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FINANCIAL STATEMENT AND  
AUDITORS' REPORT

CALCASIEU PARISH TAX COLLECTOR  
Lake Charles, Louisiana

Year ended June 30, 1998

Under provisions of state law, this report is a public document. A copy of this report is hereby furnished to the parish clerk of court, the parish attorney general, the parish auditor, the parish treasurer, the parish clerk of court, the parish judge, the parish police chief, the parish fire chief, the parish health officer, the parish planning and zoning administrator, the parish public inspector, the parish historian, the office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Prepared Date: JAN 13 1998

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# Langley, Williams & Company, L.L.C.

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## INDEPENDENT AUDITORS' REPORT

Honorable Wayne D. Matthews  
Calcasieu Parish Sheriff and  
Ex-Officio Tax Collector  
Lake Charles, Louisiana

We have audited the statement of collections, distributions and asserted balances of the Calcasieu Parish Tax Collector, a component unit of the Calcasieu Parish Sheriff, as of and for the year ended June 30, 1998, as listed in the table of contents. This financial statement is the responsibility of the Calcasieu Parish Tax Collector's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note A, the Calcasieu Parish Sheriff is the ex-officio tax collector for the various taxing bodies within Calcasieu Parish, and the accompanying statement presents information only on his activities as parish tax collector. Further, the accompanying statement of collections, distributions, and asserted balances has been prepared on a cash basis of accounting, without recognition of receivables and payables relating to tax collection activity. Accordingly, the accompanying statement is not intended to present the financial position and results of operations of the Calcasieu Parish Tax Collector in accordance with generally accepted accounting principles.

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the collections, distributions, and asserted balances of the Calcasieu Parish Tax Collector, as of and for the year ended June 30, 1998 on the basis of accounting described in Note A.

In accordance with Government Auditing Standards, we have also issued a report dated December 30, 1998 on our consideration of the Calcasieu Parish Tax Collector's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

*Langley, Williams & Company, L.L.C.*

December 30, 1998

Calcasieu Parish Tax Collector

STATEMENT OF COLLECTIONS, DISTRIBUTIONS,  
AND UNSETTLED BALANCES

Year ended June 30, 1998

UNSETTLED BALANCES AT JUNE 30, 1997

\$ 1,175,466

COLLECTIONS

All valuation taxes	\$ 81,744,000	
Five year ad valorem taxes	261,087	
Angling, boating and trapping licenses	703,686	
Advance deposits for angling, boating, and trapping licenses	124,783	
Interest on		
Delinquent taxes	171,668	
Process taxes	706	
Investments	281,158	
State revenue sharing	1,763,258	
Refunds and collectives	533,942	
Tax notices, etc.	<u>80,589</u>	
		<u>\$1,158,411</u>
		90,983.79

DISTRIBUTIONS

Louisiana Department of Wildlife and Fisheries	766,718	
Louisiana Forestry Commission	13,128	
Louisiana Tax Commission	43,004	
Calcasieu Parish		
Police pay	26,714,207	
School bonds	26,871,989	
Drainage districts	1,234,709	
Waterworks districts	824,480	
Recreation districts	1,883,152	
Fire protection districts	158,478	
Port, harbor, and terminal districts	1,577,624	
Airport district	289,897	
MUDT	11,886,503	
Assessment district	1,186,751	
Chemical Authority	4,826,188	
City of Lake Charles	4,078,266	
City of Sulphur	999,866	
City of Westlake	38,313	
Prison bonds	1,222,712	
Refunds and collectives	533,942	
Other	<u>108</u>	
		<u>\$9,118,256</u>

UNSETTLED BALANCES AT JUNE 30, 1998

\$ 141,671

The accompanying notes are an integral part of this statement.

Calcasieu Parish Tax Collector

NOTES TO FINANCIAL STATEMENT

Year ended June 30, 1998

NOTE A - 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. He is responsible for the collection and distribution of all valuations property taxes, state revenue sharing funds, angling, hunting, and trapping licenses, fines, costs, and bond forfeitures imposed by the state district court.

Louisiana Revised Statute 24:514(B) requires that the accounts of each tax collector be examined annually. Accordingly, the accompanying statement reflects financial activity of the sheriff related only to his responsibility as ex-officio tax collector. Amounts included in this report are included in the sheriff's annual general purpose financial statements.

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

As the governing authority of the parish, the Calcasieu Parish Police Jury is the financial reporting entity for Calcasieu Parish for reporting purposes. 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 Statement No. 14 established criteria for determining which component units should be considered part of the Calcasieu Parish Sheriff for financial reporting purposes. The basic criterion of including a potential component unit within the reporting entity is financial accountability. This criterion includes:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the Sheriff 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 Sheriff.
2. Organizations for which the Sheriff does not appoint a voting majority but are fiscally dependent on the Sheriff.

Calcasieu Parish Tax Collector

NOTES TO FINANCIAL STATEMENT

Year ended June 30, 1998

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

3. Organizations for which the reporting entity financial statements would be misleading if data of the organizations were not included because of the nature or significance of the relationship.

Because the Sheriff's financial statements would be misleading if data of the organization was not included because of the nature or significance of the relationship, the Calcasieu Parish Tax Collector was determined to be a component unit of the Calcasieu Parish Sheriff, which is a component unit of the Calcasieu Parish Police Jury, the financial reporting entity. The accompanying financial statements presents information only on the funds maintained by the Calcasieu Parish Tax Collector and does not present information on the Sheriff, the general government services provided by that government unit, or the other governmental units that comprise the financial reporting entity.

NOTE B - ADVANCED AUTO SALES TAXES

During the year ended June 30, 1998, the Louisiana Legislature did not reenact Louisiana Revised Statute 47:1961.2, which requires inventory taxes of motor vehicle dealers to be paid on a monthly basis. As such, there are no advanced auto dealers ad valorem taxes included in assessed balances at June 30, 1998.

NOTE C - CASH

Under state law, the Calcasieu Parish Sheriff and Tax Collector's deposits must be secured by federal deposit insurance and/or the pledge of securities owned by the financial institution as collateral. At June 30, 1998 the Calcasieu Parish Tax Collector had deposits totaling \$692,258. These deposits were covered by federal depository insurance and by collateral pledged to the Calcasieu Parish Sheriff and Tax Collector's name from the respective financial institutions.

Calcasieu Parish Tax Collector

NOTES TO FINANCIAL STATEMENT - CONTINUED

Year ended June 30, 1998

NOTE D - STATE REVENUE SHARING FUNDS

The revenue sharing funds provided by Act 1229 of 1995 were distributed as follows:

Calcasieu Parish:	
Police/jury	\$ 1,258,931
Police/jury (for district attorney)	180,754
School board	945,060
ShariiE	
Law enforcement districts	382,560
Commissioners	435,895
Assessor	75,929
Vinton port, harbor and terminal district	3,214
Lake Charles port, harbor and terminal district	50,000
Assessor's Retirement Fund	18,414
Clerks of Court Retirement and Relief Fund	18,414
District Attorneys' Retirement System	8,329
Municipal Employees' Retirement System	18,414
Parochial Employees' Retirement System	18,414
Register of Voters' Employees' Retirement System	1,095
ShariiE Pension and Relief Fund	28,829
Teachers' Retirement System	<u>48,657</u>
	<u>\$ 3,352,158</u>

NOTE E - TAXES PAID UNDER PROTEST

The unencumbered balance at June 30, 1998 includes \$28,292 of taxes paid under protest, plus interest earned to date on the investment of these funds. This amount is represented as follows:

Taxpayer	Tax Year Under Protest	Unencumbered Balance
Tri-J Industrial Construction	1994	\$ 7,084
Wall-Mart Stores, Inc.	1997	<u>49,208</u>
		<u>\$ 28,292</u>

These funds are being held pending resolution of the protest.

Calcasieu Parish Tax Collector

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year ended June 30, 1998

NOTE F - SERVICE AGREEMENT

The Sheriff as ex-officio tax collector of the Parish has service agreements with the City of Lake Charles and its subdivisions and the City of Sulphur and its subdivisions to collect all valorem taxes and gross items. In addition, effective November 9, 1990, the Sheriff signed an agreement with the City of Westlake to collect all valorem taxes and gross items of the City of Westlake and its subdivisions. These agreements are under the authority of Article VII, Section 14 of the Louisiana Constitution of 1974. Fees charged to compensate for the increased costs of collecting all valorem taxes of the City of Lake Charles, the City of Sulphur, and the City of Westlake are paid annually and are included in the Sheriff's general fund.

NOTE G - PENSION FUNDS

The office of the Legislative Auditor annually prepares a statement showing amounts to be deducted from current year tax collections for contributions to Pension Funds. For the 1997 tax year this amount was \$2,108,637. In addition, each year a portion of the State Revenue Sharing is allocated for retirement contributions. For the 1997 tax year, this amount was \$114,078. Below is a breakdown of the total dollars that were disbursed to the various Pension Funds.

Assessor's Retirement Fund	\$ 207,415
Clerk's of Court Retirement and Relief Fund	207,415
District Attorney's Retirement System	124,388
Municipal Employees' Retirement System	207,415
Parochial Employees' Retirement System of Louisiana	207,415
Registrar of Voters Employees' Retirement System	23,936
Sheriff's Pension and Relief Fund	414,800
Teachers' Retirement System	<u>829,661</u>
	<u>\$ 2,222,715</u>





# Langley, Williams & Company, L.L.C.

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INSTITUTIONAL INVESTORS  
OFFICE IN CALIFORNIA

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## REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Wayne F. McElveen  
Calcasieu Parish Sheriff and  
Ex-Officio Tax Collector  
Lake Charles, LA 70601

We have audited the statement of collections, distributions and unsettled balances of the Calcasieu Parish Tax Collector, a component unit of the Calcasieu Parish Sheriff, as of and for the year ended June 30, 1998, and have issued our report thereon dated December 30, 1998. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

### Compliance

As part of obtaining assurance about whether the Calcasieu Parish Tax Collector's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with these provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Calcasieu Parish Tax Collector's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that the misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Honorable Wayne F. McElvren  
Calcasieu Parish Sheriff and  
Ex-Officio Tax Collector  
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This report is intended for the information of management and other state and federal agencies and pass-through entities. However this report is a matter of public record and its distribution is not limited.

*Wayne F. McElvren*

December 30, 1998

Calcasieu Parish Tax Collector

AUDIT FINDINGS AND QUESTIONED COSTS

Year ended June 30, 1998

There were no findings and questioned costs in the current or prior year financial statement.