

This report is intended solely for the use of the Jefferson Parish Sheriff, the Sheriff's management, all applicable Federal and State agencies, and the Legislative Auditor of the State of Louisiana, and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which, upon acceptance by the Jefferson Parish Sheriff is a matter of public record.

*Belmont & Company*

Metairie, Louisiana  
October 11, 1996



FINANCIAL STATEMENTS

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The combining balance sheet and statement of changes in deposit balances due to taxing bodies and others are presented for the purpose of additional analysis and are not a required part of the financial statements of Jefferson Parish Tax Collector. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

*Wilson & Company*

Metairie, Louisiana

October 11, 1998

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• Philip W. Rebowé, CPA

## INDEPENDENT AUDITOR'S REPORT

The Honorable Harry Lee  
Jefferson Parish Sheriff and  
Ex-Officio Tax Collector  
Gretna, Louisiana

We have audited the accompanying balance sheets and statements of changes in deposit balances due to taxing bodies and others of the Jefferson Parish Tax Collector, an Agency Fund of the Jefferson Parish Sheriff, Gretna, Louisiana, as of June 30, 1996 and 1995 and for the years then ended. These financial statements are the responsibility of the management of the Jefferson Parish Sheriff. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. These 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 discussed in Note A, the financial statements present only the Tax Collector Agency Fund and are not intended to present fairly the financial position and results of operation of the Jefferson Parish Sheriff and the results of its operations and cash flows of its proprietary funds in conformity with generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Jefferson Parish Tax Collector as of June 30, 1996 and 1995, and the changes in deposit balances due to taxing bodies and others for the years then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated October 11, 1996 on our consideration of the Tax Collector's internal control structure and a report dated October 11, 1996 on its compliance with laws and regulations.

## FINANCIAL SECTION

The Sheriff has edited a general ledger account for refunds pending proof of claim, however, the beginning balance of refunds pending proof of claim was not calculated and setup in the system.

#### RECOMMENDATION

We recommend that the Sheriff should continue its efforts in this area by calculating the beginning balance of refunds pending proof of claim and setting up the balance in the general ledger.

#### RESPONSE

The internal auditor and the computer consultant will continue their efforts in calculating the beginning balance of refunds pending proof of claim and setting up the balance in the general ledger.

### GENERAL LEDGER/FINANCIAL REPORTING

#### 3. COMMENT

As noted in prior years, the Sheriff is unable to generate a year-end listing of Criminal Cash Bonds outstanding. The problem with the computerized listing is the way it is generated. The system is "live", which results in any activity occurring after the last printout to be reflected in the current printout. Thus the Sheriff is unable to generate the printout as of a particular point in time once that date has passed. The Sheriff's computer consultant has programmed the system to printout a listing at the end of each month, however, the listing is not being forwarded to accounting for reconciliation.

#### RECOMMENDATION

The Sheriff should implement procedures whereby the printout is forwarded to accounting at the end of each month and reconciled to the general ledger by the Accounting Department.

#### RESPONSE

We are having our computer consultant look into where the monthly printout is being generated and why it is not being forwarded to the Accounting Department. Once the list is forwarded to accounting, reconciliations will be done monthly.

JEFFERSON PARISH TAX COLLECTOR AGENCY FUND  
 GRETNA, LOUISIANA

BALANCE SHEETS  
 June 30, 1996 and 1995

	TOTALS	
	JUNE 30, 1996	JUNE 30, 1995
<b>ASSETS</b>		
Cash	\$ 37,281	\$ 25,445
State of Derivus Pool	18,444,148	29,558,815
Investments	598,522	575,489
Accrued interest receivable	438	0
Due from other funds	0	31,800
<b>TOTAL ASSETS</b>	<b>\$ 20,080,389</b>	<b>\$ 30,191,549</b>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>LIABILITIES</b>		
Bank overdraft	\$ 111,645	\$ 111,645
Due to taxing bodies and others	18,971,364	19,874,394
<b>TOTAL LIABILITIES</b>	<b>19,083,009</b>	<b>20,086,039</b>
<b>FUND BALANCE</b>	<b>0</b>	<b>0</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 19,083,009</b>	<b>\$ 20,086,039</b>

The accompanying notes are an integral part of this statement.



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**JEFFERSON PARISH TAX COLLECTOR AGENCY FUND  
METINA, LOUISIANA**

**STATEMENTS OF CHANGES IN DEPOSIT BALANCES  
DUE TO TAKING ROBES AND OTHERS  
For the Years Ended June 30, 1996 and 1995**

	1996	
	JUNE 30, 1996	JUNE 30, 1995
<b>DUE TO TAKING ROBES AND OTHERS, BEGINNING OF YEAR:</b>	\$ 2,075,200	\$ 2,075,200
<b>COLLECTIONS:</b>		
All vehicle taxes - current	28,886,260	29,684,000
All vehicle taxes - prior years	1,024,190	1,428,000
All vehicle taxes - past-due	70,730	100,000
All vehicle taxes - state shares	1,358,400	1,377,000
State income sharing	20,000,000	20,000,000
Sales taxes	2,873,400	2,873,400
Licenses - commercial, etc.	200,000	212,000
Licenses - gaming, hunting, etc.	4,683,900	5,178,000
Fees, forfeitures and contributions	100,000	1,000,000
Grants received for	47,500	1,000
Interest, state, fed, etc.	1,079,700	1,000,000
Interest on other	1,000,000	1,000,000
Refunds	11,000	0
Receipts from other funds	0	0
<b>Total Collections</b>	<b>40,973,400</b>	<b>40,773,400</b>
<b>DISBURSEMENTS:</b>		
<b>STATE:</b>		
To Dept. of Wildlife and Fisheries	700,000	700,000
To Dept. of Motor Safety	65,000	65,000
To Dept. of Motor Vehicle Safety	74,500	74,500
To Dept. of the Treasury (S.S.B.)	1,000,000	1,000,000
<b>OFFSHORE FUNDS:</b>		
America	1,000,000	1,000,000
State of New York	200,000	200,000
Greece	1,000,000	1,000,000
Canada	1,000,000	17,000,000
British Columbia	100,000	100,000
Hawaii	0	0
Hawaii (Statewide)	100	100
Hawaii (Statewide)	100	100
Hawaii (Statewide)	1,000,000	1,000,000
Hawaii (Statewide)	1,000,000	1,000,000
<b>LOCAL GOVERNMENTAL:</b>		
City of Metairie	4,000,000	4,000,000
City of Metairie	100,000	100,000
City of Metairie	17,000,000	17,000,000
City of Metairie	1,000,000	1,000,000
City of New Orleans	200,000	200,000
Town of Lake Charles	14,000	100,000
Town of Grand Isle	400,000	400,000
<b>OTHER:</b>		
New Orleans American Bank	400,000	400,000
Metairie Commercial Bank	100,000	100,000
New Orleans American Bank	1,000,000	1,000,000
Charitable Independent Loan Board	10,000	10,000
State Revenue Fund	1,000,000	1,000,000
Metairie American Bank	2,000,000	2,000,000
Metairie State Bank	400,000	400,000
Metairie State Bank	100,000	100,000
Metairie State Bank	1,000	1,000
Metairie State Bank	0	0
Metairie State Bank	0	0
<b>Total Disbursements</b>	<b>39,973,400</b>	<b>39,973,400</b>
<b>DUE TO TAKING ROBES AND OTHERS, END OF PERIOD:</b>	<b>\$ 2,075,200</b>	<b>\$ 2,075,200</b>

The accompanying notes are an integral part of this statement.

**HARRY LEE** SHERIFF

3156  
GREYNA, LOUISIANA

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**JEFFERSON PARISH TAX COLLECTOR**

An Agency Fund of the  
Jefferson Parish Sheriff  
Gretna, Louisiana

**ANNUAL FINANCIAL REPORT**

under provisions of state law, this report is a public document. For the Year Ended June 30, 1996

copy of this report has been submitted to the auditor, or reviewed, publicly 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 JAN 08 1997

## COMPLIANCE SECTION



**JEFFERSON PARISH TAX COLLECTOR**

*An Agency Fund of the  
Jefferson Parish Sheriff  
Gretna, Louisiana*

**MEMORANDUM OF ADVISORY COMMENTS**

*For the Year Ended June 30, 1996*

**JEFFERSON PARISH TAX COLLECTOR**  
Gretna, Louisiana

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
June 30, 1996 and 1995

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**5. Pooled Assets**

The Tax Collector follows the practice of pooling the cash and investments of all funds controlled by the Bureau of Revenue and Taxation Department. Total cash and investments of the pool are reported in the various funds as "Share of Bureau Pool". Funds with a negative share report the advance as an interfund payable and the Property Tax Fund, which has been determined to be the available fund by management, reports an off-setting interfund receivable. Accumulated interest and fiscal charges which have not yet been allocated to the various funds are netted against the pool's cash and investment to arrive at "net pooled assets".

**NOTE B - DEPOSITS AND INVESTMENTS**

For the fiscal year ended June 30, 1996, the carrying amount of the Tax Collector's deposits was \$27,454,794 (including \$27,329,058 in the Bureau Pool) and the bank balance was \$27,697,074. For June 30, 1995, the carrying amount of the deposits was \$29,541,712 (including \$29,627,902 in the Bureau Pool) and the bank balance was \$29,658,429. Data concerning the Tax Collector's deposits covered by Federal Depository Insurance or collateral and the amount uninsured and uncollateralized for each fiscal year is not available because such determinations are made on the total deposits of the Jefferson Parish Sheriff (the oversight unit) and not on an individual fund basis. Information on the total deposits of the Jefferson Parish Sheriff is available in the Sheriff's general purpose financial statements for each fiscal year.

The Tax Collector's investments at year end are categorized below to give an indication of the level of risk assumed at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the Sheriff or its agent in the Sheriff's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the countyparty's trust department or agent in the Sheriff's name. Category 3 includes uninsured or unregistered investments for which the securities are held by the countyparty, or by its trust department or agent, but not in the Sheriff's name.

The Tax Collector's investments at June 30, 1996 consisted of \$3,597,634 (including \$3,000,312 in the Bureau Pool) in U.S. Instrumentalities. The market value of these investments at June 30, 1996 was \$3,597,523. These investments are held by the Tax Collector's agent in the Tax Collector's name, therefore, they are classified as category 1 for GASB statement No. 3.

ITEM	BUYING		PROPERTY		SALES		TOTALS	
	AMOUNT	DATE	TAX	TAX	TAX	TAX	BUYING TAX	SALES TAX
1	0	0	0	0	0	0	0	0
	477.75	07/14/82	279.45	000000	20,224.50	0	279.45	21,503.95
	0		0	0	0	0	0	0
	0		0	0	0	0	0	0
	0		0	0	0	0	0	0
4	477.75	07/14/82	279.45	000000	20,224.50	0	279.45	21,503.95
1	0	0	0	0	0	0	0	0
	477.82	07/14/82	279.49	000000	20,224.50	0	279.49	21,503.99
	0		0	0	0	0	0	0
	0		0	0	0	0	0	0
3	477.82	07/14/82	279.49	000000	20,224.50	0	279.49	21,503.99

**JEFFERSON PARISH TAX COLLECTOR**  
Gretna, Louisiana

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
June 30, 1996 and 1995

**NOTE B - DEPOSITS AND INVESTMENTS (CONTINUED)**

purpose. At June 30, 1995, the invested balances in U.S. Instrumentalities was \$575,469. These investments were categorized as category 3 investments due to them being held by the Tax Collector's counterparty.

**NOTE C - POOLED ASSETS**

A reconciliation of pooled assets held in the Barrow Pool at June 30, 1996 and 1995 is presented below:

Barrow Pool	June 30, 1996	June 30, 1995
<b>Pooled Assets</b>		
Cash	\$ 27,529,024	\$ 28,627,911
Investments	3,000,711	0
Accrued Interest/Dividends	600	0
Tax-Deferred Interest and Bond Stages	60,545	17,885
<b>Net Pooled Assets</b>	<u>\$ 30,190,880</u>	<u>\$ 28,745,696</u>
Agency Fund	June 30, 1996	June 30, 1995
<b>Tax Collector</b>		
Miscellaneous Fees	\$ 26,811	\$ 68,729
Collected Cash Receipts	80,114	428,714
Fees	477,871	489,288
Handling and Printing	178,440	220,438
Property Tax	1,033,071	1,260,683
Notes Pay	21,874,791	21,462,134
<b>Total Equity in Pool</b>	<u>\$ 22,495,118</u>	<u>\$ 23,929,986</u>



**JEFFERSON PARISH TAX COLLECTOR**  
Gretna, Louisiana

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
June 30, 1998 and 1999

**NOTE D - TAXES PAID UNDER PROTEST**

The unsettled balances due to taxing bodies and others at June 30, 1998 and 1999 include \$884,368 and \$1,754,548, respectively, of taxes paid under protest. For June 30, 1998, this amount represents protested sales taxes of \$253,257 and protested ad valorem taxes of \$551,183. For June 30, 1999, the amount includes \$1,224,155 of protested sales taxes and \$530,394 of protested ad valorem taxes. If these taxes are refunded to the taxpayer, Louisiana Revised Statutes (LSA-RS 47:2110) requires the Tax Collector to pay interest at 3 percent per annum on the amounts held. These funds are held in the Tax Collector Agency Fund pending resolution of the protests.

**NOTE E - STATE REVENUE SHARING**

State revenue sharing funds provided by Article 7, § 26 of the State Constitution totaling \$9,498,795 and \$9,542,427 were received for each of the fiscal years and distributed by the Tax Collector Agency Fund as follows:

Disbursed to	June 30, 1998	June 30, 1999
<b>State:</b>		
Treasury (EPLD)	\$ 884,368	\$ 884,368
<b>Jefferson Parish:</b>		
Audubon District No. 1	5,887	5,887
Cloutier	88,490	128,497
Conard	1,478,584	1,681,897
Public Schools/Parish	1,893,581	1,921,544
Starr	1,238,608	1,254,732
West District No. 1	483,820	484,823
<b>Other:</b>		
West Jefferson Livestock District	225,482	227,487
Various state pension plans	268,122	267,324
<b>Total</b>	<b>\$ 4,888,952</b>	<b>\$ 5,287,427</b>

**JEFFERSON PARISH TAX COLLECTOR**  
Gretna, Louisiana

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
June 30, 1996 and 1995

**NOTE F - MOTOR VEHICLE TAXES**

Beginning in April 1995, the State began distributing the motor vehicle taxes collected within the Parish directly to the Sheriff. The Sheriff then distributes the money to the appropriate taxing district through the normal monthly sales tax distribution. For the years ended June 30, 1996 and 1995, the amounts received directly from the State amounted to \$43,180,212 and \$9,816,749, respectively.

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**JEFFERSON PARISH TAX COLLECTOR AGENCY FUND  
METNA, LOUISIANA**

**COMBINING BALANCE SHEET**

June 30, 1990 and 1989

	MISCELLANEOUS FUND		CORPORAL LAW FUND		JEFF PARISH COURT FUND	
<b>ASSETS</b>						
Cash	\$	0	\$	0	\$	27,275
Share of Revenue Fund		20,800		88,365		0
Investments		0		0		29,800
Accrued interest receivable		0		0		428
Due from other funds		0		0		0
<b>TOTAL ASSETS</b>	<b>\$</b>	<b>20,800</b>	<b>\$</b>	<b>88,365</b>	<b>\$</b>	<b>57,403</b>
<b>LIABILITIES AND FUND BALANCE</b>						
<b>LIABILITIES</b>						
Bank overdraft	\$	0	\$	0	\$	0
Due to various funds and others		20,800		88,365		29,800
<b>TOTAL LIABILITIES</b>		<b>20,800</b>		<b>88,365</b>		<b>29,800</b>
<b>FUND BALANCE</b>		<b>0</b>		<b>0</b>		<b>0</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$</b>	<b>20,800</b>	<b>\$</b>	<b>88,365</b>	<b>\$</b>	<b>29,800</b>

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• Págy R. Salinas, CPA

## **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE BASED ON AN AUDIT OF THE COMPONENT UNIT FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Honorable Harry Lee,  
Jefferson Parish Sheriff and  
Ex-Officio Tax Collector  
Gretna, Louisiana

*We have audited the balance sheets and statements of changes in deposit balances due to taxing bodies and others of the Jefferson Parish Tax Collector, an Agency Fund of the Jefferson Parish Sheriff, Gretna, Louisiana, as of and for the years ended June 30, 1995 and 1993, and have issued our report thereon dated October 11, 1994.*

*We conducted our audits 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 financial statements are free of material misstatement.*

*Compliance with laws, regulations, contracts, and grants applicable to the Jefferson Parish Tax Collector is the responsibility of the Jefferson Parish Tax Collector's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Jefferson Parish Tax Collector's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the 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.*

**JEFFERSON PARISH TAX COLLECTOR AGENCY FUND  
GREYNA, LOUISIANA**

**COMBINING STATEMENT OF CHANGES IN DEPOSIT BALANCES  
DUE TO TAXING BODIES AND OTHERS**

For the Years Ended June 30, 1996 and 1995

	MISCELLANEOUS FEES	TERRITORIAL LAND RENTS	JEFF PARISH COURT FEES
<b>END TO TAXING BODIES AND OTHERS, BEGINNING OF PER. Y.</b>	<u>28,774</u>	<u>28,774</u>	<u>28,774</u>
<b>COLLECTIONS:</b>			
All revenue from - current	0	0	0
All revenue from - prior years	0	0	0
All revenue from - restricted	0	0	0
All revenue from - non-restricted	0	0	0
Miscellaneous charging	0	0	0
Sales and	0	0	0
Licenses - occupational, etc.	0	0	0
Licenses - utility, parking, etc.	0	0	0
Fees, penalties and interest/cont.	0	0	0
Bonds and other fees	0	15,662	0
Refunds, taxes, fees, etc.	28,884	0	0
Interest and other	4,124	1,000	2,724
Refunds	0	0	0
Payments from other funds	14,900	0	0
<b>TOTAL COLLECTIONS</b>	<u>48,808</u>	<u>15,662</u>	<u>2,724</u>
<b>BY DISBURSALS:</b>			
<b>STATE:</b>			
To Dept. of Wildlife and Fisheries	0	0	0
To Dept. of Public Safety	0	0	0
To Dept. of the Governor's Office	0	0	0
To Dept. of State Treasury Authority	0	0	0
<b>JEFFERSON PARISH:</b>			
Admin.	0	0	0
Cost of sales	0	281	0
Covers	0	0	0
Eminent	0	2,853	0
General Authority	0	1,204	0
General Revenue Div. 1	0	0	0
General Revenue Div. 2	0	0	0
Public School System	0	0	0
Health	28,887	1,204	0
<b>LOCAL GOVERNMENT BODIES:</b>			
City of Gretna	0	0	0
City of Iberia	0	0	0
City of Eunice	0	0	0
City of Thibodaux	0	0	0
City of New Orleans	0	0	0
Town of Lake Arthur	0	0	0
Town of Thibodaux	0	0	0
<b>OTHER:</b>			
State Police Academy Fund	0	0	0
L.L.B. (National Citizens Bank)	0	281	0
New Orleans La. Wildlife	0	0	0
Grand Isle Interpretive Land Grants	0	0	0
State Police Fund	0	0	0
Refunds to agencies	0	24,180	0
Refunds to other agencies	0	0	0
Refunds, taxes, fees, etc.	0	0	0
Bank charges	0	0	180
Miscellaneous	0	0	0
Miscellaneous to other funds	0	0	0
<b>TOTAL OTHER DISBURSALS</b>	<u>28,887</u>	<u>24,461</u>	<u>180</u>
<b>END TO TAXING BODIES AND OTHERS, END OF PERIOD</b>	<u>28,774</u>	<u>28,774</u>	<u>28,774</u>

In planning and performing our audits of the financial statements of the Jefferson Parish Tax Collector for the years ended June 30, 1994 and 1995, 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 financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a 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 and irregularities 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 structure and its operation that we consider to be material weaknesses as defined above.

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. However, we do not believe that the reportable condition noted on the attached schedule is a material weakness.

We noted other matters involving the internal control structure and its operation that we have reported to the management of the Jefferson Parish Tax Collector in a separate letter, entitled *Administrative of Advisory Comments*, dated October 11, 1996.

This report is intended for the information of the Jefferson Parish Sheriff, the Sheriff's management, all applicable Federal and State agencies, and the Legislative Auditor of the State of Louisiana, and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which, upon acceptance by the Jefferson Parish Sheriff is a matter of public record.

### *Robert G. Company*

Metairie, Louisiana  
October 11, 1996

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• May 8, 1998, CPA

**INDEPENDENT AUDITOR'S REPORT  
ON THE INTERNAL CONTROL STRUCTURE BASED ON  
AN AUDIT OF THE COMPONENT UNIT FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT ACCOUNTING STANDARDS**

The Honorable Harry Lee  
Jefferson Parish Sheriff and  
Ex-Officio Tax Collector  
Gretna, Louisiana

We have audited the balance sheets and statements of changes in deposit balances due to taxing bodies and others of the Jefferson Parish Tax Collector, an Agency Fund of the Jefferson Parish Sheriff, Gretna, Louisiana, as of and for the years ended June 30, 1996 and 1995, and have issued our report thereon dated October 11, 1996.

We conducted our audits 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 financial statements are free of material misstatement.

The management of the Jefferson Parish Tax Collector 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 the 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.



**JEFFERSON PARISH TAX COLLECTOR**  
Gretna, Louisiana

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
June 30, 1996 and 1995

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**3. Basis of Accounting:**

The accounts of the Tax Collector are established to reflect the collections imposed by law, distributions pursuant to such law, and unsettled balances due to various taxing bodies and officers. The accompanying financial statements have been prepared on the cash basis of accounting, with collections recognized when received and distributions reflected when paid.

**4. Cash and Investments:**

Cash shown on the face of the Combined Balance Sheet includes amounts in demand deposits.

Investments are stated at cost or amortized cost.

Louisiana Revised Statutes (LSA-RS 73:2955) authorize the Tax Collector to invest in (1) direct obligations of the United States Treasury, the principal and interest of which are fully guaranteed by the federal government, (2) bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by federal agencies or U.S. government instrumentalities, (3) direct security repurchase agreements of any federal bank carry only securities, (4) time certificates of deposits of state banks organized under the laws of Louisiana and national banks having their principal offices in the state of Louisiana, savings accounts or shares of savings and loan associations, (5) in mutual or trust fund institutions, which are registered with the Securities and Exchange Commission under the Securities Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the U.S. government or its agencies, or (6) guaranteed investment contracts issued by a bank, financial institution, insurance company, or other entity having one of the two highest short-term rating categories of either Standard & Poor's Corporation or Moody's Investors Service, provided that no such investment may be made except in connection with a financing program approved by the State Board of Commission.

**JEFFERSON PARISH TAX COLLECTOR**  
Covington, Louisiana

**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 1996 and 1995

**NOTE A- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Jefferson Parish Tax Collector have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

**1. Reporting Entity**

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the Jefferson Parish Sheriff is the Ex-Officio Tax Collector of the Parish and is responsible for the collection and distribution of ad valorem (property) taxes, sales and use taxes, parish occupational licenses, state revenue sharing funds, sportsmen licenses, fines, costs, and bond forfeitures imposed by the District Courts.

Louisiana Revised Statute 24:513 (B) requires the accounts of each tax collector to be audited annually. Accordingly, the accompanying statements reflect financial activity of the Sheriff related only to his responsibility as Ex-Officio Tax Collector. The amounts included in this report are reported as an Agency Fund within the Sheriff's annual general purpose financial statements.

**2. Fund Accounting**

The Tax Collector uses funds to report on its financial position. 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.

The Tax Collector's fund has been classified as fiduciary. Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. Agency funds generally are used to account for assets that the government holds on behalf of others as their agent.

**SUPPLEMENTAL INFORMATION**