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WASHINGTON PARISH SHERIFF'S OFFICE  
TAX COLLECTOR AGENCY FUND  
Washington Parish, Louisiana

FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REPORT

As of and for the Year Ended  
June 30, 2000

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the 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 01-03-01

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(A LIMITED LIABILITY COMPANY)

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## INDEPENDENT AUDITORS' REPORT

The Honorable Duane Blair, Jr.  
Washington Parish Sheriff and Ex-Officio Tax Collector  
Washington Parish, Louisiana

We have audited the financial statements of the Tax Collector Agency Fund of the Washington Parish Sheriff as of June 30, 2000, and for the year then ended, as listed in the table of contents. These financial statements are the responsibility of the Washington Parish Sheriff and Ex-Officio Tax Collector's management. Our responsibility is to express an opinion on these financial statements based on our audit and the standards applicable to financial statement audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

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

As described in Note A1, the Washington Parish Sheriff is the Ex-Officio Tax Collector for the various taxing bodies within Washington Parish, and the accompanying financial statements present information only on his activities as parish tax collector. Accordingly, the accompanying financial statements are not intended to and do not present the financial position and results of operations of the Washington Parish Sheriff.

In our opinion, the financial statements referred to in the first paragraph present fairly in all material respects, the assets and liabilities of the Tax Collector Agency Fund of the Washington Parish Sheriff as of June 30, 2000, and the collections and disbursements for the year then ended, in conformity with generally accepted accounting principles.

The Honorable Duane Blair, Jr.  
Washington Parish Sheriff and Ex-officio Tax Collector  
Washington Parish, Louisiana

In accordance with *Government Auditing Standards*, we have also issued a report dated October 17, 2000 on our consideration of the Tax Collector Agency Fund of the Washington Parish Sheriff's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

October 17, 2000

*Smith, Heval & Associates, L.L.C.*

WASHINGTON PARISH SHERIFF  
TAX COLLECTOR AGENCY FUND  
Washington Parish, Louisiana

STATEMENT OF ASSETS AND LIABILITIES

June 30, 2000

Assets

Cash and cash equivalents

\$ 174,468

Liabilities

Due to taxing bodies and others

\$ 174,468

The accompanying notes are an integral part of this statement.

WASHINGTON PARISH SHERIFF  
TAX COLLECTOR AGENCY FUND  
Washington Parish, Louisiana

STATEMENT OF COLLECTIONS, DISTRIBUTIONS  
AND UNSETTLED BALANCES

For the Year Ended June 30, 2000

<u>UNSETTLED BALANCES AT JULY 1, 1999</u>	\$ 665,648
<u>COLLECTIONS</u>	
Ad Valorem taxes:	
Current year	8,013,883
Prior year	26,091
Angling, hunting, and trapping licenses	119,206
Fines and forfeitures	420,815
Sales taxes	13,033,656
State revenue sharing	951,375
Interest earned	30,992
Liquor licenses	6,700
Civil and criminal costs	55,899
Refunds	<u>3,587</u>
Total collections	<u>22,662,204</u>
 SUBTOTAL	 <u>\$23,327,852</u>

The accompanying notes are an integral part of this statement.

WASHINGTON PARISH SHERIFF  
TAX COLLECTOR AGENCY FUND  
Washington Parish, Louisiana

STATEMENT OF COLLECTIONS, DISTRIBUTIONS  
AND UNSETTLED BALANCES  
(Continued)

For the Year Ended June 30, 2000

SETTLEMENTS

State of Louisiana:

Wildlife and Fisheries	\$ 114,610
Tax Commission	4,226
Forestry Commission	19,373
Public Safety	296
Common Law Enforcement	10,239
Treasury	1,517

Washington Parish:

Parish Government	2,998,577
Clerk of Court	26,115
Hospital District #1	556,472
School Board	4,425,406
Sheriff Blair	2,815,691
Sheriff Commissions	175,612
Assessor	539,137
Sheriff Sale Advertising	8,541
Twenty-Second District Court	110,495
Bogalusa City Schools	3,931,991
Pension Fund Payments	230,752
Refunds	23,923
St. Tammany Police Jury	6,447
Treasurer, Court Case Manager	605
Florida Parish Juvenile Center	298,657
LA Head and Spinal Injury	2,544
Fire Districts	871,186
Municipalities	5,961,796
Redemptions	12,499
Other	6,677
Total distributions	<u>23,153,384</u>

UNSETTLED BALANCES AT JUNE 30, 2000

\$ 174,468

The accompanying notes are an integral part of this statement.

WASHINGTON PARISH SHERIFF  
TAX COLLECTOR AGENCY FUND  
Washington Parish, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2000

NOTE A- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the Sheriff is ex-officio tax collector of the parish and is responsible for the collection and distribution of ad valorem property taxes, parish occupational licenses, state revenue sharing funds, and angling, hunting, and trapping licenses. The Sheriff also collects the sales tax for Washington Parish and other taxing bodies within the parish.

1. Reporting Entity

Louisiana Revised Statute 24:517(D) requires that the accounts of each tax collector be audited annually. Accordingly, the accompanying statements reflect financial activity of the Sheriff relating only to his responsibility as ex-officio tax collector. Amounts included in this report are also included in the Sheriff's annual general purpose financial statements.

2. Basis of Accounting

The accounts of the tax collector are established to reflect the collections imposed by law, distributions pursuant to such law, and balances due various taxing bodies and others. Collections are recognized when they become both measurable and available and distributions reflected when the liability is incurred.

3. Cash

Cash includes amounts in demand deposits and interest-bearing demand deposits. Under state law, the Sheriff may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.



WASHINGTON PARISH SHERIFF  
TAX COLLECTOR AGENCY FUND  
Washington Parish, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2000

NOTE B - CASH AND CASH EQUIVALENTS

At June 30, 2000, the Sheriff's Tax Collector Agency Fund has cash (book balances) totaling \$174,468. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

The Sheriff's tax collector accounts are grouped with those of the Sheriff's general funds for the purpose of securities pledged. At June 30, 2000, the Sheriff has \$673,065 in deposits (collected bank balances). These deposits are secured from risk by \$100,000 of federal deposit insurance and \$573,065 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 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 that the fiscal agent has failed to pay deposited funds upon demand.

Due to significantly higher cash flows during the ad valorem tax collection period, the Sheriff's deposits increase significantly; as a result, the amount of collateralized deposits at those times is substantially higher.

NOTE C - TAXES PAID UNDER PROTEST

The unsettled balances due to taxing bodies and others at June 30, 2000, include taxes paid under protest, plus interest earned to date on the investment of these funds, totaling \$22,539.

WASHINGTON PARISH SHERIFF  
TAX COLLECTOR AGENCY FUND  
Washington Parish, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2000

NOTE D - STATE REVENUE SHARING FUNDS

The revenue sharing funds provided were distributed as follows:

Washington Parish:

Florida Parishes Juvenile Revenue Sharing	\$ 38,077 202,752
Assessor	68,160
Washington Parish School Board	148,700
Bogalusa School Board	253,985
Sheriff Blair	128,103
Pension Fund	17,952
Varnado Fire District	7,691
Washington Parish Fire District	39,567
Bonner Creek	6,365
Springhill Fire District	5,609
Richardson Fire District	5,881
Angie Fire District	6,401
Mt. Hermon Fire District	9,120
Pine Fire District	<u>13,012</u>

Total \$ 951,375

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## REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Honorable Duane Blair, Jr.  
Washington Parish Sheriff And Ex-Officio Tax Collector  
Washington Parish, Louisiana

We have audited the financial statements of the Tax Collector Agency Fund of the Washington Parish Sheriff as of and for the year ended June 30, 2000, and have issued our report thereon dated October 17, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Compliance

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

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Tax Collector Agency Fund of the Washington Parish Sheriff's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information of the management and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone than those specified parties.

October 17, 2000

*Smith, Huval & Associates, L.L.C.*