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TENSAS PARISH TAX COLLECTOR
St. Joseph, Louisiana

FINANCIAL STATEMENTS AND AUDITOR'S REPORTS

June 30, 1999

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Release Date 1-19-2000

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TENSAS PARISH TAX COLLECTOR
St. Joseph, Louisiana

FINANCIAL STATEMENTS AND AUDITOR'S REPORTS

June 30, 1999

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INDEPENDENT AUDITOR'S REPORT

Tensas Parish Sheriff and
Ex-Officio Tax Collector
St. Joseph, Louisiana

We have audited the accompanying financial statements of Tax Collector Agency Fund of Tensas Parish Sheriff as of and for the year ended June 30, 1999, as listed in the table of contents. These financial statements are the responsibility of the Tensas Parish Sheriff's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; the Louisiana Governmental Audit Guide, issued by the Louisiana Legislative Auditor and the Louisiana Society of Certified Public Accountants. 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 A, the Tensas Parish Sheriff is the ex-officio tax collector for the various taxing bodies within Tensas Parish, and the accompanying financial statements present information only on his activities as parish tax collector. Further, the accompanying financial statements have been prepared on the basis of cash receipts and disbursements which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to in the first paragraph present fairly the assets and liabilities arising from cash transactions of Tax Collector Agency Fund of Tensas Parish Sheriff as of June 30, 1999, and the collections and distributions for the year then ended, on the basis of accounting as described in note A.

In accordance with Government Auditing Standards, we have also issued a report dated August 12, 1999 on our consideration of the Tax Collector Agency Fund of Tensas Parish Sheriff's internal control over financial reporting and our tests of its compliance with certain laws, regulations, contracts and grants.

Waguespack & Associates (APAC)

Belle Rose, Louisiana
August 12, 1999

**TENSAS PARISH TAX COLLECTOR
St. Joseph, Louisiana**

**STATEMENT OF ASSETS AND LIABILITIES (AGENCY FUND)
June 30, 1999**

ASSETS

Cash and cash equivalents	\$ <u>20,610</u>
Total Assets	\$ <u>20,610</u>

LIABILITIES AND FUND EQUITY

Liabilities:	
Due to taxing bodies and others	\$ <u>20,610</u>
Total Liabilities	\$ <u>20,610</u>

The accompanying notes are an integral part of this statement.

**TENSAS PARISH TAX COLLECTOR
St. Joseph, Louisiana**

**STATEMENT OF COLLECTIONS, DISTRIBUTIONS, AND
UNSETTLED BALANCES (AGENCY FUND)
For the Year Ended June 30, 1999**

**UNSETTLED BALANCES AT JUNE 30, 1998,
DUE TO TAXING BODIES AND OTHERS**

\$ 21,226

COLLECTIONS

Ad Valorem taxes	2,100,741
Ad Valorem taxes paid under protest	14,764
Angling, hunting, and trapping licenses	34,370
Interest on:	
Delinquent taxes	1,305
NOW accounts	3,393
State revenue sharing	144,383
Refuge revenue sharing	75,965
Tax Notices, etc.	6,986
Tax Redemption Receipts	<u>1,100</u>

Total Collections 2,383,007

Total 2,404,233

DISTRIBUTIONS

Tensas Parish:	
Assessor	169,465
Drainage Districts	89,416
Police Jury	614,872
School Board	673,427
Sheriff	619,527
Fifth Louisiana Levee District	103,316
Louisiana Forestry Commission	5,930
Louisiana Department of Wildlife and Fisheries	42,613
Louisiana Tax Commission	1,219
Pension funds	61,479
Refunds and redemptions	<u>2,359</u>

Total distributions 2,383,623

**UNSETTLED BALANCES AT JUNE 30, 1999,
DUE TO TAXING BODIES AND OTHERS**

\$ 20,610

The accompanying notes are an integral part of this statement.

TENSAS PARISH TAX COLLECTOR
St. Joseph, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
June 30, 1999

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNT POLICIES

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the sheriff is the ex-officio tax collector of the parish and is responsible for the collection and distribution of ad valorem property taxes, state revenue sharing funds, refuge revenue sharing, and angling, hunting, and trapping licenses.

Louisiana Revised Statute 24:517(D) requires that the accounts of each tax collector be audited annually. Accordingly, the accompanying statement reflects financial activity of the sheriff related 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.

The accounts of the tax collector are established to reflect the collections imposed by law, distributions pursuant to such law, and unsettled balances due various taxing bodies and others. The accompanying financial statement has been prepared on the cash basis of accounting, with collections recognized when received and distributions reflected when paid.

Cash and cash equivalents consist of cash in interest bearing bank demand deposits. State law authorizes the sheriff to deposit tax collections in a bank domiciled in the parish where the funds are collected. At June 30, 1999, the sheriff has \$63,978 (bank balances) on deposit with a local financial institution in interest bearing demand accounts. These cash balances, representing unsettled tax and license collections, and interest earned are fully secured through federal deposit insurance.

NOTE B - REVENUE SHARING FUNDS

The revenue and excess revenue sharing funds provided by Act 38 of 1996 were distributed as follows:

Fifth Louisiana Levee District	\$ 13,322
Tensas Parish:	
Assessor	16,667
Drainage Districts	11,083
Police Jury	33,266
School Board	32,281
Sheriff	32,584
Various pension funds	<u>5,180</u>
Total	<u>\$ 144,383</u>

TENSAS PARISH TAX COLLECTOR
St. Joseph, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
June 30, 1999

NOTE C – REFUGE REVENUE SHARING

The refuge revenue sharing funds provided by Act (16 USC 715s of 1996 were distributed as follows:

Fifth Louisiana Levee District	\$ 6,492
Tensas Parish:	
Assessor	5,542
Drainage Districts	3,172
School Board	37,753
Sheriff	<u>23,006</u>
Total	<u>\$ 75,965</u>

NOTE D – LIABILITIES TO TAXING BODIES AND OTHERS

Liabilities to taxing bodies and others as of June 30, 1999 consisted of the following:

1994 Ad Valorem taxes paid under protest	\$ 1,197
1995 Ad Valorem taxes paid under protest	1,696
1996 Ad Valorem taxes paid under protest	1,211
1997 Ad Valorem taxes paid under protest	1,090
1998 Ad Valorem taxes paid under protest	14,764
Undistributed interest earned on taxes paid under protest	541
Undistributed interest earned on NOW account for current Ad Valorem taxes collected	<u>111</u>
Total	<u>\$ 20,610</u>

NOTE E – AD VALOREM TAXES PAID UNDER PROTEST

Included in the unsettled balances due to taxing bodies and other is \$19,958 of Ad Valorem taxes paid under protest, plus interest earned to date on the investment of these funds, totaling \$541. These funds are held pending resolution of the protest.

**INDEPENDENT AUDITOR'S REPORT AND OTHER SCHEDULES
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

TENSAS PARISH TAX COLLECTOR
St. Joseph, Louisiana

Schedule 3

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 1999

A. Summary of Audit Results

- The auditor's report expresses an unqualified opinion on the general-purpose financial statements of the Tensas Parish Tax Collector.
- The reportable condition in internal control disclosed during the audit of the general purpose financial statements is reported in the 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 condition is reported as a material weakness. (See 99-1 in Part B of this Schedule)
- The results of our tests disclosed no instances of noncompliance material to the general purpose financial statements which were required to be reported in the Report On Compliance And Internal Control Over Financial Reporting Based On An Audit Of Financial Statements Performed In Accordance With Government Auditing Standards.

B. Findings – Financial Statement Audit

99-1 SEGREGATION OF DUTIES

Due to the size of the Tensas Parish Tax Collector administrative and accounting staff, there is an insufficient segregation of duties to have an effective internal control.

Since the costs of an internal control system should not outweigh the benefits derived from it, we can only recommend that the tax collector's office consider and analyze the costs versus the benefits associated with hiring additional administrative/accounting personnel.

Management of the Tax Collector's office concurs with the finding. Management has hired additional accounting personnel, but due to budget and staff limitations, additional personnel needed to have a complete segregation of duties can not be accomplished at this time.

**TENSAS PARISH TAX COLLECTOR
St. Joseph, Louisiana**

Schedule 4

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
June 30, 1999**

COMPLIANCE FINDINGS FOR FISCAL YEAR ENDED JUNE 30, 1998

None were noted in prior year's audit.

INTERNAL CONTROL FINDINGS FOR FISCAL YEAR ENDED JUNE 30, 1998

98-1 SEGREGATION OF DUTIES

Condition: Due to the size of the Tensas Parish Tax Collector's administrative and accounting staff, there is an insufficient segregation of duties to have an effective internal control.

Current Status: This finding still applies and is noted in the current audit for the year ending June 30, 1999. (See current finding noted as 99-1). Due to budget and staff limitations, management indicates that no action can be taken at this time.

Jeff Britt
Sheriff and Tax Collector



318-467-5927 Newellton
318-766-3961 St. Joseph
318-749-3275 Waterproof

Tensas Parish Sheriff's Department

P. O. Box 138
St. Joseph, Louisiana 71366

Corrective Action Plan for
Current Year Audit Findings
For the Year Ended June 30, 1999

Ref No.	Description of Finding	Corrective Action Planned	Name(s) of Contact Person(s)	Anticipated Completion Date
99-1	Segregation of Duties	Not feasible at this time due to staff and budget limitations.	Ricky Jones Necci Gregory	N/A

The above corrective action plan addresses the auditor's current year findings. If you need additional information concerning the corrective action plan, please feel free to contact us.

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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

Tensas Parish Sheriff and
Ex-Officio Tax Collector
St. Joseph, Louisiana

We have audited the financial statements of Tax Collector Agency Fund of Tensas Parish Sheriff, as of and for the year ended June 30, 1999, and have issued our report thereon dated August 12, 1999. We conducted our audit in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and Louisiana Governmental Audit Guide, issued by the Louisiana Legislative Auditor and Louisiana Society of Certified Public Accountants.

Compliance

As part of obtaining reasonable assurance about whether Tax Collector Agency Fund of Tensas 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 Tax Collector Agency Fund of Tensas 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. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal

control over financial reporting that, in our judgement, could adversely affect Tax Collector Agency Fund of Tensas parish Sheriff's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. A reportable condition is described in the accompanying schedule of findings and questioned costs as item 99-1.

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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we consider the reportable condition 99-1 to be material weaknesses.

This report is intended for the information of the management of the Tensas Parish Sheriff, Legislative Auditor, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Wagnespach + Associates (APAC)

Belle Rose, Louisiana

August 12, 1999