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LINCOLN PARISH SHERIFF
Ruston, Louisiana

General Purpose Financial Statements
As of and for the Year Ended
June 30, 2000
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 clerk of court and other appropriate public officials. The report is also available for inspection and copying at the Baton Rouge office of the Louisiana Legislative Auditor, where appropriate, at the office of the parish clerk of court.

Release Date 1-10-01

VERNON R
COON
CERTIFIED PUBLIC ACCOUNTANT

LINCOLN PARISH SHERIFF
Ruston, Louisiana

General Purpose Financial Statements
With Independent Auditor's Report
As of and for the Year Ended June 30, 2000
With Supplemental Information Schedules

C O N T E N T S

	<u>Statement</u>	<u>Page No.</u>
Independent Auditor's Report		2
General Purpose Financial Statements:		
Combined Balance Sheet, June 30, 2000 - All Fund Types and Account Groups	A	5
Governmental Fund Type - General Fund and Drug Task Force Special Revenue Fund - Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual	B	6
Notes to the Financial Statements		8
	<u>Schedule</u>	<u>Page No.</u>
Supplemental Information Schedules - Fiduciary Fund Type - Agency Funds:		
Combining Balance Sheet, June 30, 2000	1	21
Combining Schedule of Changes in Balances Due to Taxing Bodies and Others	2	22
Independent Auditor's Reports Required by Government Auditing Standards		
Independent Auditor's Report on Compliance and Internal Control Over Financial Reporting		26
Schedule of Findings and Questioned Costs	4	28
Summary Schedule of Prior Audit Findings	5	29



Independent Auditor's Report

HONORABLE WAYNE HOUCK
LINCOLN PARISH SHERIFF
Ruston, Louisiana

I have audited the general purpose financial statements of the Lincoln Parish Sheriff, a component unit of the Lincoln Parish Police Jury, as of June 30, 2000, and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the Lincoln Parish Sheriff's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

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

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Lincoln Parish Sheriff as of June 30, 2000, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

MEMBER AMERICAN
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LINCOLN PARISH SHERIFF

Ruston, Louisiana

Independent Auditor's Report,

June 30, 2000

My audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the general purpose financial statements of the Lincoln Parish Sheriff. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

In accordance with *Government Auditing Standards*, I have also issued a report dated December 13, 2000, on the Lincoln Parish Sheriff's compliance with laws, regulations, contracts, and grants, and my consideration of the agency's internal control over financial reporting. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.



West Monroe, Louisiana

December 13, 2000

**GENERAL PURPOSE FINANCIAL STATEMENTS
(OVERVIEW)**

LINCOLN PARISH SHERIFF
Ruston, Louisiana
ALL FUND TYPES AND ACCOUNT GROUPS

Combined Balance Sheet, June 30, 2000

	GOVERNMENTAL ...FUND TYPE...			ACCOUNT GROUP - GENERAL FIXED ASSETS	TOTAL (MEMORANDUM ONLY)
	GENERAL FUND	DRUG TASK FORCE SPECIAL REVENUE FUND	FIDUCIARY FUND TYPE - AGENCY FUNDS		
ASSETS					
Cash and cash equivalents	\$149,313	\$47,702	\$703,323		\$900,338
Investments	2,096,918				2,096,918
Receivables	101,071				101,071
Due from other funds	1,744				1,744
Office furnishings and equipment				\$923,463	923,463
TOTAL ASSETS	<u>\$2,349,046</u>	<u>\$47,702</u>	<u>\$703,323</u>	<u>\$923,463</u>	<u>\$4,023,534</u>
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts payable	\$64,912				\$64,912
Salaries/withholdings payable	14,580				14,580
Due to other funds			\$1,744		1,744
Due to taxing bodies and others			701,579		701,579
Total Liabilities	<u>79,492</u>	<u>NONE</u>	<u>703,323</u>	<u>NONE</u>	<u>782,815</u>
Fund Equity:					
Investment in general fixed assets				\$923,463	923,463
Fund balance - unreserved - undesignated	<u>2,269,554</u>	<u>\$47,702</u>			<u>2,317,256</u>
Total Fund Equity	<u>2,269,554</u>	<u>47,702</u>	<u>NONE</u>	<u>923,463</u>	<u>3,240,719</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$2,349,046</u>	<u>\$47,702</u>	<u>\$703,323</u>	<u>\$923,463</u>	<u>\$4,023,534</u>

The accompanying notes are an integral part of this statement.

LINCOLN PARISH SHERIFF
Ruston, Louisiana
GOVERNMENTAL FUND TYPE - GENERAL FUND AND
DRUG TASK FORCE SPECIAL REVENUE FUND

Combined Statement of Revenues, Expenditures,
and Changes in Fund Balances - Budget
(GAAP Basis) and Actual
For the Year Ended June 30, 2000

GENERAL FUND.....			DRUG TASK FORCESPECIAL REVENUE FUND.....		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES						
Taxes - ad valorem	\$1,760,000	\$1,801,756	\$41,756			
Intergovernmental revenues:						
Federal grants		81,334	81,334			
State grants:						
State revenue sharing (net)	226,000	226,140	140			
State supplemental pay	120,000	126,661	6,661			
Video Poker		601	601			
DARE	60,000	52,551	(7,449)			
Other		604	604			
Local grants	7,000	13,935	6,935			
Fees, charges, and commissions for services:						
Commissions on licenses and taxes	115,000	125,118	10,118			
Civil and criminal fees	144,000	139,690	(4,310)			
Court attendance	3,000	7,800	4,800			
Transportation of prisoners	8,000	16,571	8,571			
Bond forfeiture	25,000	23,871	(1,129)			
Tax notices, etc.	17,000	33,448	16,448			
Other	27,000	27,000				
Use of money and property	85,000	101,628	16,628	\$1,500	\$1,727	\$227
Miscellaneous	8,000	15,759	7,759			
Total revenues	<u>2,605,000</u>	<u>2,794,467</u>	<u>189,467</u>	<u>1,500</u>	<u>1,727</u>	<u>227</u>
EXPENDITURES						
Public safety:						
Current:						
Personal services and related benefits	2,100,000	2,059,291	40,709			
Operating services	260,000	274,794	(14,794)	3,050	502	2,548
Materials and supplies	150,000	160,797	(10,797)	3,750	613	3,137
Travel and other charges	23,000	21,705	1,295	2,500		2,500
Capital outlay	95,000	92,077	2,923			
Intergovernmental		29,867	(29,867)			
Total expenditures	<u>2,628,000</u>	<u>2,638,531</u>	<u>(10,531)</u>	<u>9,300</u>	<u>1,115</u>	<u>8,185</u>

(Continued)

LINCOLN PARISH SHERIFF

Ruston, Louisiana

GOVERNMENTAL FUND TYPE - GENERAL FUND AND

DRUG TASK FORCE SPECIAL REVENUE FUND

Combined Statement of Revenues, Expenditures, and

Changes in Fund Balance - Budget

(GAAP Basis) and Actual, etc.

GENERAL FUND.....			DRUG TASK FORCESPECIAL REVENUE FUND....		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(\$23,000)	\$155,936	\$178,936	(\$7,800)	\$612	\$8,412
OTHER FINANCING SOURCES						
Proceeds from sale of fixed assets						
Compensation for loss of assets		5,259	5,259			
Total other financing sources	NONE	5,259	5,259	NONE	NONE	NONE
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	(23,000)	161,195	184,195	(7,800)	612	8,412
FUND BALANCES AT BEGINNING OF YEAR	2,108,359	2,108,359		45,713	47,090	1,377
FUND BALANCES AT END OF YEAR	\$2,085,359	\$2,269,554	\$184,195	\$37,913	\$47,702	\$9,789

(Concluded)

The accompanying notes are an integral part of this statement.

LINCOLN PARISH SHERIFF
Ruston, Louisiana

Notes to the Financial Statements
As of and For the Year Ended June 30, 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the sheriff serves a four year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The sheriff also administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, serving subpoenas, et cetera. As the ex-officio tax collector of the parish, the sheriff is responsible for the collection and distribution of ad valorem property taxes, parish occupational licenses, state revenue sharing funds, sportsmen licenses, and fines, costs, and bond forfeitures imposed by the district court.

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

A. REPORTING ENTITY

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

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Lincoln 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

LINCOLN PARISH SHERIFF

Ruston, Louisiana

Notes to the Financial Statements (Continued)

- b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
- 2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
- 3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury maintains the sheriff's office and provides funds for various operations of the parish jail, the sheriff was determined to be a component unit of the Lincoln Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the sheriff and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

B. FUND ACCOUNTING

The sheriff uses funds and account groups to report on 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 related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities (general fixed assets and general long-term debt) that are not recorded in the "funds" because they do not directly affect net expendable available financial resources. They are concerned only with the measurement of financial position, not with the measurement of results of operations.

Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of

LINCOLN PARISH SHERIFF

Ruston, Louisiana

Notes to the Financial Statements (Continued)

attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The sheriff's current operations require the use of only governmental and fiduciary funds. The governmental and fiduciary fund types used by the sheriff are described as follows:

General Fund

The General Fund, as provided by Louisiana Revised Statute 33:1422, is the principal fund and is used to account for the operations of the sheriff's office. The sheriff's primary source of revenue is an ad valorem tax. 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.

Drug Task Force

Special Revenue Fund

The Drug Task Force Special Revenue Fund consists of a federal grant from the United States Department of Justice passed through the Louisiana Commission on Law Enforcement and Administration of Criminal Justice, and local matching grants. The purpose of the fund is to increase the apprehension, prosecution, adjudication, detention, rehabilitation, eradication, and treatment of persons who violate state and local laws relating to the production, possession, and transfer of controlled substances.

Agency Funds

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

C. FIXED ASSETS AND LONG-TERM DEBT

General fixed assets are not capitalized in the fund used to acquire or construct them. Instead, capital acquisitions are reflected as expenditures (capital outlay) in the

LINCOLN PARISH SHERIFF

Ruston, Louisiana

Notes to the Financial Statements (Continued)

governmental funds and the related assets are reported in the general fixed assets account group. General fixed assets provided by the parish police jury are not recorded in the *general fixed assets account group*. Approximately 3 per cent of fixed assets are valued at estimated historical costs based on the actual costs of like items while the remaining 97 per cent are based on actual historical costs. Donated fixed assets are valued at their estimated fair market value on the date received. No depreciation has been provided on general fixed assets. Long-term obligations, such as compensated absences payable, expected to be financed from the General Fund are reported in the general long-term obligations account group. Expenditures for compensated absences are recognized in the General Fund when the leave is actually taken or when payment is made to the employee at termination or retirement.

D. BASIS OF ACCOUNTING

The financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for reporting all governmental and fiduciary fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The sheriff uses the following practices in recognizing and reporting revenues and expenditures:

Revenues

Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December, January, and February of the fiscal year.

LINCOLN PARISH SHERIFF

Ruston, Louisiana

Notes to the Financial Statements (Continued)

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

Interest income on demand deposits is recorded when the interest has been earned and the amount is determinable.

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

Based on the above criteria, intergovernmental revenues and fees, charges, and commissions for services are treated as susceptible to accrual.

Expenditures

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

Other Financing Sources

Sale of fixed assets and compensation for loss or damage of assets are accounted for as other financing sources and are recognized when the underlying event has occurred.

E. BUDGET PRACTICES

Proposed budgets, prepared on the modified accrual basis of accounting, are published in the official journal at least ten days prior to the public hearing. Public hearings are held at the Lincoln Parish Sheriff's office during the month of June for comments from taxpayers. The budgets are then legally adopted by the sheriff and amended during the year, as necessary. Budgets are established and controlled by the sheriff at the object level of expenditure. Appropriations lapse at year-end and must be reappropriated for the following year to be expended.

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments.

LINCOLN PARISH SHERIFF

Ruston, Louisiana

Notes to the Financial Statements (Continued)

F. CASH AND CASH EQUIVALENTS

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, 2000, the sheriff has cash and cash equivalents (book balances) totaling \$900,338, as follows:

Demand deposits	\$854,413
Petty cash	925
Time deposits	<u>45,000</u>
Total	<u><u>\$900,338</u></u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash and cash equivalents (bank balances) at June 30, 2000, are secured as follows:

Bank balances	<u>\$978,277</u>
Federal deposit insurance	\$924,699
Pledged securities	<u>3,097,734</u>
Total	<u><u>\$4,022,433</u></u>

Because the pledged securities are held by a custodial bank in the name of the fiscal agent bank rather than in the name of the sheriff, they are considered uncollateralized (Category 3) under the provisions of GASB Codification C20.106; however, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the sheriff that the fiscal agent has failed to pay deposited funds upon demand. Further, LRS 39:1224 states that securities held by a third party shall be deemed to be held in the sheriff's name.

G. INVESTMENTS

Under state law, the sheriff may invest funds in United States bonds, treasury notes, or certificates. At June 30, 2000, the sheriff has investments in money market funds which have underlying investments consisting solely of and limited to securities of

LINCOLN PARISH SHERIFF

Ruston, Louisiana

Notes to the Financial Statements (Continued)

the United States government or its agencies totaling \$2,096,918. The investments are stated at fair market value, which approximates cost.

Because these investments are federally insured and held by the sheriff's agent in the sheriff's name, they are considered collateralized (Category 1) under the provisions of GASB Codification C20.106.

H. LEVIED TAXES

As provided by Louisiana Revised Statute 33:9001, a law enforcement district has been created for the purpose of providing financing to the office of the sheriff of Lincoln Parish. Louisiana Revised Statute 33:9003 requires the district to levy a tax on the assessed valuation of all property appearing on the 1977 and subsequent tax rolls in an amount that would produce for the district in the initial year the same revenue as that estimated to be produced by the sheriff's commission on ad valorem taxes for the fiscal year 1976-77. For the 1999 tax roll, the district levied 13.22 mills.

Louisiana Revised Statute 33:9003 also provides for the district to impose an additional millage when approved by a majority of the voters in the district. On July 18, 1992, an ad valorem tax of 8.50 mills was passed by a majority of the district voters. The additional millage is for a period of ten years and will expire with the 2001 tax roll.

I. VACATION AND SICK LEAVE

After one year of service, all employees are granted 10 days of vacation leave each year. After 10 years of cumulative full time employment, one additional day of vacation per year shall be granted until the number of vacation days reaches the maximum of 15 days. Employees will be allowed 10 days of sick leave each year. Neither vacation nor sick leave can be accumulated.

J. RISK MANAGEMENT

The sheriff is exposed to various risk of loss related to law enforcement liability; torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. To handle risk of loss, the sheriff maintains commercial insurance covering; automobile liability; general liability; commercial crime; law enforcement; public officials liability; and worker's compensation and employer's liability. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts.

LINCOLN PARISH SHERIFF
Ruston, Louisiana
Notes to the Financial Statements (Continued)

K. TOTAL COLUMN ON THE BALANCE SHEET

The total column on the balance sheet is captioned Memorandum Only (overview) to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

2. RECEIVABLES

The receivables of \$101,071 at June 30, 2000, are as follows:

Fees, charges, and commissions for services:	
Civil and criminal fees	\$8,994
Commission on licenses	8,206
Ad valorem taxes	17,160
Tax notices, etc.	17,120
Intergovernmental - federal grants	39,948
Transportation of prisoners	3,743
Court attendance	5,900
Total	<u>\$101,071</u>

3. DUE FROM/TO OTHER FUNDS

Individual fund balances due from/to other funds at June 30, 2000, are as follows:

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$1,744	
Agency Funds:		
Civil		\$727
Criminal		1,017
Total	<u>\$1,744</u>	<u>\$1,744</u>

4. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in office furnishings and equipment for the year ended June 30, 2000,

LINCOLN PARISH SHERIFF

Ruston, Louisiana

Notes to the Financial Statements (Continued)

	Balance July 1, 1999	Additions	Deletions	Balance June 30, 2000
Buildings and improvements		\$1,850		\$1,850
Communication equipment	76,092			\$76,092
Office equipment	106,695	21,094		127,789
Public safety equipment	95,668	12,184		107,852
Weapons	12,489			12,489
Vehicles	530,881	66,510		597,391
Total	<u>\$821,825</u>	<u>\$101,638</u>	<u>NONE</u>	<u>\$923,463</u>

The beginning balance of fixed assets has been restated for a physical inventory taken by the sheriff's office during the year.

5. PENSION PLAN

Substantially all employees of the Lincoln Parish Sheriff's office are members of the Louisiana Sheriff's Pension and Relief Fund (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All sheriffs and all deputies who are found to be physically fit, who earn at least \$400 per month, and who were between the ages of 18 and 50 at the time of original employment are required to participate in the System. Employees are eligible to retire at or after age 55 with at least 12 years of credited service and receive a benefit, payable monthly for life, equal to a percentage of their final-average salary for each year of credited service. The percentage factor to be used for each year of service is 2.5 per cent for each year if total service is at least 12 but less than 15 years, 2.75 per cent for each year if total service is at least 15 but less than 20 years, and 3 per cent for each year if total service is at least 20 years (Act 1117 of 1995 increased the accrual rate by 0.25 percent for all service rendered on or after January 1, 1980). In any case, the retirement benefit cannot exceed 100 per cent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination as indicated previously. Employees who terminate with at least 20 years of credited service are also eligible to elect early benefits between ages 50 and 55 with reduced benefits equal to the actuarial equivalent of the benefit to which they would otherwise be entitled at age 55. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Sheriffs Pension and Relief Fund, Post Office Box 3163, Monroe, Louisiana 71220, or by calling (318) 362-3191.

LINCOLN PARISH SHERIFF

Ruston, Louisiana

Notes to the Financial Statements (Continued)

Plan members are required by state statute to contribute 8.7 percent of their annual covered salary and the Lincoln Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 5.0 percent (6.0 percent after June 30, 2000) of annual covered payroll. Contributions to the System also include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and funds as required and available from insurance premium taxes. The contribution requirements of plan members and the Lincoln Parish Sheriff are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Lincoln Parish Sheriff's contributions to the System for the years ended June 30, 2000, 1999, and 1998 were \$84,785, \$66,722, and \$67,955, respectively, equal to the required contributions for each year.

6. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The Lincoln Parish Sheriff provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the sheriff's employees become eligible for these benefits if they reach normal retirement age while working for the sheriff. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee and by the sheriff. The sheriff recognizes the cost of providing these benefits (sheriff's portion of premiums) as an expenditure when paid during the year, which was \$171,033 for the year ended June 30, 2000. Of that amount, \$11,715 was for retiree benefits.

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, 2000, follows:

	Tax Collector Fund	Civil Fund	Criminal Fund	Total
Balance at June 30, 1999	\$288,899	\$56,328	\$108,107	\$453,334
Additions	13,199,574	411,208	892,581	14,503,363
Reductions	(12,969,448)	(421,289)	(864,381)	(14,255,118)
Balance at June 30, 2000	<u>\$519,025</u>	<u>\$46,247</u>	<u>\$136,307</u>	<u>\$701,579</u>

LINCOLN PARISH SHERIFF

Ruston, Louisiana

Notes to the Financial Statements (Continued)

8. LITIGATION AND CLAIMS

At June 30, 2000, the Lincoln Parish Sheriff is involved in several lawsuits which are fully covered by the sheriff's liability insurance.

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

The Lincoln Parish Sheriff's office is located in the parish courthouse. The cost of maintaining and operating the courthouse, as required by Louisiana Revised Statute 33:4715, is paid by the Lincoln Parish Police Jury.

SUPPLEMENTAL INFORMATION SCHEDULES

LINCOLN PARISH SHERIFF
Ruston, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
As of and For the Year Ended June 30, 2000

FIDUCIARY FUND TYPE - AGENCY FUNDS

TAX COLLECTOR FUND

Article V, Section 27 of the Louisiana Constitution of 1974, provides that the sheriff will serve as the collector of state and parish taxes, sportsman and occupational licenses, and fees. The Tax Collector Fund is used to collect and distribute these taxes, licenses, and fees to the appropriate taxing bodies.

CIVIL FUND

The Civil Fund accounts for the collection of funds in 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.

CRIMINAL FUND

The Criminal Fund accounts for bonds, fines and costs, and payment of these collections to recipients in accordance with applicable laws.

LINCOLN PARISH SHERIFF
Ruston, Louisiana
FIDUCIARY FUND TYPE - AGENCY FUNDS

Combining Balance Sheet, June 30, 2000

	TAX COLLECTOR FUND	CIVIL FUND	CRIMINAL FUND	TOTAL
ASSETS				
Cash and equivalents	<u>\$519,025</u>	<u>\$46,974</u>	<u>\$137,324</u>	<u>\$703,323</u>
LIABILITIES				
Unsettled deposits due to:				
General Fund		\$727	\$1,017	\$1,744
Others	<u>\$519,025</u>	<u>46,247</u>	<u>136,307</u>	<u>701,579</u>
TOTAL LIABILITIES	<u>\$519,025</u>	<u>\$46,974</u>	<u>\$137,324</u>	<u>\$703,323</u>

LINCOLN PARISH SHERIFF
Ruston, Louisiana
FIDUCIARY FUND TYPE - AGENCY FUNDS

Combining Schedule of Changes in Unsettled
Balances Due to Taxing Bodies and Others
For the Year Ended June 30, 2000

	TAX COLLECTOR FUND	CIVIL FUND	CRIMINAL FUND	TOTAL
UNSETTLED BALANCES DUE TO TAXING BODIES AND OTHERS, JUNE 30, 1999	<u><u>\$288,899</u></u>	<u><u>\$56,328</u></u>	<u><u>\$108,107</u></u>	<u><u>NONE</u></u>
ADDITIONS				
Deposits:				
Sheriff's sales		158,209		158,209
Fines, bond forfeitures, and costs			887,610	887,610
Garnishments		164,234		164,234
Other deposits		88,765	4,971	93,736
Taxes, fees, etc. paid to tax collector:				
Ad valorem taxes	11,842,242			11,842,242
Prior year taxes	42,010			42,010
Protested taxes	131,867			131,867
Fire district fees	9,265			9,265
State revenue sharing	844,476			844,476
Sportsmen licenses	99,974			99,974
Insurance licenses	50,758			50,758
Interest on:				
Now account	21,657			21,657
Delinquent taxes	23,964			23,964
Protested taxes held in escrow	7,182			7,182
Prior year taxes	8,365			8,365
Tax notices, etc.	30,618			30,618
Redemptions	21,668			21,668
Collection for others	65,528			65,528
Total additions	<u>13,199,574</u>	<u>411,208</u>	<u>892,581</u>	<u>14,503,363</u>
Total	<u>13,488,473</u>	<u>467,536</u>	<u>1,000,688</u>	<u>14,503,363</u>

(Continued)

LINCOLN PARISH SHERIFF

Ruston, Louisiana

FIDUCIARY FUND TYPE - AGENCY FUNDS

Combining Schedule of Changes in Unsettled

Balances Due to Taxing Bodies and Others, 2000

	TAX COLLECTOR FUND	CIVIL FUND	CRIMINAL FUND	TOTAL
REDUCTIONS				
Deposits, taxes, fees, etc. settled to:				
Louisiana Wildlife and Fisheries	\$84,977			\$84,977
Louisiana Tax Commission	3,654			3,654
Louisiana Forestry Commission	17,324			17,324
Sheriff's General Fund	2,086,313	\$105,526	\$127,001	2,318,840
Other Sheriffs		91		91
Police jury	2,203,396		284,359	2,487,755
School board	6,033,044			6,033,044
Assessor	385,820			385,820
State agencies			27,121	27,121
Municipalities			8,336	8,336
Law enforcement agencies			6,976	6,976
District Attorney			112,931	112,931
Clerk of Court	2,045	10,897	20,925	33,867
Indigent defender board			83,693	83,693
City of Ruston	840,437			840,437
Coroner			4,170	4,170
Litigants		291,979		291,979
Attorneys, appraisers, etc.		7,670		7,670
Pension funds	310,957			310,957
Northwest Crime Lab			28,771	28,771
Judicial clerk			101,632	101,632
Fire Protection Service District No. 1	925,938			925,938
Victim's restitution			12,007	12,007
Other settlements		5,126	18,784	23,910
Redemptions	17,676			17,676
Refunds	57,867		27,675	85,542
Total reductions	<u>12,969,448</u>	<u>421,289</u>	<u>864,381</u>	<u>14,255,118</u>
UNSETTLED BALANCES DUE TO TAXING BODIES AND OTHERS, JUNE 30, 2000	<u>\$519,025</u>	<u>\$46,247</u>	<u>\$136,307</u>	<u>\$701,579</u>

(Concluded)

**Independent Auditor's Report Required
by *Government Auditing Standards***

The following independent auditor's report on compliance with laws, regulations and contracts, and internal control over financial reporting are presented in compliance with the requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.



MEMBER AMERICAN
INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC
ACCOUNTANTS

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Independent Auditor's Report on Compliance and Internal Control Over Financial Reporting

LINCOLN PARISH SHERIFF
Ruston, Louisiana

I have audited the general purpose financial statements of the Lincoln Parish Sheriff as of and for the year ended June 30, 2000 and have issued my report thereon dated December 13, 2000. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Lincoln Parish Sheriff's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Lincoln Parish Sheriff's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

LINCOLN PARISH SHERIFF

Ruston, Louisiana

Independent Auditor's Report on Compliance

And Internal Control Over Financial Reporting, etc.

June 30, 2000

This report is intended solely for the information and use of the Lincoln Parish Sheriff, management of the sheriff's office, and interested state agencies and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to be "L. Monroe", is written over the text "West Monroe, Louisiana".

West Monroe, Louisiana

December 13, 2000

LINCOLN PARISH SHERIFF
Ruston, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2000

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of the Lincoln Parish Sheriff.
2. No instances of noncompliance material to the financial statements of the Lincoln Parish Sheriff were disclosed during the audit.
3. No reportable conditions relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control Structure.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

**LINCOLN PARISH SHERIFF
Ruston, Louisiana**

**Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2000**

There were no audit findings reported in the audit for the year ended June 30, 1999.