

**Ouchita Parish Sheriff  
(As Ex-Officio Parish Tax Collector)  
Monroe, Louisiana**

**Basic Financial Statement  
With Independent Auditors' Report  
As of June 30, 2004**

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 1-12-05

**OUACHITA PARISH SHERIFF  
(As Ex-Officio Parish Tax Collector)  
MONROE, LOUISIANA  
BASIC FINANCIAL STATEMENT  
WITH INDEPENDENT AUDITORS' REPORT  
AS OF JUNE 30, 2004**

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**LITTLE & ASSOCIATES LLC**  
CERTIFIED PUBLIC ACCOUNTANTS

Wm. TODD LITTLE, CPA  
CHARLES R. MARCHBANKS, JR., CPA

**Independent Auditors' Report**

Honorable Richard Fewell  
Ouachita Parish Sheriff  
Ex-Officio Tax Collector  
Monroe, Louisiana

We have audited the accompanying basic financial statement of the Ouachita Parish Sheriff (As Ex-Officio Parish Tax Collector) as of and for the year ended June 30, 2004, as listed in the Table of Contents. This basic financial statement is the responsibility of the Ouachita Parish Sheriff's Management. Our responsibility is to express an opinion on this basic financial statement based on our audit.

We conducted our audit in accordance with U.S. 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 basic financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statement. 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 1, the Ouachita Parish Sheriff is the ex-officio tax collector for the various taxing bodies within Ouachita Parish, and the accompanying financial statement presents information only on his activities as parish tax collector. Further, the accompanying financial statement has been prepared on the modified cash basis which is a comprehensive basis of accounting other than U. S. generally accepted accounting principles.

In our opinion, the basic financial statement referred to above present fairly, in all material respects, the assets and liabilities of the Tax Collector Agency Fund of the Ouachita Parish Sheriff as of June 30, 2004, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued a report dated November 16, 2004, on our consideration of the Ouachita Parish Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with

Ouachita Parish Sheriff and  
Ex-Officio Parish Tax Collector  
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*Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis on pages 6 and 7 is a required part of the basic financial statement and is required supplementary information by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consist primarily of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming an opinion on the basic financial statement taken as a whole. The supplemental information schedule listed in the table of contents is presented for the purpose of additional analysis and is not a required part of the basic financial statement of the Ouachita Parish Sheriff Ex-Officio Tax Collector. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statement and, in our opinion, is fairly presented in all material respects in relation to the basic financial statement taken as a whole.

*Little & Associates, LLC*

Monroe, Louisiana  
November 16, 2004

## *Management's Discussion and Analysis*

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Tax Collector Agency Fund of the Ouachita Parish Sheriff (the Tax Collector) provides an overview of the Tax Collector's activities for the year ended June 30, 2004. Please read it in conjunction with the Tax Collector's financial statements.

### USING THIS ANNUAL REPORT

This annual report consists of a financial statement. The Statement of Assets and Liabilities – Modified Cash Basis provides information about the activities of the Tax Collector as a whole.

### REPORTING THE TAX COLLECTOR

#### **The Statement of Assets and Liabilities – Modified Cash Basis**

These statements include all assets and liabilities using the modified cash basis of accounting. Collections are recorded when cash is received and distributions (settlements) are recorded when deemed to be payable.

This statement reports the Tax Collector's net assets. The Tax Collector's net assets – the difference between assets and liabilities – measure the Tax Collector's financial position. The increases or decreases in the Tax Collector's net assets are an indicator of whether its financial position is improving or deteriorating. Currently, the Tax Collector has only one agency fund that is collected for other governmental units.

### REPORTING THE TAX COLLECTOR'S FUNDS

#### **Fund Financial Statements**

The fund financial statements provide detailed information about the Tax Collector's funds – not the Tax Collector as a whole. Only the Fiduciary Fund Type – Agency Fund existed as of June 30, 2004. It consisted of assets in deposits due governmental agencies such as the Tensas Basin Levee District, Ouachita Parish Police Jury, G.B. Cooley Hospital, West Ouachita Sewerage, East Ouachita Recreation District, Louisiana Tax Commission, 4<sup>th</sup> Judicial District, North Louisiana Crime Lab, and Ouachita Parish Sheriff.

This fund is reported using an accounting method called modified cash accounting, which measures only cash and other financial assets that can readily be converted to cash. This governmental unit only had a Statement of Assets and Liabilities – Modified Cash Basis. The fiduciary fund financial statement provides a view of the Tax Collector's assets and obligations.

### THE TAX COLLECTOR AS A WHOLE

The Tax Collector serves as an agent for the collection of ad valorem taxes, fines, forfeitures, and other receipts, which are payable to various governmental agencies. As a result, the Tax Collector does not have any net assets..

Since this is the first year to report all activities on the modified cash basis of accounting, a more detailed comparison to the prior year on the same basis is not applicable. However, in future

years, this section will explain the differences between the current and prior-year assets, liabilities and changes in net assets, if applicable.

**Fiduciary Activities**

Again, because this is the first year to report governmental activities on the modified cash basis of accounting, a comparison to the prior year is not possible. However, in next year's discussion this section will show a condensed financial comparison of collections and distributions with explanations for significant differences, if applicable.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

No budget is prepared by the Tax Collector since the operations are provided by the Ouachita Parish Sheriff's Office.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

At the end of June 30, 2004, the Tax Collector had no investment in capital assets.

**DEBT**

At year-end, the Tax Collector had only agency fund liabilities due to other governmental agencies (including accounts payable clearing).

	<u>2004</u>	<u>2003</u>
Amounts Due Other Governmental Agencies	\$2,465,135	\$1,146,165

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

Tax Collector operations are funded entirely by the Ouachita Parish Sheriff's Office. There is not annual budget for the Tax Collector.

**CONTACTING THE TAX COLLECTOR'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the Tax Collector's finances and to show the Tax Collector's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Ouachita Parish Sheriff offices at P.O. Box 1803, Monroe, Louisiana.

## *Basic Financial Statements*

**OUACHITA PARISH TAX COLLECTOR  
MONROE, LOUISIANA  
STATEMENT OF ASSETS AND LIABILITIES - MODIFIED CASH BASIS  
JUNE 30, 2004**

	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash	<u>\$ 2,465,135</u>
Total Assets	<u><u>\$ 2,465,135</u></u>
<b>LIABILITIES</b>	
Liabilities:	
Accounts Payable Clearing	\$ 1,308,501
Due To Other Taxing Bodies	<u>1,156,633</u>
Total Liabilities	<u><u>\$ 2,465,135</u></u>

The accompanying notes are an integral part of this statement.

*Notes to the Financial Statements*

Monroe, Louisiana  
OUACHITA PARISH TAX COLLECTOR

Notes to the Financial Statements  
For the Year Ended June 30, 2004

**1. SUMMARY OF SIGNIFICANT ACCOUNTING 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, parish licenses, and state revenue sharing funds.

The Governmental Accounting Standards Board (the "GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statement, while prepared on the modified cash basis of accounting, has been presented following the guidelines of GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis—for State and Local Governments* (the "Statement"), which was unanimously approved in June 1999 by the Governmental Accounting Standards Board. Certain of the changes in the Statement include the following:

For the first time the financial statement will include:

- A Management Discussion and Analysis (MD&A) section providing an analysis of the Tax Collector's financial position.

These and other changes are reflected in the accompanying financial statement (including the notes to the financial statement). The Tax Collector has elected to implement the presentation provisions of the Statement for the fiscal year ended June 30, 2004.

**A. REPORTING ENTITY**

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

**B. BASIS OF ACCOUNTING**

The accounts of the parish tax collector are established to reflect the collections imposed by law, the distributions pursuant to such law, and the unsettled balances due various tax recipient bodies and others. The accompanying financial statement has been

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OUACHITA PARISH TAX COLLECTOR

Notes to the Financial Statements  
For the Year Ended June 30, 2004

prepared on a modified cash basis of accounting, with collections recognized when received and distributions recognized when deemed to be payable.

**C. CASH**

State law authorizes the sheriff to deposit tax collections, in interest bearing accounts, with a bank domiciled in the parish where the funds are collected. Further, the sheriff may invest these deposits in certificates of deposit or other investments permitted by law. At June 30, 2004, the sheriff has cash and cash equivalents (bank balances) totaling \$2,006,280. All cash is deposited in interest bearing demand accounts, and is secured through \$1,345,191 of federal deposit insurance and \$4,799,572 of pledged securities (market value) held by the custodial bank in the name of the fiscal agency bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 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 bank has failed to pay deposited funds upon demand.

**2. STATE REVENUE SHARING FUNDS**

The revenue sharing funds provided by Act 1134 of 2003 were distributed as follows:

Tensas Basin levee district	\$73,805
Ouachita Parish:	
Assessor	80,105
Police Jury	933,829
School Board	760,289
Sheriff	600,870
G.B. Cooley Hospital	66,019
East Ouachita Recreation	20,696
Pension funds	62,454
Total	<u>\$2,598,067</u>

Monroe, Louisiana  
 OUACHITA PARISH TAX COLLECTOR

Notes to the Financial Statements  
 For the Year Ended June 30, 2004

**3. TAXES PAID UNDER PROTEST**

Louisiana Revised Statute 47:1576 provides that taxpayers, at the time of payment of all taxes due, may give notice to the tax collector of their intention to file suit for recovery of all or a portion of the total taxes paid. Upon receipt of this notice, the amount paid shall be segregated and held by the tax collector for a period of thirty days. If suit is filed within the thirty day period for recovery of such amounts, the funds segregated shall be held pending outcome of the suit. If the taxpayer prevails, the tax collector shall refund the amount due, with interest at the rate of two per cent per annum from the date the funds were received by the tax collector. The following is a summary of the transactions relating to protested taxes:

Tax Roll	Balance July 1, 2003	. . . . Additions . . . .			Balance June 30, 2004
		Taxes	Interest	Reductions	
1992	\$11,349		\$93	(\$4,904)	\$6,538
1993	19,074		156	(7,648)	11,582
1994	17,285		141	(10,446)	6,980
1995	16,843		128	(7,925)	9,046
1996	17,603		144	(10,638)	7,109
1997	15,836		129	(9,570)	6,395
1998	12,983		51	(7,818)	5,216
1999	32,658		155	(9,598)	23,215
2000	1,155,670		13,005	(728,240)	440,435
2001	57,670		521		58,191
2002	58,689		532		59,221
2003	NONE	520,959	1,192		522,151
<b>Total</b>	<b>\$1,415,660</b>	<b>(\$520,959)</b>	<b>(\$16,247)</b>	<b>(\$796,787)</b>	<b>\$1,156,079</b>

## ***Supplemental Information***

**OUACHITA PARISH SHERIFF  
Monroe, Louisiana  
TAX COLLECTOR AGENCY FUND**

**Schedule of Collections, Distributions,  
and Unsettled Balances  
For the Year Ended June 30, 2004**

**DUE TO TAXING BODIES  
AND OTHERS - BEGINNING  
OF YEAR**

\$ 1,416,165

**COLLECTIONS**

Fines, bond forfeitures and costs	3,118,232
Ad valorem taxes	62,339,308
Prior year taxes	152,299
In lieu of taxes	378,155
State Revenue Sharing	2,598,067
Protest taxes	520,959
Interest on:	
Demand deposits	129,444
Protested taxes held in escrow	14,195
Delinquent taxes	37,776
Costs, advertising, notices, etc.	72,988
Total collections	<u>69,361,423</u>
Subtotal	<u>70,777,588</u>

**DISTRIBUTIONS**

Louisiana Department of Wildlife and Fisheries	484
<i>Louisiana Department of Agriculture and Forestry</i>	11,679
Tensas Basin Levee District	1,445,086
LA Comm. On Law Enforcement	606,246
Louisiana Tax Commission	13,484
LA Help Our Wildlife	240
Keep Louisiana Beautiful	194
LA Dept. of Public Safety	22,673
Injury Trust Fund	25,465
State of LA CMIS	19,988
Ouachita Parish:	
Sheriff's General Fund	7,791,749
Police Jury	24,104,787
School board	28,986,347
Assessor	1,191,800
Clerk of Court	95,010
East Ouachita Recreation District	700,935
G.B. Cooley Hospital	954,229
West Ouachita Sewerage District	94,517

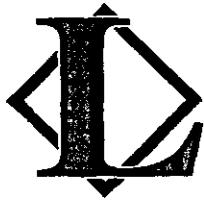
**OUACHITA PARISH SHERIFF  
Monroe, Louisiana  
TAX COLLECTOR AGENCY FUND**

***Schedule of Collections, Distributions,  
and Unsettled Balances  
For the Year Ended June 30, 2004***

Fourth Judicial District:	
District Attorney	478,616
Indigent Defender Board	401,087
District Court	540,724
Judicial Expense Fund	80,574
North Louisiana Crime Lab	126,469
Advertising	20,901
Pension funds	1,883,069
Treasurer MIP Fees	1,125
Interpreter Fees	125
Crime Stoppers	16,107
Municipalities	7,247
Total distributions	<u>69,620,955</u>
<b>DUE TO TAXING BODIES AND OTHERS - END OF YEAR</b>	<u><u>\$ 1,156,633</u></u>

**Independent Auditors' Report Required  
by *Government Auditing Standards***

The following independent Auditors' report on compliance with laws and regulations and internal control 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.



**LITTLE & ASSOCIATES LLC**  
CERTIFIED PUBLIC ACCOUNTANTS

Wm. TODD LITTLE, CPA  
CHARLES R. MARCHBANKS, JR., CPA

**Independent Auditors' Report on Compliance and  
Internal Control Over Financial Reporting Based on  
an Audit of Financial Statements Performed in  
Accordance with *Government Auditing Standards***

Honorable Richard Fewell  
Ouachita Parish Sheriff and  
Ex-Officio Tax Collector  
Monroe, Louisiana

We have audited the basic financial statements of the Tax Collector Agency Fund of the Ouachita Parish Sheriff as of and for the year ended June 30, 2004, and have issued our report thereon dated November 16, 2004. We conducted our audit in accordance with U.S. 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.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Ouachita 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 an opinion 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 that might be material weaknesses. A material weakness is a reportable 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 caused by error or fraud 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.

**Compliance**

As part of obtaining reasonable assurance about whether the Ouachita Parish Sheriff's basic 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,

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Independent Auditors' Report on Compliance  
And Internal Control Over Financial Reporting, etc.  
June 30, 2004

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 solely for the information and use of the Ouachita Parish Sheriff, management of the Sheriff's office, and the Louisiana Legislative Auditor, and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Litt & Associates LLC*

Monroe, Louisiana  
November 16, 2004

**OUACHITA PARISH SHERIFF  
(As Ex-Officio Parish Tax Collector)  
MONROE, LOUISIANA**

**Schedule of Findings and Questioned Costs  
As of and For the Year Ended June 30, 2004**

**A. SUMMARY OF AUDIT RESULTS**

1. The Independent Auditors' Report expresses an unqualified opinion on the basic financial statements of the Tax Collector Agency Fund of the Ouachita Parish Sheriff.
2. No instances of noncompliance material to the financial statements of the Tax Collector Agency Fund of the Ouachita Parish Sheriff were disclosed during the audit.
3. No reportable conditions relating to the audit of the financial statements are reported in the Independent Auditors' 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 STATEMENTS AUDIT**

None.

**OUACHITA PARISH SHERIFF  
(As Ex-Officio Parish Tax Collector)  
MONROE, LOUISIANA**

**Summary Schedule of Prior Audit Findings  
As of and For the Year Ended June 30, 2004**

In connection with our audit of the Tax Collector Agency Fund of the Ouachita Parish Sheriff as of and for the year ended June 30, 2004, in accordance with the *Louisiana Governmental Audit Guide* we have also reviewed the status of prior year findings. The following presents the status of those findings:

**Independent Auditors' Report on Compliance and Internal Control**

**03-01            Need to Disburse Unprotected Taxes**

**Finding:** The Tax Collector did not distribute the unprotected portion of tax assessments, a portion of which were paid under protest.

**Current Status:** The Tax Collector Agency Fund of the Ouachita Parish Sheriff has remitted the unprotected taxes plus accrued interest due to each tax recipient body.