Federal deposit insurance                              |  | \$ 226,813        |
| Pledged securities (category 3)                        |  | <u>14,769,634</u> |
| <br>Total  |  | <br>\$14,996,447  |
|  |  | =====             |
| <br>Excess of federal insurance and pledged securities |  | <br>\$11,792,272  |
|  |  | =====             |

Pledged securities in Category 3 includes 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) Due From/to Other Funds

Individual balances due from/to other funds at June 30, 1996 are as follows:

| Fund               | Due from Other Funds | Due to Other Funds |
|--------------------|----------------------|--------------------|
| General Fund       | \$ 12,548            | \$ -               |
| Agency Funds:      |                      |                    |
| Tax Collector Fund | -                    | 2,600              |
| Commissary fund    | -                    | <u>9,948</u>       |
| Total              | <u>\$ 12,548</u>     | <u>\$12,548</u>    |
|                    | =====                | =====              |

ST. JAMES PARISH SHERIFF  
Convent, Louisiana

Notes to Financial Statements (Continued)

J. 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 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.

K. Bad Debts

Uncollectible amounts due for accounts receivable are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivables. Although the specific charge-off method is not in conformity with generally accepted accounting principles (GAAP), no allowance for uncollectible receivables was made due to immateriality at June 30, 1996.

L. Adoption of GASB Statement No. 27

During the year ended June 30, 1996, the Sheriff adopted GASB Statement No. 27, Accounting for Pensions by State and Local Government Employers. Although this statement is effective for periods beginning after June 15, 1997, the Governmental Accounting Standards Board is encouraging early implementation.

(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, 1996, the Sheriff has cash and interest-bearing deposits (book balances) totaling \$2,667,144, as follows:

|                       |                      |
|-----------------------|----------------------|
| Cash                  | \$ 21,328            |
| Money market accounts | 1,045,816            |
| Time deposits         | <u>1,600,000</u>     |
| Total                 | \$2,667,144<br>===== |

ST. JAMES PARISH SHERIFF  
Convent, Louisiana

Notes to Financial Statements (Continued)

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. Vacation and Sick Leave

Employees of the Sheriff's office earn from 5 to 10 days of vacation leave each year, depending on their length of service. Vacation leave must be taken in the year it is earned. Employees with 0-9 years service to the St. James Parish Sheriff's office earn ten (10) days per year. Sick leave is not compensable if an employee leaves the service of the St. James Parish Sheriff's office. Sick leave may be accrued up to a total of twenty-five (25) working days. Employees having served the Sheriff's office over nine consecutive years receive twenty-five (25) working days sick leave per year which cannot be accrued. Additional sick leave is allowed at the discretion of the Sheriff. At June 30, 1996, the Sheriff has no leave benefits required to be reported in accordance with generally accepted accounting principles.

H. 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.

I. 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.

ST. JAMES PARISH SHERIFF  
 Convent, Louisiana  
 Agency Funds

Combining Balance Sheet  
 June 30, 1996  
 With Comparative Totals for June 30, 1995

|                                 | Sheriff's<br>Fund | Tax<br>Collector<br>Fund | Bond Fund | Prison<br>Inmate<br>Trust<br>Fund | Commissary<br>Fund | Deferred<br>Compensation<br>Fund | Totals                 |
|---------------------------------|-------------------|--------------------------|-----------|-----------------------------------|--------------------|----------------------------------|------------------------|
|                                 |                   |                          |           |                                   |                    |                                  | 1996      1995         |
| <b>ASSETS</b>                   |                   |                          |           |                                   |                    |                                  |                        |
| Cash                            | \$ -              | \$ 100                   | \$ -      | \$ 2,741                          | \$ 9,948           | \$ -                             | \$ 12,789    \$ 10,366 |
| Interest-bearing deposits       | 29,798            | 27,166                   | 156,298   | -                                 | -                  | 211,026                          | 424,288    414,006     |
| Total assets                    | \$29,798          | \$27,266                 | \$156,298 | \$2,741                           | \$9,948            | \$211,026                        | \$437,077    \$424,372 |
|                                 | =====             | =====                    | =====     | =====                             | =====              | =====                            | =====                  |
| <b>LIABILITIES</b>              |                   |                          |           |                                   |                    |                                  |                        |
| Due to other funds              | \$ -              | \$ 2,600                 | \$ -      | \$ -                              | \$ 9,948           | \$ -                             | \$ 12,548    \$ 10,421 |
| Due to taxing bodies and others | 29,798            | 24,666                   | 156,298   | -                                 | -                  | -                                | 210,762    227,064     |
| Due to plan participants        | -                 | -                        | -         | -                                 | -                  | 211,026                          | 211,026    184,442     |
| Due to inmates                  | -                 | -                        | -         | 2,741                             | -                  | -                                | 2,741      2,445       |
| Total liabilities               | \$29,798          | \$27,266                 | \$156,298 | \$2,741                           | \$9,948            | \$211,026                        | \$437,077    \$424,372 |
|                                 | =====             | =====                    | =====     | =====                             | =====              | =====                            | =====                  |

ST. JAMES PARISH SHERIFF  
Convent, Louisiana

Notes to Financial Statements (Continued)

All purchased fixed assets are stated at historical cost or estimated historical cost if actual historical cost is not available. 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 obligations account group, not in the General Fund. All long-term obligations have been paid as of June 30, 1996.

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. The accompanying general purpose financial statements have been prepared on the modified accrual basis of accounting, except for the Tax Collector Agency Fund that is prepared on the cash 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.

Interest on interest-bearing deposits is recorded or accrued as revenues when earned. Substantially all other revenues are recorded when received.

SCHEDULES OF INDIVIDUAL FUNDS

ST. JAMES PARISH SHERIFF  
Convent, 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 St. James Parish Sheriff (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, 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. James Parish 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 council as required by Louisiana law, the Sheriff is financially independent. Accordingly, the Sheriff is a separate governmental reporting entity. Certain units of local government, over which the Sheriff

ST JAMES PARISH SHERIFF  
Convent, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance  
Governmental Fund Type - General Fund  
Budget (GAAP Basis) and Actual  
Year Ended June 30, 1996  
With Comparative Actual Amounts for Year Ended June 30, 1995

|   | 1996               |                    | Variance -<br>Favorable<br>(Unfavorable) | 1995<br>Actual     |
|---|--------------------|--------------------|--|--------------------|
|   | Budget             | Actual             |  |                    |
| <b>Revenues:</b>  |                    |                    |  |                    |
| Ad valorem taxes  | \$3,106,202        | \$3,129,579        | \$ 23,377                                | \$2,553,080        |
| Intergovernmental revenues -  |                    |                    |  |                    |
| Federal grants  | 95,309             | 137,319            | 42,010                                   | 97,643             |
| State grants - state revenue sharing (net)                          | 145,131            | 145,359            | 228                                      | 145,210            |
| State supplemental pay  | 160,500            | 151,284            | (9,216)                                  | 160,630            |
| Video poker commissions   | 25,000             | 35,396             | 10,396                                   | 30,608             |
| Fees charges and commissions for services -                         |                    |                    |  |                    |
| Civil and criminal fees   | 203,930            | 228,097            | 24,167                                   | 171,148            |
| Court attendance  | 6,500              | 5,300              | (1,200)                                  | 5,700              |
| Transporting prisoners  | 2,500              | 6,324              | 3,824                                    | 4,341              |
| Feeding and keeping prisoners                                       | 252,100            | 249,637            | (2,463)                                  | 281,067            |
| Interest income   | 130,000            | 79,713             | (50,287)                                 | 59,506             |
| Miscellaneous   | 157,000            | 250,158            | 93,158                                   | 273,757            |
| Total revenues  | <u>4,284,172</u>   | <u>4,418,166</u>   | <u>133,994</u>                           | <u>3,782,690</u>   |
| <b>Expenditures:</b>  |                    |                    |  |                    |
| Current -   |                    |                    |  |                    |
| Public safety:  |                    |                    |  |                    |
| Personal services and related benefits                              | 2,314,085          | 2,294,574          | 19,511                                   | 2,239,224          |
| Operating services  | 748,500            | 714,389            | 34,111                                   | 820,471            |
| Operations and maintenance  | 625,275            | 562,150            | 63,125                                   | 541,721            |
| Travel and other charges  | 5,000              | 4,680              | 320                                      | 8,864              |
| Capital outlay  | 258,420            | 145,451            | 112,969                                  | 178,307            |
| Total expenditures  | <u>3,951,280</u>   | <u>3,721,244</u>   | <u>230,036</u>                           | <u>3,788,587</u>   |
| Excess (deficiency) of revenues over expenditures                   | 332,892            | 696,922            | 364,030                                  | (5,897)            |
| <b>Other financing sources:</b>                                     |                    |                    |  |                    |
| Sale of assets  | -                  | 638                | 638                                      | 2,315              |
| Excess (deficiency) of revenues and other sources over expenditures | 332,892            | 697,560            | 364,668                                  | (3,582)            |
| Fund balance, beginning   | <u>1,788,486</u>   | <u>1,788,486</u>   | -  | <u>1,792,068</u>   |
| Fund balance, ending  | <u>\$2,121,378</u> | <u>\$2,486,046</u> | <u>\$364,668</u>                         | <u>\$1,788,486</u> |

The accompanying notes are an integral part of this statement.

ST. JAMES PARISH SHERIFF  
Convent, Louisiana  
General Fund

Comparative Balance Sheet  
June 30, 1996 and 1995

|  | <u>1996</u>            | <u>1995</u>            |
|--|------------------------|------------------------|
| <b>ASSETS</b>                          |                        |                        |
| Cash                                   | \$ 8,539               | \$ 2,184               |
| Interest-bearing deposits, at cost     | 2,221,528              | 1,551,996              |
| Receivables:                           |                        |                        |
| Accrued interest                       | 28,291                 | 14,672                 |
| Due from other governments             | 151,189                | 136,223                |
| Other                                  | 78,693                 | 13,596                 |
| Prepaid expenditures                   | -                      | 112,869                |
| Due from other funds                   | <u>12,548</u>          | <u>10,421</u>          |
| <br>Total assets                       | <br><u>\$2,500,788</u> | <br><u>\$1,841,961</u> |
| <b>LIABILITIES AND FUND BALANCE</b>    |                        |                        |
| Liabilities:                           |                        |                        |
| Accounts payable                       | \$ 14,742              | \$ 31,475              |
| Unearned grants                        | -                      | 22,000                 |
| Total liabilities                      | <u>14,742</u>          | <u>53,475</u>          |
| <br>Fund balance:                      |                        |                        |
| Designated                             | -                      | 112,869                |
| Unreserved                             | <u>2,486,046</u>       | <u>1,675,617</u>       |
| Total fund balance                     | <u>2,486,046</u>       | <u>1,788,486</u>       |
| <br>Total liabilities and fund balance | <br><u>\$2,500,788</u> | <br><u>\$1,841,961</u> |

ST. JAMES PARISH SHERIFF  
Convent, Louisiana

Combined Balance Sheet - All Fund Types and Account Group  
June 30, 1996

|  | Governmental<br>Fund Type -<br>General Fund | Fiduciary<br>Fund Type -<br>Agency<br>Funds | Account Group<br>General<br>Fixed<br>Assets | Totals<br>(Memorandum Only) |                    |
|--|---|---|---|-----------------------------|--------------------|
|  |   |   |   | 1996                        | 1995               |
| <b>ASSETS</b>                                |   |   |   |                             |                    |
| Cash   | \$ 8,539                                    | \$ 12,789                                   | \$ -  | \$ 21,328                   | \$ 12,550          |
| Interest-bearing deposits                    | 2,221,528                                   | 424,288                                     | -   | 2,645,816                   | 1,966,002          |
| Receivables:                                 |   |   |   |                             |                    |
| Accrued interest                             | 28,291                                      | -   | -   | 28,291                      | 14,672             |
| Due from other governments                   | 151,189                                     | -   | -   | 151,189                     | 136,223            |
| Other  | 78,693                                      | -   | -   | 78,693                      | 13,596             |
| Prepaid expenditures                         | -   | -   | -   | -                           | 112,869            |
| Due from other funds                         | 12,548                                      | -   | -   | 12,548                      | 10,421             |
| Office furniture and equipment               | -   | -   | 1,348,330                                   | 1,348,330                   | 1,305,266          |
| <b>Total assets</b>                          | <b>\$2,500,788</b>                          | <b>\$437,077</b>                            | <b>\$1,348,330</b>                          | <b>\$4,286,195</b>          | <b>\$3,571,599</b> |
| <b>LIABILITIES AND FUND EQUITY</b>           |   |   |   |                             |                    |
| Liabilities:                                 |   |   |   |                             |                    |
| Accounts payable                             | \$ 14,742                                   | \$ -  | \$ -  | \$ 14,742                   | \$ 31,475          |
| Unearned grants                              | -   | -   | -   | -                           | 22,000             |
| Due to other funds                           | -   | 12,548                                      | -   | 12,548                      | 10,421             |
| Due to taxing bodies and<br>others           | -   | 210,762                                     | -   | 210,762                     | 227,064            |
| Due to plan participants                     | -   | 211,026                                     | -   | 211,026                     | 184,442            |
| Due to inmates                               | -   | 2,741                                       | -   | 2,741                       | 2,445              |
| <b>Total liabilities</b>                     | <b>14,742</b>                               | <b>437,077</b>                              | <b>-</b>                                    | <b>451,819</b>              | <b>477,847</b>     |
| Fund equity:                                 |   |   |   |                             |                    |
| Investment in general fixed<br>assets        | -   | -   | 1,348,330                                   | 1,348,330                   | 1,305,266          |
| Fund balance:                                |   |   |   |                             |                    |
| Designated                                   | -   | -   | -   | -                           | 112,869            |
| Unreserved                                   | 2,486,046                                   | -   | -   | 2,486,046                   | 1,675,617          |
| <b>Total fund equity</b>                     | <b>2,486,046</b>                            | <b>-</b>                                    | <b>1,348,330</b>                            | <b>3,834,376</b>            | <b>3,093,752</b>   |
| <b>Total liabilities and<br/>fund equity</b> | <b>\$2,500,788</b>                          | <b>\$437,077</b>                            | <b>\$1,348,330</b>                          | <b>\$4,286,195</b>          | <b>\$3,571,599</b> |

The accompanying notes are an integral part of this statement.

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

In accordance with Government Auditing Standards, we have also issued a report dated September 13, 1996 on our consideration of the St. James Parish Sheriff's internal control structure and a report dated September 13, 1996 on its compliance with laws and regulations.

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 an unqualified opinion on the general purpose financial statements of the St. James Parish Sheriff.

*Darnall, Sikes, Kolder, Frederick & Rainey*

A Corporation of Certified Public Accountants

Lafayette, Louisiana  
September 13, 1996

# DARNALL, SIKES, KOLDER, FREDERICK & RAINEY

(A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS)

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## INDEPENDENT AUDITOR'S REPORT

The Honorable Willy J. Martin, Jr.  
St. James Parish Sheriff  
Convent, Louisiana

We have audited the accompanying general purpose financial statements of the St. James Parish Sheriff, as of and for the year ended June 30, 1996, as listed in the table of contents. These general purpose financial statements are the responsibility of the St. James 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; Government Auditing Standards, issued by the Comptroller General of the United States and the provisions of the Office of Management and Budget (OMB) Circular A-128 "Audits of State and Local Governments". Those standards and OMB Circular A-128 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. James Parish Sheriff, as of June 30, 1996, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying financial information listed as "Supplemental Information" in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the St. James 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 presented in all material respects in relation to the respective general purpose financial statements taken as a whole.

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ST. JAMES PARISH SHERIFF  
Convent, Louisiana

Notes to Financial Statements (Continued)

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 regarded 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.
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.

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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE GENERAL REQUIREMENTS APPLICABLE TO FEDERAL FINANCIAL ASSISTANCE PROGRAMS

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The Honorable Willy J. Martin, Jr.  
St. James Parish Sheriff  
Convent, Louisiana

We have audited the general purpose financial statements of the St. James Parish Sheriff as of and for the year ended June 30, 1996, and have issued our report thereon dated September 13, 1996.

We have applied procedures to test the Sheriff's compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance, for the year ended June 30, 1996: political activity, civil rights, cash management, federal financial reports and Drug-free Workplace Act.

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's "Compliance Supplement for Single Audits of State and Local Governments." Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Sheriff's compliance with the requirements listed in the preceding paragraph. Accordingly, we 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 second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the St. James Parish Sheriff had not complied, in all material respects, with those requirements. Also, the results of our procedures did not disclose any immaterial instances of noncompliance with those requirements.

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

*Darnall, Sikes, Kolder, Frederick & Rainey*

A Corporation of Certified Public Accountants

Lafayette, Louisiana  
September 13, 1996

ST. JAMES PARISH SHERIFF  
Convent, Louisiana

Notes to Financial Statements (Continued)

(12) Receivables

Amounts due from other governmental units at June 30, 1996, consist of the following:

|  | <u>Due from Other<br/>Governments</u> | <u>Other</u>    |
|--|---------------------------------------|-----------------|
| St. James Clerk of Court for civil fees  | \$ 14,148                             | \$ -            |
| St. James and other parishes for<br>prisoner maintenance, fees, and other<br>charges | 14,804                                | -               |
| State of Louisiana for supplemental pay  | 13,893                                | -               |
| Miscellaneous receivables  | -                                     | 3,693           |
| Due from American Bank   | -                                     | 75,000          |
| State of Louisiana for video poker<br>commissions                                    | 7,777                                 | -               |
| St. James Housing Authority for salary<br>reimbursements                             | 38,114                                | -               |
| State of Louisiana for grants  | 31,651                                | -               |
| Due from agency funds for commissions  | 14,071                                | -               |
| State of Louisiana Prisoner Maintenance  | 13,608                                | -               |
| St. James Parish for court attendance  | 2,925                                 | -               |
| Sheriff's pension and relief for<br>insurance reimbursement                          | <u>198</u>                            | <u>-</u>        |
|  | <u>\$151,189</u>                      | <u>\$78,693</u> |

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

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

## AGENCY FUNDS

Sheriff's 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.

Bond Fund - To account for the collection of cash bonds and payment of these collections to the eligible recipients in accordance with applicable laws.

Prison Inmate Trust Fund - To account for the receipts and disbursements made to the individual prison inmate accounts.

Commissary Fund - To account for the sale of commissary merchandise and supplies.

Deferred Compensation Fund - To account for funds held by the Public Employees Benefit Service Corporation (PEBSCO) for employees who have deferred compensation under Internal Revenue Code Section 457. The deferred compensation is not available to employees until termination, retirement, death, or proof of hardship.

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## INDEPENDENT AUDITOR'S REPORT ON SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

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The Honorable Willy J. Martin, Jr.  
St. James Parish Sheriff  
Convent, Louisiana

We have audited the general purpose financial statements of the St. James Parish Sheriff as of and for the year ended June 30, 1996, and have issued our report thereon dated September 13, 1996. These general purpose financial statements are the responsibility of the St. James Parish Sheriff's management. 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, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 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.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements of the St. James Parish Sheriff, taken as a whole. The accompanying schedule of federal financial assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the general purpose financial statements taken as a whole.

*Darnall, Sikes, Kolder, Frederick & Rainey*

A Corporation of Certified Public Accountants

Lafayette, Louisiana  
September 13, 1996

MEMBER OF  
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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO NONMAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAM TRANSACTIONS

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The Honorable Willy J. Martin, Jr.  
St. James Parish Sheriff  
Convent, Louisiana

We have audited the general purpose financial statements of the St. James Parish Sheriff, as of and for the year ended June 30, 1996, and have issued our report thereon dated September 13, 1996.

In connection with our audit of the general purpose financial statements of the St. James Parish Sheriff and with our consideration of the St. James Parish Sheriff's internal control structure used to administer federal financial assistance programs, as required by Office of Management and Budget Circular A-128, "Audits of State and Local Governments," we selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended June 30, 1996. As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the St. James Parish Sheriff's compliance with these requirements. Accordingly, we 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 our attention that caused us to believe that the St. James Parish Sheriff had not complied, in all material respects, with those requirements. Also, the results of our procedures did not disclose any immaterial instances of noncompliance with those requirements.

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

*Darnall, Sikes, Kolder, Frederick & Rainey*

A Corporation of Certified Public Accountants

Lafayette, Louisiana  
September 13, 1996

ST. JAMES PARISH SHERIFF  
 Convent, Louisiana

Schedule of Federal Financial Assistance  
 Year Ended June 30, 1996

| <u>Federal Grantor/Pass-Through Grantor/Program Title</u> | <u>Federal<br/>CFDA Number</u> | <u>Funds<br/>Earned</u> | <u>Expended<br/>This Year</u> |
|---|--------------------------------|-------------------------|-------------------------------|
| <u>Federal Assistance Programs:</u>                       |                                |                         |                               |
| <u>U. S. Department of Justice -</u>                      |                                |                         |                               |
| Passed-Through Louisiana Commission on Law Enforcement -  |                                |                         |                               |
| D.A.R.E. Program  | 16.579                         | \$ 26,353               | \$ 26,353                     |
| Juvenile Justice and Delinquency Prevention               | 16.540                         | 8,445                   | 8,445                         |
| Drug Control and Systems Improvement - Formula Grant      | 16.579                         | 12,408                  | 12,408                        |
| Criminal Records Improvement                              | 16.579                         | 22,000                  | 22,000                        |
| Total Department of Justice                               |                                | <u>69,206</u>           | <u>69,206</u>                 |
| <u>U. S. Department of Agriculture -</u>                  |                                |                         |                               |
| Passed-Through State Department of Agriculture -          |                                |                         |                               |
| Food Distribution   | 10.550                         | <u>20</u>               | <u>20</u>                     |
| <u>U. S. Department of Transportation -</u>               |                                |                         |                               |
| Passed-Through Louisiana Highway Safety Commission -      |                                |                         |                               |
| State and Community Highway Safety Program                | 20.60                          | <u>68,093</u>           | <u>68,093</u>                 |
| Total federal financial assistance                        |                                | <u>\$137,319</u>        | <u>\$137,319</u>              |

We noted a certain matter involving the internal control structure and its operation that we consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgement, could adversely affect the Sheriff's ability to administer federal financial assistance programs in accordance with applicable laws and regulations.

#### Inadequate Segregation of Accounting Functions

##### Finding:

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

##### Recommendation:

Based on the size of the administrative office and the cost-benefit of additional accounting personnel, it may not be feasible to achieve complete segregation of duties.

##### Response:

No response is considered necessary.

A material weakness is a reportable 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 noncompliance with laws and regulations that would be material to a federal financial assistance program 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 structure policies and procedures used in administering federal financial assistance 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, we believe the reportable condition described above is a material weakness.

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

*Darnall, Sikes, Kolder, Frederick & Rainey*

A Corporation of Certified Public Accountants

Lafayette, Louisiana  
September 13, 1996

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.

For the purpose of this report, we have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

Accounting Controls

Budgeting and budget reporting  
Revenues and cash receipts  
Purchases and cash disbursements  
Accounts payable

Administrative Controls

General Requirements

Specific Requirements

|                           |                           |
|---------------------------|---------------------------|
| Political Activity        | Types of services allowed |
| Civil rights              | or not allowed            |
| Cash management           |                           |
| Federal financial reports |                           |
| Drug-free Workplace Act   |                           |

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

During the year ended June 30, 1996, the St. James Parish Sheriff had no major federal financial assistance programs and expended 100 percent of its total federal financial assistance under the following nonmajor federal financial assistance programs:

Drug Abuse Resistance Education Program

- U. S. Department of Justice Juvenile Justice and Delinquency Prevention
- U. S. Department of Justice Drug Control and Systems Improvement-Formula Grant
- U. S. Department of Justice Criminal Records Improvement Program
- U. S. Department of Agriculture Food Distribution Program
- U. S. Department of Transportation State and Community Highway Safety Program

We performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we 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 forementioned nonmajor programs. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

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## INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL CONTROL STRUCTURE USED IN ADMINISTERING FEDERAL FINANCIAL ASSISTANCE PROGRAMS

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The Honorable Willy J. Martin, Jr.  
St. James Parish Sheriff  
Convent, Louisiana

We have audited the general purpose financial statements of the St. James Parish Sheriff, as of and for the year ended June 30, 1996, and have issued our report thereon dated September 13, 1996.

We conducted our audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States and the provisions of the Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

In planning and performing our audit for the year ended June 30, 1996, we considered the internal control structure of the St. James Parish Sheriff, in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements of the Sheriff and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the general purpose financial statements in a separate report dated September 13, 1996.

The St. James Parish Sheriff is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess 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 general purpose financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal

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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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The Honorable Willy J. Martin, Jr.  
St. James Parish Sheriff  
Convent, Louisiana

We have audited the general purpose financial statements of the St. James Parish Sheriff, as of and for the year ended June 30, 1996, and have issued our report thereon dated September 13, 1996.

We conducted our 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 we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

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

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

*Darnall, Sikes, Kolder, Frederick & Rainey*

A Corporation of Certified Public Accountants

Lafayette, Louisiana  
September 13, 1996

MEMBER OF  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

We noted a certain matter involving the internal control structure and its operation that we consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

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.

Recommendation:

Based upon the size of the operation and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

Response:

No response is considered necessary.

A material weakness is a reportable 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 or irregularities 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 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. We believe the reportable condition described above is a material weakness.

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

*Darnall, Sikes, Kolder, Frederick & Rainey*

A Corporation of Certified Public Accountants

Lafayette, Louisiana  
September 13, 1996

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Honorable Willy J. Martin, Jr.  
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We have audited the general purpose financial statements of the St. James Parish Sheriff for the year ended June 30, 1996, and have issued our report thereon dated September 13, 1996.

We conducted our 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 we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The St. James Parish Sheriff is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess 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, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose 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, 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.

In planning and performing our audit of the general purpose financial statements of the St. James Parish Sheriff for the year ended June 30, 1996, 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 general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

MEMBER OF  
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SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

INTERNAL CONTROL, COMPLIANCE

AND

OTHER INFORMATION

ST. JAMES PARISH SHERIFF  
Convent, Louisiana  
General Fund

Statement of Expenditures Compared to Budget (GAAP Basis)  
Year Ended June 30, 1996  
With Comparative Actual Amounts for Year Ended June 30, 1995

|  | 1996               |                    | Variance -<br>Favorable<br>(Unfavorable) | 1995<br>Actual     |
|--|--------------------|--------------------|--|--------------------|
|  | Budget             | Actual             |  |                    |
| Current:                                     |                    |                    |  |                    |
| Public safety -                              |                    |                    |  |                    |
| Personal services and related benefits:      |                    |                    |  |                    |
| Sheriff's salary                             | \$ 55,000          | \$ 55,000          | \$ -                                     | \$ 45,000          |
| Deputies salaries                            | 2,100,000          | 2,081,464          | 18,536                                   | 2,064,449          |
| Other salaries                               | 7,500              | 9,144              | (1,644)                                  | 9,661              |
| Pension and payroll taxes                    | 146,085            | 143,466            | 2,619                                    | 115,614            |
| Sheriff's expense allowance                  | 5,500              | 5,500              | -  | 4,500              |
| Total personal services and related benefits | <u>2,314,085</u>   | <u>2,294,574</u>   | <u>19,511</u>                            | <u>2,239,224</u>   |
| Operating services:                          |                    |                    |  |                    |
| Hospitalization insurance                    | 500,000            | 479,567            | 20,433                                   | 587,793            |
| Auto insurance                               | 125,000            | 104,461            | 20,539                                   | 115,324            |
| Other liability insurance                    | 123,500            | 130,361            | (6,861)                                  | 117,354            |
| Total operating services                     | <u>748,500</u>     | <u>714,389</u>     | <u>34,111</u>                            | <u>820,471</u>     |
| Operations and maintenance:                  |                    |                    |  |                    |
| Auto fuel and oil                            | 108,000            | 105,211            | 2,789                                    | 112,270            |
| Auto maintenance                             | 105,000            | 89,533             | 15,467                                   | 85,074             |
| Deputy uniforms, supplies, etc.              | 77,000             | 76,733             | 267                                      | 51,542             |
| Office supplies and expenses                 | 98,800             | 75,007             | 23,793                                   | 81,258             |
| Telephone                                    | 30,000             | 35,019             | (5,019)                                  | 30,951             |
| Prisoner feeding and maintenance             | 112,100            | 106,383            | 5,717                                    | 103,625            |
| Professional fees                            | 32,000             | 32,061             | (61)                                     | 28,448             |
| Criminal investigation expense               | 22,750             | 12,147             | 10,603                                   | 12,040             |
| Other  | 39,625             | 30,056             | 9,569                                    | 36,513             |
| Total operations and maintenance             | <u>625,275</u>     | <u>562,150</u>     | <u>63,125</u>                            | <u>541,721</u>     |
| Travel and other charges                     | <u>5,000</u>       | <u>4,680</u>       | <u>320</u>                               | <u>8,864</u>       |
| Capital outlay:                              |                    |                    |  |                    |
| Automobiles                                  | 200,000            | 85,893             | 114,107                                  | 128,101            |
| Equipment                                    | 23,420             | 14,039             | 9,381                                    | 29,183             |
| Computer                                     | 35,000             | 38,730             | (3,730)                                  | 20,144             |
| Radio  | -                  | 6,789              | (6,789)                                  | 879                |
| Total capital outlay                         | <u>258,420</u>     | <u>145,451</u>     | <u>112,969</u>                           | <u>178,307</u>     |
| Total expenditures                           | <u>\$3,951,280</u> | <u>\$3,721,244</u> | <u>\$230,036</u>                         | <u>\$3,788,587</u> |