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JOE T. TRUNZLER
CATAHOULA PARISH SHERIFF AND
EX-OFFICIO PARISH TAX COLLECTOR
Harrisonburg, Louisiana

Financial Statements and
Independent Auditor's Reports
At June 30, 1996 and for the Years Ended
June 30, 1996 and 1995
With Supplemental Information Schedules

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Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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 AUG 28 1996

Herbie W. Way
Certified Public Accountant

JOE T. TRUNZLER
 CATAHOULA PARISH SHERIFF AND
 EX-OFFICIO PARISH TAX COLLECTOR
 Harrisonburg, Louisiana

Financial Statements and
 Independent Auditor's Reports
 At June 30, 1996 and for the Years Ended
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HERBIE W. WAY
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INDEPENDENT AUDITOR'S REPORT

**CATAHOULA PARISH SHERIFF AND
EX-OFFICIO PARISH TAX COLLECTOR**
Harrisonburg, Louisiana

I have audited the financial statements of the Catahoula Parish Sheriff and Ex-Officio Parish Tax Collector as of June 30, 1996, and for the years ended June 30, 1996 and 1995, as listed in the table of contents. These financial statements are the responsibility of 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 the *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.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Catahoula Parish Sheriff and Ex-Officio Parish Tax Collector at June 30, 1996, and the results of operations for the years ended June 30, 1996 and 1995, in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, I have also issued a report dated July 15, 1996, on my consideration of the Catahoula Parish Sheriff and Ex-Officio Parish Tax Collector's internal control structure and a report dated July 15, 1996, on its compliance with laws and regulations.

CATAHOULA PARISH SHERIFF AND
EX-OFFICIO PARISH TAX COLLECTOR
Auditor's Report
(Continued)

My audit was made for the purpose of forming an opinion on the financial statements. The accompanying supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the financial statements. Such information has been subjected to the procedures applied in the audit of the financial statements and, in my opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

On July 1, 1996, the Honorable Ronnie Book succeeded Joe T. Trunzler as Sheriff and Ex-Officio Parish Tax Collector of Catahoula Parish.

Herbie W. Way
Herbie W. Way
Alexandria, Louisiana
July 15, 1996

CATAHOULA PARISH SHERIFF
Harrisonburg, Louisiana
ALL FUND TYPES AND ACCOUNT GROUPS

Combined Balance Sheet, June 30, 1996

| | GOVERNMENTAL FUND TYPE - GENERAL FUND | FIDUCIARY FUND TYPE - AGENCY FUNDS | ACCOUNT GROUPS | | TOTAL (MEMORANDUM ONLY) |
|--|--|---|----------------------------|------------------------------|-------------------------------|
| | | | GENERAL FIXED ASSETS | GENERAL LONG-TERM DEBT | |
| <u>ASSETS AND OTHER DEBITS</u> | | | | | |
| ASSETS: | | | | | |
| Cash and cash equivalents | \$1,860 | \$191,539 | | | \$193,399 |
| Receivables | 47,740 | | | | 47,740 |
| Office furnishings and equipment | | | \$254,387 | | 254,387 |
| Other debits - amount to be provided for retirement of general long-term debt | | | | \$10,353 | 10,353 |
| TOTAL ASSETS | \$49,600 | \$191,539 | \$254,387 | \$10,353 | \$505,879 |
| <u>LIABILITIES AND FUND EQUITY</u> | | | | | |
| Liabilities: | | | | | |
| Accounts payable | \$23,206 | | | | \$23,206 |
| Due to taxing bodies and others | | \$191,539 | | | 191,539 |
| Capital lease payable | | | | \$10,353 | 10,353 |
| Total Liabilities | 23,206 | 191,539 | NONE | 10,353 | 225,098 |
| Fund Equity: | | | | | |
| Investment in general fixed assets | | | \$254,387 | | 254,387 |
| Fund balance - unreserved/undesignated | 26,394 | | | | 26,394 |
| Total Fund Equity | 26,394 | NONE | 254,387 | NONE | 280,781 |
| TOTAL LIABILITIES AND FUND EQUITY | \$49,600 | \$191,539 | \$254,387 | \$10,353 | \$505,879 |

The accompanying notes are an integral part of this statement.

CATAHOULA PARISH SHERIFF
Harrisonburg, Louisiana
GOVERNMENTAL FUND TYPE - GENERAL FUND

Statement of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP) Basis and Actual
For the Year Ended June 30, 1996

| | <u>BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE FAVORABLE (UNFAVORABLE)</u> |
|--|----------------|-----------------|---|
| <u>REVENUES</u> | | | |
| Ad valorem taxes | \$425,500 | \$428,405 | \$2,905 |
| Intergovernmental revenues: | | | |
| Federal grants | 12,000 | 8,259 | (3,741) |
| State grants: | | | |
| State revenue sharing | 31,929 | 31,236 | (693) |
| State supplemental pay | 29,504 | 30,259 | 755 |
| Other | 8,367 | 2,700 | (5,667) |
| Fees, charges, and commissions for services: | | | |
| Commissions on state revenue sharing | 44,106 | 44,180 | 74 |
| Commissions on licenses and taxes | 25,000 | 31,160 | 6,160 |
| Civil and criminal fees | 73,575 | 83,049 | 9,474 |
| Court attendance | 4,000 | 3,450 | (550) |
| Transportation of prisoners | 2,000 | 1,371 | (629) |
| Feeding and keeping of prisoners | 108,542 | 127,517 | 18,975 |
| Miscellaneous | 10,000 | 13,470 | 13,470 |
| Use of money and property | 10,000 | 4,164 | (5,836) |
| Total revenues | <u>774,523</u> | <u>809,220</u> | <u>34,697</u> |
| <u>EXPENDITURES</u> | | | |
| Public safety: | | | |
| Current: | | | |
| Personal services | 617,000 | 597,412 | 19,588 |
| Operating services | 65,400 | 71,575 | (6,175) |
| Materials and supplies | 76,500 | 110,841 | (34,341) |
| Travel and other charges | 7,300 | 6,334 | 966 |
| Intergovernmental | 4,600 | 4,752 | (152) |
| Debt service | 3,000 | 5,094 | (2,094) |
| Capital outlay | 10,000 | 1,500 | 8,500 |
| Total expenditures | <u>783,800</u> | <u>797,508</u> | <u>(13,708)</u> |
| <u>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</u> | (9,277) | 11,711 | 20,989 |
| <u>FUND BALANCE AT BEGINNING OF YEAR</u> | <u>15,000</u> | <u>14,683</u> | <u>(318)</u> |
| <u>FUND BALANCE AT END OF YEAR</u> | <u>\$5,723</u> | <u>\$26,394</u> | <u>\$20,671</u> |

The accompanying notes are an integral part of this statement.

CATAHOULA PARISH SHERIFF
Harrisonburg, Louisiana
GOVERNMENTAL FUND TYPE - GENERAL FUND

Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP) Basis and Actual
For the Year Ended June 30, 1995

| | <u>BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE FAVORABLE (UNFAVORABLE)</u> |
|---|-----------------|-----------------|---|
| <u>REVENUES</u> | | | |
| Ad valorem taxes | \$420,000 | \$423,686 | \$3,686 |
| Intergovernmental revenues: | | | |
| Federal grants | 12,000 | 7,739 | (4,261) |
| State grants: | | | |
| State revenue sharing | 34,078 | 31,883 | (2,195) |
| State supplemental pay | 35,800 | 34,307 | (1,493) |
| Other | 11,501 | 12,842 | 1,341 |
| Fees, charges, and commissions for services: | | | |
| Commissions on state revenue sharing | 43,785 | 44,111 | 326 |
| Commissions on licenses and taxes | 23,000 | 32,567 | 9,567 |
| Civil and criminal fees | 67,284 | 77,228 | 9,944 |
| Court attendance | 4,199 | 3,880 | (319) |
| Transportation of prisoners | 2,300 | 2,499 | 199 |
| Feeding and keeping of prisoners | 120,155 | 127,287 | 7,132 |
| Miscellaneous | | 16,203 | 16,203 |
| Use of money and property | 10,000 | 4,598 | (5,402) |
| Total revenues | <u>784,102</u> | <u>818,830</u> | <u>34,728</u> |
| <u>EXPENDITURES</u> | | | |
| Public safety: | | | |
| Current: | | | |
| Personal services | 617,000 | 619,533 | (2,533) |
| Operating services | 62,900 | 63,570 | (670) |
| Materials and supplies | 91,500 | 106,185 | (14,685) |
| Travel and other charges | 9,200 | 12,221 | (3,021) |
| Intergovernmental | 4,600 | 31,391 | (26,791) |
| Debt service | 3,500 | 3,538 | (38) |
| Capital outlay | 3,000 | 14,368 | (11,368) |
| Total expenditures | <u>791,700</u> | <u>850,806</u> | <u>(59,106)</u> |
| <u>DEFICIENCY OF REVENUES OVER EXPENDITURES</u> | (7,598) | (31,976) | (24,378) |
| <u>FUND BALANCE AT BEGINNING OF YEAR</u> | 46,291 | 46,659 | 368 |
| <u>FUND BALANCE AT END OF YEAR</u> | <u>\$38,693</u> | <u>\$14,683</u> | <u>(\$24,010)</u> |

The accompanying notes are an integral part of this statement.

**CATAHOULA PARISH SHERIFF AND
EX-OFFICIO PARISH TAX COLLECTOR
Harrisonburg, Louisiana**

Notes to the Financial Statements
At June 30, 1996 and for the Years Ended
June 30, 1996 and 1995

INTRODUCTION

As provided by Article V, Section 27, of the Louisiana Constitution of 1974, the sheriff serves a four-year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The sheriff administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, and serving subpoenas.

As the chief law enforcement officer of the parish, the sheriff has the responsibility for enforcing state and local laws and ordinances within the territorial boundaries of the parish. The sheriff provides protection to the residents of the parish through on-site patrols and investigations and serves the residents of the parish through the establishment of neighborhood watch programs, anti-drug programs, et cetera. In addition, when requested, the sheriff provides assistance to other law enforcement agencies within the parish.

As ex-officio parish tax collector of the parish, the sheriff is responsible for collecting and distributing ad valorem property taxes, parish occupational licenses, state revenue sharing funds, and sporting licenses.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Catahoula Parish Police Jury is the financial reporting entity for Catahoula Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Catahoula Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the police jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.

CATAHOULA PARISH SHERIFF
Harrisonburg, Louisiana
Notes to the Financial Statements
June 30, 1996 (Continued)

2. Organization for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organization for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on criteria 2 and 3 above, it has determined that the Catahoula Parish Sheriff is a component unit of the Catahoula Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds and account groups maintained by the sheriff and do not present information on the police jury, the general governmental services provided by that government, or other governmental funds that comprise the financial reporting entity.

B. FUND ACCOUNTING

The sheriff uses funds and account groups to report on financial position and the results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain governmental functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds of the sheriff are classified in two categories: governmental fund type (General Fund) and fiduciary fund type (agency) funds. These funds are described as follows:

General Fund -- as provided by Louisiana Revised Statute 33:1422, is the principal fund of the sheriff's office and accounts for the operations of the sheriff's office. The sheriff's primary source of revenue is an ad valorem tax levied by the law enforcement district. Other sources of revenue include commissions on state revenue sharing, state supplemental pay for deputies, civil and criminal fees, et cetera. General operating expenditures are paid from this fund.

Agency Funds -- are used as depositories for civil suits, cash bonds, taxes, fees, et cetera. Disbursements from these funds are made to various parish agencies, litigants in suits, et cetera, in the manner prescribed by law. The agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

C. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The General Fund is accounted for using a flow of financial resources measurement focus. The accompanying financial statements have been prepared on the modified accrual basis of accounting. The General Fund uses the following practices in recording revenues and expenditures:

REVENUES -- ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year. Intergovernmental revenues and fees, charges, and commissions for services are recorded when the sheriff is entitled to the funds. Interest income on time deposits is recorded when the time deposits have matured and the income is available. Substantially all other revenues are recognized when received by the sheriff.

Based on the above criteria, ad valorem tax, the related state revenue sharing, intergovernmental revenues, and fees, charges, and commissions for services are treated as susceptible to accrual.

EXPENDITURES -- expenditures, excluding general long-term debt, are recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest payment on general long-term debt are recognized when due.

OTHER FINANCING SOURCES (Uses) -- proceeds from the sale of general fixed assets, insurance reimbursements on damaged property, etc., are accounted for as other financing sources and are recognized when received. Fixed assets acquired through capital leases, installment purchase contracts, etc., are recorded as expenditures and other financing sources at the time of acquisition.

CATAHOULA PARISH SHERIFF
Harrisonburg, Louisiana
Notes to the Financial Statements
June 30, 1996 (Continued)

D. BUDGET PRACTICES

The proposed budget for the year ended June 30, 1996, was made available for public inspection on July 7, 1995; the proposed budget for the year ended June 30, 1995, was made available for public inspection on May 18, 1994. The proposed budgets, prepared on the modified accrual basis of accounting, were published in the official journal approximately 12 and 7 days, respectively, prior to the public hearing for comments from taxpayers, which was held at the Catahoula Parish Sheriff's office on July 19, 1995, for the 1995/96 budget and May 24, 1994, for the 1994/95 budget. The budgets are legally adopted, and amended as necessary, by the sheriff. All appropriations lapse at year end. A system of encumbrance accounting is not used. However, quarterly budget comparisons are made as a management control device. Budget amounts included in the accompanying financial statements includes the final budget as amended by the sheriff.

E. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include amounts in petty cash, demand deposits, interest-bearing demand deposits, and time deposits. Under state law, the sheriff may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under the Louisiana law and national banks having their principal offices in Louisiana.

F. FIXED ASSETS

Fixed assets are recorded as expenditures at the time purchased, and the related assets are capitalized (reported) in the general fixed asset account group. General fixed assets provided by the police jury are not recorded within the general fixed asset account group. No depreciation has been provided on general fixed assets. Approximately 82 per cent of the fixed assets are recorded at historical cost, while the remaining 18 per cent of fixed assets are valued at estimated historical cost based on the cost of like items.

G. LONG-TERM DEBT

Long-term debt expected to be financed from the General Fund is reported in the general long-term debt account group. Expenditures for principal and interest payments for long-term debt are recognized in the General Fund when due.

H. COMPENSATED ABSENCES

Full-time deputies of the sheriff's office earn two weeks of vacation leave each year. Vacation leave must be taken in the year earned. Full-time deputies are allowed sick leave at the discretion of the sheriff. At June 30, 1996, there are no accumulated and vested benefits relating to vacation and sick leave that require disclosure or accrual to conform with generally accepted accounting principles.

CATAHOULA PARISH SHERIFF
Harrisonburg, Louisiana
Notes to the Financial Statements
June 30, 1996 (Continued)

I. TOTAL COLUMN ON BALANCE SHEET

The total column on the balance sheet is captioned Memorandum Only to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

2. LEVIED TAXES

The following is a summary of authorized and levied ad valorem taxes for the two years ended June 30, 1996:

| | Authorized <u>Millage</u> | Levied <u>Millage</u> | Expiration <u>Date</u> |
|--------------------------|------------------------------|--------------------------|---------------------------|
| Law Enforcement District | 11.42 | 11.42 | NONE |
| Law Enforcement District | 8.27 | 8.27 | 1996 |

3. CASH AND CASH EQUIVALENTS

At June 30, 1996, the sheriff has cash and cash equivalents (book balances) as follows:

| | |
|----------------------------------|-------------------------|
| Petty cash | \$60 |
| Interest bearing demand deposits | <u>193,339</u> |
| Total | <u><u>\$193,399</u></u> |

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 in the name of the governmental entity in the trust department of the fiscal agent bank. At June 30, 1995, the sheriff has \$213,865 in deposits (collected bank balances). These balances are secured from risk by \$100,000 of federal deposit insurance (Category 1) and \$113,865 of pledged securities held by the fiscal agent bank in its trust department (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 has failed to pay deposited funds upon demand.

CATAHOULA PARISH SHERIFF
Harrisonburg, Louisiana
Notes to the Financial Statements
June 30, 1996 (Continued)

4. RECEIVABLES

The receivables at June 30, 1996, are as follows:

| <u>Class of Receivable</u> | <u>General Fund</u> |
|--|-------------------------|
| Fees, charges, and commissions for services: | |
| Civil and criminal fees | \$8,048 |
| Court attendance | 350 |
| Feeding and keeping of prisoners | 37,922 |
| Miscellaneous | <u>1,420</u> |
| Total | <u><u>\$47,740</u></u> |

5. CHANGES IN GENERAL FIXED ASSETS

The following is a summary of changes in general fixed assets (office furniture and equipment) for the two years ended June 30, 1996:

| | |
|--------------------------|-------------------------|
| Balance at June 30, 1994 | \$239,274 |
| Additions | 19,454 |
| Deductions | <u>(847)</u> |
| Balance at June 30, 1995 | 257,881 |
| Additions | 6,518 |
| Deductions | <u>(10,012)</u> |
| Balance at June 30, 1996 | <u><u>\$254,387</u></u> |

6. PENSION PLAN

Substantially all employees of the Catahoula Parish Sheriff's office are members of the Louisiana Sheriffs Pension and Relief Fund (System), a multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees.

All sheriffs and all deputies who are found to be physically fit, who earn at least \$400 per month, and who were between the ages of 18 and 50 at the time of original employment are required to participate in the System. Employees are eligible to retire at or after age 55 with at least 12 years of credited service and receive a benefit, payable monthly for life, equal to a percentage of their final-average salary for each year of creditable service. The percentage factor to be used for each year of service is 2.5 per cent for each year if total service is at least 12 but less than 15 years, 2.75 per

CATAHOULA PARISH SHERIFF
Harrisonburg, Louisiana
Notes to the Financial Statements
June 30, 1996 (Continued)

cent for each year if total service is at least 15 but less than 20 years, and 3 per cent for each year if total service is at least 20 years. In any case, the retirement benefit cannot exceed 100 per cent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination as indicated previously. Employees who terminate with at least 20 years of credited service are also eligible to elect early retirement benefits between ages 50 and 55 with reduced benefits equal to the actuarial equivalent of the benefit to which they would otherwise be entitled at age 55. The System also provides death and disability benefits. Benefits are established by state statute.

Members are required by state statute to contribute 8.70 percent of their annual covered salary and the employer is required to contribute at an actuarially determined rate. The current rate is 6.0 percent of annual covered payroll. Contributions to the System include one-half of one per cent of the taxes shown to be collectible by the tax rolls of each parish and a direct appropriation from the State of Louisiana. The contribution requirements of plan members and the employers are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation of the prior fiscal year. The employer contributions to the System for the years ending June 30, 1996, 1995, and 1994, were \$23,533, \$21,728, and \$21,170, respectively, equal to the required employer's contributions for each year.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Sheriff's Pension and Relief Fund, Post Office Box 3163, Monroe, LA 71210 or by calling (318) 362-3193.

7. LEASES

The sheriff records assets acquired through capital leases as an asset and a liability in the accompanying financial statements. On February 13, 1993, the sheriff entered in an agreement for the use of a 1993 Jeep Wagoneer. The agreement provides for 47 monthly payments of \$402, from March 13, 1993 through January 13, 1997, and one payment of \$8,182 on February 13, 1997. Additionally, the agreement provides, with a thirty-day advance notification, for cancellation of the agreement by the sheriff subject to payment of costs for disposition, excessive wear, and excessive milage.

CATAHOULA PARISH SHERIFF
Harrisonburg, Louisiana
Notes to the Financial Statements
June 30, 1996 (Continued)

The following is a schedule of the future minimum capital lease payments, together with the present value of the net minimum lease payments:

| | |
|---|------------------------|
| <u>Fiscal year:</u> | |
| 1996-97 | 10,995 |
| Less - amount representing interest | <u>(642)</u> |
| Present value of net minimum lease payments | <u><u>\$10,353</u></u> |

8. CHANGES IN AGENCY FUND BALANCES

The following is a summary of changes in agency fund balances due to taxing bodies and others for the two years ended June 30, 1996:

| | <u>Agency Funds</u> | | |
|--------------------------|------------------------|--------------------------|-------------------------|
| | <u>Sheriff's</u> | <u>Tax Collector</u> | <u>Total</u> |
| Balance at June 30, 1994 | \$64,128 | NONE | \$64,128 |
| Additions | 406,922 | 2,487,378 | 2,894,300 |
| Deductions | <u>(404,107)</u> | <u>(2,432,791)</u> | <u>(2,836,898)</u> |
| Balance at June 30, 1995 | 66,943 | 54,587 | 121,530 |
| Additions | 445,241 | 2,583,091 | 3,028,332 |
| Deductions | <u>(442,348)</u> | <u>(2,515,975)</u> | <u>(2,958,323)</u> |
| Balance at June 30, 1996 | <u><u>\$69,836</u></u> | <u><u>\$121,703</u></u> | <u><u>\$191,539</u></u> |

9. TAXES PAID UNDER PROTEST

Louisiana Revised Statute 47:1576 provides that taxpayers, at the time of payment of all taxes due, 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 is segregated and held by the tax collector for a period of 30 days. If suit is filed within the 30-day period for recovery of such amounts, the funds are held pending outcome of the suit. If the taxpayer prevails, the tax collector refunds the amount due, with interest at the rate of 2 per cent per annum from the date the funds were received by the tax collector. The following is a summary of changes in the taxes paid under protest for the two years ended June 30, 1996:

CATAHOULA PARISH SHERIFF
Harrisonburg, Louisiana
Notes to the Financial Statements
June 30, 1996 (Continued)

| | |
|------------------------|-------------------------|
| Balance, July 1, 1994 | NONE |
| Additions: | |
| Taxes | \$52,755 |
| Interest | <u>1,832</u> |
| Balance, June 30, 1995 | 54,587 |
| Additions: | |
| Taxes | 64,804 |
| Interest | <u>2,314</u> |
| Balance, June 30, 1996 | <u><u>\$121,705</u></u> |

10. CHANGES IN GENERAL LONG-TERM DEBT

The following is a summary of long-term debt transactions (capital leases) during the two years ended June 30, 1996:

| | |
|--------------------------|------------------------|
| Balance at June 30, 1994 | \$16,782 |
| Additions | NONE |
| Deductions | <u>(3,030)</u> |
| Balance at June 30, 1995 | 13,752 |
| Additions | NONE |
| Deductions | <u>(3,399)</u> |
| Balance at June 30, 1996 | <u><u>\$10,353</u></u> |

**11. EXPENDITURES OF THE SHERIFF'S OFFICE
PAID BY THE PARISH POLICE JURY**

The sheriff's office is located in the parish courthouse. Expenditures for operation and maintenance of the parish courthouse, as required by statute, are paid by the Catahoula Parish Police Jury.

CATAHOULA PARISH SHERIFF AND
EX-OFFICIO PARISH TAX COLLECTOR
Harrisonburg, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES

As of June 30, 1996, and for the Years Ended
June 30, 1996 and 1995

FIDUCIARY FUNDS - AGENCY FUNDS

SHERIFF'S FUND -- accounts for funds held in civil suits, sheriff's sales, and garnishments. It also accounts for collection of bonds, fines, and costs and payment of these collections to the recipients in accordance with applicable laws.

TAX COLLECTOR FUND -- Article V, Section 27 of the Louisiana Constitution of 1974 provides that the sheriff will serve as the collector of state and parish taxes and fees. The Tax Collector fund accounts for the collection and distribution of these taxes and fees to the appropriate taxing bodies.

CATAHOULA PARISH SHERIFF
Harrisonburg, Louisiana
FIDUCIARY FUND TYPE - AGENCY FUNDS

Combining Balance Sheet, June 30, 1996

| | <u>SHERIFF'S FUND</u> | <u>TAX COLLECTOR FUND</u> | <u>TOTALS</u> |
|---------------------------------|---------------------------|-----------------------------------|------------------|
| <u>ASSETS</u> | | | |
| Cash and cash equivalents | <u>\$69,836</u> | <u>\$121,703</u> | <u>\$191,539</u> |
| <u>LIABILITIES</u> | | | |
| Due to taxing bodies and others | <u>\$69,836</u> | <u>\$121,703</u> | <u>\$191,539</u> |

CATAHOULA PARISH SHERIFF
Harrisonburg, Louisiana
FIDUCIARY FUND TYPE - AGENCY FUNDS

Combining Schedule of Changes in Unsettled Balances
For the Year Ended June 30, 1996

| | SHERIFF'S FUNDS | TAX COLLECTOR FUND | TOTALS |
|--|--------------------|--------------------------|------------------|
| <u>UNSETTLED BALANCES AT BEGINNING OF YEAR - DUE TO TAXING BODIES AND OTHERS</u> | \$66,943 | \$54,587 | \$121,530 |
| <u>ADDITIONS</u> | | | |
| Deposits: | | | |
| Sheriff's sales | 164,681 | | 164,681 |
| Bonds | 151,995 | | 151,995 |
| Advance deposits (suits) | 19,597 | | 19,597 |
| Fines and costs | 65,267 | | 65,267 |
| Garnishments | 22,849 | | 22,849 |
| Other deposits | 20,852 | | 20,852 |
| Taxes, fees, etc., paid to tax collector | | 2,583,091 | 2,583,091 |
| Total additions | <u>445,241</u> | <u>2,583,091</u> | <u>3,028,332</u> |
| Total | 512,184 | 2,637,678 | 3,149,862 |
| <u>REDUCTIONS</u> | | | |
| Taxes, fees, etc., distributed to taxing bodies and others | | 2,515,975 | 2,515,975 |
| Deposits settled to: | | | |
| Sheriff's General Fund | 31,630 | | 31,630 |
| Police jury | 167,891 | | 167,891 |
| District attorney | 1,050 | | 1,050 |
| Clerk of court | 10,195 | | 10,195 |
| Judicial expense fund | 8,476 | | 8,476 |
| State of Louisiana: | | | |
| Department of Public Safety and Corrections: | | | |
| Corrections Services | 4,958 | | 4,958 |
| Public Safety Services | 2,840 | | 2,840 |
| Department of Wildlife and Fisheries | 70 | | 70 |
| Litigants | 111,503 | | 111,503 |
| Attorney's, appraisers, etc. | 67,594 | | 67,594 |
| Other settlements | 36,141 | | 36,141 |
| Total reductions | <u>442,348</u> | <u>2,515,975</u> | <u>2,958,323</u> |
| <u>UNSETTLED BALANCES AT END OF YEAR - DUE TO TAXING BODIES AND OTHERS</u> | <u>\$69,836</u> | <u>\$121,703</u> | <u>\$191,539</u> |

CATAHOULA PARISH SHERIFF
Harrisonburg, Louisiana
FIDUCIARY FUND TYPE - AGENCY FUNDS

Combining Schedule of Changes in Unsettled Balances
For the Year Ended June 30, 1995

| | SHERIFF'S FUNDS | TAX COLLECTOR FUND | TOTALS |
|--|--------------------|--------------------------|------------------|
| <u>UNSETTLED BALANCES AT BEGINNING OF YEAR - DUE TO TAXING BODIES AND OTHERS</u> | <u>\$64,128</u> | <u>NONE</u> | <u>\$64,128</u> |
| <u>ADDITIONS</u> | | | |
| Deposits: | | | |
| Sheriff's sales | 21,992 | | 21,992 |
| Bonds | 136,204 | | 136,204 |
| Advance deposits (suits) | 132,696 | | 132,696 |
| Fines and costs | 61,801 | | 61,801 |
| Garnishments | 23,969 | | 23,969 |
| Other deposits | 30,260 | | 30,260 |
| Taxes, fees, etc., paid to tax collector | | \$2,487,378 | 2,487,378 |
| Total additions | <u>406,922</u> | <u>2,487,378</u> | <u>2,894,300</u> |
| Total | 471,050 | 2,487,378 | 2,958,428 |
| <u>REDUCTIONS</u> | | | |
| Taxes, fees, etc., distributed to taxing bodies and others | | 2,432,791 | 2,432,791 |
| Deposits settled to: | | | |
| Sheriff's General Fund | 30,357 | | 30,357 |
| Police jury | 148,706 | | 148,706 |
| District attorney | 855 | | 855 |
| Clerk of court | 7,972 | | 7,972 |
| Judicial expense fund | 7,804 | | 7,804 |
| State of Louisiana: | | | |
| Department of Public Safety and Corrections: | | | |
| Corrections Services | 4,483 | | 4,483 |
| Public Safety Services | 2,652 | | 2,652 |
| Department of Wildlife and Fisheries | 75 | | 75 |
| Litigants | 152,736 | | 152,736 |
| Attorney's, appraisers, etc. | 2,588 | | 2,588 |
| Other settlements | 45,879 | | 45,879 |
| Total reductions | <u>404,107</u> | <u>2,432,791</u> | <u>2,836,898</u> |
| <u>UNSETTLED BALANCES AT END OF YEAR - DUE TO TAXING BODIES AND OTHERS</u> | <u>\$66,943</u> | <u>\$54,587</u> | <u>\$121,530</u> |

CATAHOULA PARISH SHERIFF
Harrisonburg, Louisiana
TAX COLLECTOR AGENCY FUND

Schedule of Collections, Distributions, and Unsettled Balances
For the Year Ended June 30, 1996

UNSETTLED BALANCES, JULY 1, 1995 -
DUE TO TAXING BODIES AND OTHERS

\$54,587

COLLECTIONS

| | |
|-----------------------|------------------|
| Ad valorem taxes | \$2,219,630 |
| State revenue sharing | 252,666 |
| Sporting licenses | 54,202 |
| Interest on: | |
| Delinquent taxes | 4,600 |
| Demand deposits | 3,082 |
| Protest taxes | 3,268 |
| Parish licenses | 38,743 |
| Tax notices, etc. | 6,900 |
| Total collections | <u>2,583,091</u> |
| Total | 2,637,678 |

DISTRIBUTIONS

| | |
|--|------------------|
| Sporting licenses - Louisiana Wildlife and Fisheries | 46,072 |
| Ad valorem taxes and state revenue sharing: | |
| Tensas Basin Levee District | 66,154 |
| Louisiana Department of Agriculture and Forestry | 10,538 |
| Louisiana Tax Commission | 753 |
| Catahoula Parish: | |
| Police Jury | 432,377 |
| School Board | 1,037,762 |
| Assessor | 190,716 |
| Law Enforcement District | 502,776 |
| Hospital District No. 2 | 4,335 |
| Fire Protection District: | |
| No. 1 | 8,424 |
| No. 2 | 39,221 |
| Maitland Recreation District | 5,914 |
| Larto Recreation District | 14,284 |
| Enterprise Recreation District | 23,499 |
| Pension funds | 66,483 |
| Other settlements | 66,667 |
| Total distributions | <u>2,515,975</u> |

UNSETTLED BALANCES AT JUNE 30, 1996 -
DUE TO TAXING BODIES AND OTHERS

\$121,703

CATAHOULA PARISH SHERIFF
Harrisonburg, Louisiana
TAX COLLECTOR AGENCY FUND

Schedule of Collections, Distributions, and Unsettled Balances
For the Year Ended June 30, 1995

UNSETTLED BALANCES, JULY 1, 1994 -
DUE TO TAXING BODIES AND OTHERS

NONE

COLLECTIONS

| | |
|-----------------------|------------------|
| Ad valorem taxes | \$2,128,004 |
| State revenue sharing | 253,670 |
| Sporting licenses | 51,558 |
| Interest on: | |
| Delinquent taxes | 5,346 |
| Demand deposits | 2,983 |
| Protest taxes | 467 |
| Parish licenses | 38,261 |
| Tax notices, etc. | 7,088 |
| Total collections | <u>2,487,378</u> |
| Total | 2,487,378 |

DISTRIBUTIONS

| | |
|--|------------------|
| Sporting licenses - Louisiana Department of Wildlife and Fisheries | 43,824 |
| Ad valorem taxes and state revenue sharing: | |
| Tensas Basin Levee District | 65,432 |
| Louisiana Department of Agriculture and Forestry | 9,025 |
| Louisiana Tax Commission | 743 |
| Catahoula Parish: | |
| Police Jury | 429,005 |
| School Board | 999,914 |
| Assessor | 189,564 |
| Law Enforcement District | 498,774 |
| Hospital District No. 2 | 6,006 |
| Fire Protection District: | |
| No. 1 | 8,734 |
| No. 2 | 38,893 |
| Maitland Recreation District | 1,754 |
| Larto Recreation District | 15,283 |
| Pension funds | 64,273 |
| Other settlements | 61,567 |
| Total distributions | <u>2,432,791</u> |

UNSETTLED BALANCES AT JUNE 30, 1995 -
DUE TO TAXING BODIES AND OTHERS

\$54,587

OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS

The following pages contain reports on internal control structure and compliance with laws and regulations required by *Government Auditing Standards*, issued by the Comptroller General of the United States. The reports are based solely on the audit of the general purpose financial statements.

HERBIE W. WAY
CERTIFIED PUBLIC ACCOUNTANT

55 Terra Avenue
Alexandria, LA 71303
318/442-7568
Fax: 318/442-9495

**Independent Auditor's Report on Internal Control Structure
Based Solely on an Audit of the Financial Statements**

**CATAHOULA PARISH SHERIFF AND
EX-OFFICIO PARISH TAX COLLECTOR**
Harrisonburg, Louisiana

I have audited the financial statements of the Catahoula Parish Sheriff and Ex-Officio Parish Tax Collector (sheriff) at June 30, 1996, and for the years ended June 30, 1996 and 1995, and have issued my report thereon dated July 15, 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.

Management of the 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. 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, I obtained an understanding of the internal control structure. With respect to the internal control structure, I obtained an understanding of the design of the relevant policies and procedures 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.

Catahoula Parish Sheriff
Harrisonburg, Louisiana
Internal Control Report (Continued)

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 consider to be material weaknesses as defined above.

This report is intended for the information of the sheriff. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Herbie W. Way
Herbie W. Way
Alexandria, Louisiana
July 15, 1996

HERBIE W. WAY
CERTIFIED PUBLIC ACCOUNTANT

55 Terra Avenue
Alexandria, LA 71303
318/442-7568
Fax: 318/442-9495

**Independent Auditor's Report on Compliance With Laws and
Regulations Based Solely on an Audit of the Financial Statements**

**CATAHOULA PARISH SHERIFF AND
EX-OFFICIO PARISH TAX COLLECTOR**
Harrisonburg, Louisiana

I have audited the financial statements of the Catahoula Parish Sheriff and Ex-Officio Parish Tax Collector (sheriff) at June 30, 1996, and for the years ended June 30, 1996 and 1995, and have issued my report thereon dated July 15, 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 require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with applicable laws and regulations 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, my objective was not to provide an opinion on overall compliance with such provisions.

The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

I noted certain immaterial instances of noncompliance that I have reported to management of the sheriff in a separate letter dated July 15, 1996.

This report is intended for the information of the sheriff. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Herbie W. Way
Herbie W. Way
Alexandria, Louisiana
July 15, 1996

HERBIE W. WAY
CERTIFIED PUBLIC ACCOUNTANT

55 Terra Avenue
Alexandria, LA 71303
318/442-7568
Fax: 318/442-9495

**CATAHOULA PARISH SHERIFF AND
EX-OFFICIO PARISH TAX COLLECTOR**
Harrisonburg, Louisiana

In planning and performing my audit of the financial statements of the Catahoula Parish Sheriff and Ex-Officio Parish Tax Collector (sheriff) as of June 30, 1996, and the years ended June 30, 1996 and 1995, I considered the sheriff's internal control structure relating to accounting/financial reporting and compliance with laws and regulations to determine my auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure.

However, during my audit I became aware of several matters that are opportunities for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes my comments and suggestions regarding those matters. I previously reported on the sheriff's internal control structure in my report dated July 15, 1996. This letter does not affect my report dated July 15, 1996, on the financial statements of the sheriff.

I will review the status of these comments during my next engagement. At your request and convenience, I will be pleased to discuss these matters in further detail, to perform any additional study of these matters, or to assist you in implementing the recommendations.

Sincerely,

Herbie W. Way
Herbie W. Way
July 15, 1996

JOE T. TRUNZLER
CATAHOULA PARISH SHERIFF AND
EX-OFFICIO PARISH TAX COLLECTOR
MANAGEMENT LETTER POINTS
FOR THE YEAR ENDED JUNE 30, 1996 and 1995

Local Government Budget Act (LSA-R.S. 39:1301 et seq) -- requires, in part, that the proposed General Fund budget be: (1) submitted to the sheriff and made available for public inspection no later than fifteen (15) days prior to the beginning of the each fiscal year and, (2) adopted and otherwise finalized by the sheriff prior to the end of the fiscal year in progress.

The proposed General Fund budget for the fiscal year ended June 30, 1996 (1995/1996 budget) of the sheriff, which should have been submitted to the sheriff and made available for public inspection on or before June 16, 1995, was not submitted to the sheriff until July 3, 1995, and was not made available for public inspection until July 7, 1995. Additionally, the proposed General Fund Budget, which should have been adopted on or before June 30, 1995, was not adopted until July 19, 1995.

Recommendation -- the newly elected sheriff should be aware of the requirements of the Local Government Budget Act to ensure compliance.

BID LAW (LSA-R.S. 38:2212 et seq) -- on February 15, 1995, the sheriff opened bids for the acquisition of a rescue boat. Two prospective vendors submitted bids on this item, one vendor submitted a bid of \$9,019, which included the boat, motor and trailer, and one vendor submitted a bid of \$5,317 on a boat and trailer (motor not included).

The sheriff (Joe T. Trunzler) rejected all bids and determined that he was not pleased with the bids received and stated that he would attempt to negotiate the best price and the best boat for this department's needs per grant stipulations.

On May 24, 1995, the department purchased a boat with trailer from one of the original bidders in the amount of \$6,172 (which was approximately \$855 more than the initial bid price from the same vendor) and an outboard motor from the other bidder in the amount of \$5,942 for a total of \$12,114.

The items were purchased with funds obtained from the State of Louisiana - Rural Development Block Grant (State funds) - passed through the Catahoula Parish Police Jury, in the amount of \$12,000.

Louisiana law requires that the purchases of materials and supplies (including equipment) with an anticipated cost of (1) \$5,000 or more but less than \$10,000 not be acquired without first obtaining telephone or facsimile quotations from at least 3 responsible vendors and that these quotations be made a part of the file or (2) \$10,000 or more not be acquired without advertisement and awarding of the bid to the lowest responsible bidder. Additionally, Louisiana law allows the sheriff to reject all bids and re-advertise.

RECOMMENDATION -- since the estimated purchase price of the rescue boat exceeded \$10,000, the sheriff (Joe T. Trunzler) should have rejected all bids, modified the bid specifications to ensure that the equipment was obtained at the lowest possible cost, and re-advertised to receive bids on the anticipated purchase of the rescue boat.

Additionally, the newly elected sheriff should be aware of the requirements of the public bid law to ensure compliance.