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**DESOTO PARISH SHERIFF**  
**(As Ex-Officio Parish Tax Collector)**  
**Mansfield, Louisiana**

**Financial Statements With**  
**Independent Auditor's Report**  
**As of and for the Year Ended**  
**June 30, 1996**

DESOTO PARISH SHERIFF  
(As Ex-Officio Parish Tax Collector)  
Mansfield, Louisiana

Financial Statements With  
Independent Auditor's Report  
As of and for the Year Ended June 30, 1996

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## Independent Auditor's Report

HONORABLE HUGH B. BENNETT, JR.  
DESOTO PARISH SHERIFF AND  
EX-OFFICIO PARISH TAX COLLECTOR  
Mansfield, Louisiana

I have audited the financial statements of the Tax Collector Agency Fund of the DeSoto Parish Sheriff as of June 30, 1996, and for the year then ended, as listed in the table of contents. These financial statements are the responsibility of the DeSoto Parish Sheriff's management. My responsibility is to express an opinion on these 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 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. I believe that my audit provides a reasonable basis for my opinion.

As described in note 1, the DeSoto Parish Sheriff is the ex-officio tax collector for the various taxing bodies within DeSoto 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.

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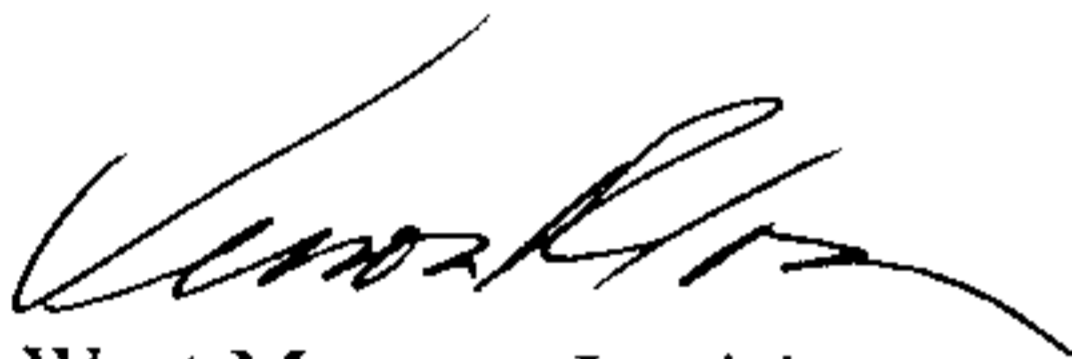
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HONORABLE HUGH B. BENNETT, JR.  
DESOTO PARISH SHERIFF AND  
EX-OFFICIO PARISH TAX COLLECTOR  
Mansfield, Louisiana  
Independent Auditor's Report,  
June 30, 1996

In my opinion, the financial statements referred to in the first paragraph present fairly the assets and liabilities arising from cash transactions of the Tax Collector Agency Fund of the DeSoto Parish Sheriff as of June 30, 1996, and the collections and distributions for the year then ended, on the basis of accounting as described in note 1.

In accordance with *Government Auditing Standards*, I have also issued reports dated August 2, 1996, on the DeSoto Parish Sheriff's compliance with laws and regulations and my consideration of the agency's internal control structure.



West Monroe, Louisiana  
August 2, 1996

**FINANCIAL STATEMENTS**

DESOTO PARISH SHERIFF  
Mansfield, Louisiana  
TAX COLLECTOR AGENCY FUND

Statement of Assets and Liabilities  
Arising from Cash Transactions  
June 30, 1996

**ASSETS**

Cash

\$46,636**LIABILITIES**

Due to taxing bodies and others

\$17,250

Auto dealer deposits

29,386

Total liabilities

\$46,636

The accompanying notes are an integral part of this statement.

DESOTO PARISH SHERIFF  
Mansfield, Louisiana  
TAX COLLECTOR AGENCY FUND

Statement of Collections, Distributions, and  
Unsettled balances Due to Taxing Bodies and Others  
For the Year Ended June 30, 1996

<b>UNSETTLED BALANCES, JUNE 30, 1995</b>	<u>NONE</u>
<b>COLLECTIONS</b>	
Ad valorem taxes:	
Current year	\$9,197,925
Prior year	11,484
State Revenue Sharing	554,924
Sportsman licenses	88,319
Interest on:	
NOW accounts	14,258
Delinquent taxes	10,914
Prior year taxes	1,066
Tax notices, etc.	19,926
Redemptions	9,813
Other collections	19
Total collections	<u>9,908,648</u>
Total	<u>9,908,648</u>
<b>DISTRIBUTIONS</b>	
Louisiana Department of Forestry	25,498
Red River Levee District	3,533
Louisiana Tax Commission	2,244
Louisiana Department of Wildlife and Fisheries	49,915
DeSoto Parish:	
Clerk of Court	577
Assessor	335,794
Police Jury	814,812
School Board	6,267,668
Sheriff	1,332,687
Communications District	87,282
Fire Protection District No. 1	148,080
Fire Protection District No. 2	26,547

(Continued)

DESOTO PARISH SHERIFF  
 Mansfield, Louisiana  
 TAX COLLECTOR AGENCY FUND  
 Statement of Collections, Distributions,  
 and Unsettled Balances Due to  
 Taxing Bodies and Others  
 For the Year Ended June 30, 1996

**DISTRIBUTIONS: (CONTD.)**

## DeSoto Parish: (Contd.)

Fire Protection District No. 5	\$61,673
Fire Protection District No. 8	386,382
Fire Protection District No. 9	80,756
Pension funds	258,674
Refunds	<u>9,276</u>
Total distributions	<u>9,891,398</u>
<b>UNSETTLED BALANCES, JUNE 30, 1996</b>	<u><u>\$17,250</u></u>

(Concluded)

The accompanying notes are an integral part of this statement.



DESOTO PARISH SHERIFF  
Mansfield, Louisiana  
TAX COLLECTOR AGENCY FUND

Notes to the Financial Statements  
For the Year Ended June 30, 1996

**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, state revenue sharing funds, and angling, hunting, and trapping licenses.

**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, and the distributions pursuant to such law, and unsettled balances due various tax recipient bodies and others. The accompanying financial statements have been prepared on the cash basis of accounting, with collections recognized when received and distributions recognized when paid.

**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, 1996, the sheriff has cash (book balances and bank balances) totaling \$46,636 and \$74,714, respectively. All cash is deposited in interest bearing accounts which are fully secured by federal deposit insurance.

HONORABLE HUGH B. BENNETT, JR.  
 DESOTO PARISH SHERIFF AND  
 EX-OFFICIO PARISH TAX COLLECTOR  
 Mansfield, Louisiana  
 Notes to the Financial Statements (Continued)

**2. STATE REVENUE SHARING FUNDS**

The revenue sharing funds provided by Act 1220 of 1995 were distributed as follows:

DeSoto Parish:	
Police Jury	\$58,548
School Board	330,080
Sheriff	112,280
Fire Districts	23,936
Tax Assessor	23,325
Pension funds	<u>6,755</u>
Total	<u>\$554,924</u>

**3. AUTO DEALER TAXES**

Louisiana Revised Statute 47:1961.2 requires that motor vehicle dealers in the parish transfer to the tax collector, monthly, estimated ad valorem taxes due on motor vehicles sold during the month. During December of each year, the dealer's actual tax liability is determined and that amount is settled to the various taxing districts. Any amounts exceeding the auto dealer's tax liability will be distributed among the appropriate taxing bodies. The following schedule provides detail on changes in motor vehicle dealer taxes during the period ended June 30, 1996:

Balance at June 30, 1995	\$33,029
Remittances	57,701
Transfers to tax collector account	<u>(61,344)</u>
Balance at June 30, 1996	<u>\$29,386</u>

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

The following independent auditor's reports on compliance with laws and regulations, and internal control structure 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.



**Independent Auditor's Report on  
Compliance with Laws and Regulations**

HONORABLE HUGH BENNETT, JR.  
DESOTO PARISH SHERIFF AND  
EX-OFFICIO TAX COLLECTOR  
Mansfield, Louisiana

I have audited the financial statements of the Tax Collector Agency Fund of the DeSoto Parish Sheriff as of June 30, 1996, and for the year then ended and have issued my report thereon dated August 2, 1996.

I conducted my audit in accordance with generally accepted auditing standards; *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. Those standards and the audit guide require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws and regulations, applicable to the Tax Collector Agency Fund, is the responsibility of the sheriff's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of the sheriff's compliance with certain provisions of laws and regulations. However, the objective of my audit of the financial statements was not to provide an opinion on overall compliance with such provisions. 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*.

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HONORABLE HUGH BENNETT, JR  
DESOTO PARISH SHERIFF AND  
EX-OFFICIO TAX COLLECTOR  
Mansfield, Louisiana  
Report on Compliance With Laws and Regulations,  
June 30, 1996

This report is intended for the use of management of the DeSoto Parish Sheriff. This is not intended to limit the distribution of this report, which is a matter of public record.

A handwritten signature in black ink, appearing to be 'W. Monroe', written in a cursive style.

West Monroe, Louisiana  
August 2, 1996



**Independent Auditor's Report  
on Internal Control Structure**

HONORABLE HUGH BENNETT, JR.  
DESOTO PARISH SHERIFF AND  
EX-OFFICIO TAX COLLECTOR  
Mansfield, Louisiana

I have audited the financial statements of the Tax Collector Agency Fund of the DeSoto Parish Sheriff as of June 30, 1996, and for the year then ended and have issued my report thereon dated August 2, 1996.

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 financial statements are free of material misstatement.

The management of DeSoto Parish Sheriff 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 financial statements in accordance with generally accepted accounting principles or other comprehensive basis of accounting. 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.

In planning and performing my audit of the financial statements of the DeSoto Parish Sheriff's Tax Collector Agency Fund for the year ended June 30, 1996, I obtained an understanding of the internal control structure. With respect to the internal control structure, I obtained an understanding of the design of relevant policies and procedures

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HONORABLE HUGH BENNETT, JR.  
DESOTO PARISH SHERIFF AND  
EX-OFFICIO PARISH TAX COLLECTOR  
Mansfield, Louisiana  
Report on Internal Control Structure,  
June 30, 1996

and whether they have been placed in operation, and I assessed control risk, in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

My 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 reportable condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or 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. I noted no matters involving the internal control structure and its operation that I considered to be material weaknesses as defined above.

This report is intended for the use of management of the DeSoto Parish Sheriff. This is not intended to limit the distribution of this report, which is a matter of public record.



West Monroe, Louisiana  
August 2, 1996