

**ST. JAMES PARISH SHERIFF
(AS EX-OFFICIO PARISH TAX COLLECTOR)**
Convent, Louisiana

Financial Report

Year Ended June 30, 1999

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

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Release Date

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INDEPENDENT AUDITORS' REPORT

The Honorable Willy J. Martin, Jr.
St. James Parish Sheriff as
Ex-Officio Tax Collector
Convent, Louisiana

We have audited the accompanying financial statement of the Tax Collector Fund (agency fund) of the St. James Parish Sheriff for the year ended June 30, 1999 as listed in the table of contents. This financial statement is the responsibility of the St. James Parish Sheriff as Ex-Officio Tax Collector. 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 more fully in Note 1, the accompanying financial statement presents information only on the Tax Collector Fund (agency fund). Further, the accompanying statement of collections, distributions, and unsettled balances has been prepared on a cash basis of accounting which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the collections, distributions, and unsettled balances of the Tax Collector Fund of the St. James Parish Sheriff for the year ended June 30, 1999, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued a report dated September 17, 1999 on our consideration of the Tax Collector Fund of the St. James Parish Sheriff's internal control structure and its compliance with laws and regulations.

Our audit was performed for the purpose of forming an opinion on the statement of collections, distributions, and unsettled balances of the Tax Collector Fund (Agency Fund) of the St. James Parish Sheriff. The year 2000 supplementary information on page 8 is not a required part of the basic financial statements,

but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information; however, we did not audit the information and do not express an opinion on it. In addition, we do not provide assurance that St. James Parish Sheriff is or will become year 2000 compliant, that the Sheriff's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the Sheriff does business are or will become year 2000 compliant.

Kolder, Champagne, Slaven & Rainey, LLC
Certified Public Accountants

Lafayette, Louisiana
September 17, 1999

FINANCIAL STATEMENT

ST. JAMES PARISH SHERIFF
 Convent, Louisiana
 Tax Collector Agency Fund

Statement of Collections, Distributions, and Unsettled Balances
 Year Ended June 30, 1999

Unsettled balances, July 1, 1998	<u>\$ 365,715</u>
Collections:	
Ad valorem taxes	22,301,615
Payment in lieu of taxes	1,370,929
State revenue sharing	452,964
Sporting licenses	29,015
Interest on -	
Delinquent taxes	5,216
Taxes paid under protest	7,063
Time deposit	33,958
Refunds and redemptions	18,949
Tax notices, etc.	3,906
Louisiana Tax Commission	4,346
Total collections	<u>24,227,961</u>
Total	<u>24,593,676</u>
Distributions:	
Louisiana Department of Agriculture	6,531
Louisiana Department of Treasury	841,958
Louisiana Department of Wildlife and Fisheries	24,663
Louisiana Tax Commission	4,288
St. James Parish -	
Council	9,534,847
School Board	7,813,479
Clerk of Court	732
Sheriff	4,869,068
Assessor	324,057
Municipalities	121,458
Refunds and redemptions	352,628
Pension funds	610,726
Advertising costs	1,486
Total distributions	<u>24,505,921</u>
Unsettled balances, June 30, 1999	<u>\$ 87,755</u>

The accompanying notes are an integral part of this statement.

ST. JAMES PARISH SHERIFF
 Convent, Louisiana
 Notes to Financial Statement

(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, state revenue sharing funds and sporting licenses.

Louisiana Revised Statute 24:517(D) requires that the accounts of each tax collector be audited annually. Accordingly, the accompanying financial statement reflects financial activity of the Sheriff relating only to his responsibility as ex-officio tax collector. Amounts included in this report are also 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 unsettled 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.

(2) Interest-Bearing Deposits

State law authorizes the Sheriff to deposit tax collections in a bank domiciled in the parish where the funds are collected. At June 30, 1999, the Sheriff has interest-bearing deposits totaling \$87,755 (book balances). These deposit balances of \$96,689 (bank balances), representing unsettled tax collections, are fully secured through federal deposit insurance.

(3) State Revenue Sharing Funds

The revenue sharing funds received during the year were distributed as follows:

Louisiana Department of the Treasury	\$ 34,370
St. James Parish:	
Council	146,571
School Board	92,141
Sheriff -	
Law Enforcement District	57,348
Commission	88,155
Assessor	13,095
Municipalities	6,500
Pension Funds	<u>14,784</u>
 Total	 <u><u>\$452,964</u></u>

ST. JAMES PARISH SHERIFF
Convent, Louisiana
Notes to Financial Statement (Continued)

(4) Taxes Paid Under Protest

The unsettled balances at June 30, 1999, include \$83,104 of taxes paid under protest and interest earned to date on the investment of these funds. These funds are held pending resolution of the protest.

OTHER SUPPLEMENTARY INFORMATION

ST. JAMES PARISH SHERIFF
Convent, Louisiana

Impact of Year 2000 on Computer Programs (Unaudited)
Year Ended June 30, 1999

The Year 2000 issue is the result of computer programs being written using two digits rather than four to define the applicable year. Any of the Sheriff's computer programs that have time sensitive software may recognize a date using "00" as the year 1900 rather than the year 2000. This could result in a system failure or miscalculations causing disruptions of operations, including among other things, a temporary inability to process transactions or engage in similar normal business activities.

The Sheriff has completed an inventory of computer systems and other electronic equipment that may be affected by the year 2000 issue, that are necessary to conducting operations and have identified such systems as being the Sheriff's mainframe and personal computers used for financial reporting purposes.

- The St. James Parish Sheriff's system and personal computers have been assessed, remediated, and validated.

Remaining contracted amounts that are committed to this project are undetermined as of June 30, 1999.

Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Management cannot assure that the Sheriff is or will be Year 2000 ready, that the Sheriff's remediation efforts will be successful in whole or in part, or that parties with whom the Sheriff does business will be year 2000 ready. The Sheriff is utilizing external resources to identify and test the systems for Year 2000 compliance.

INTERNAL CONTROL AND COMPLIANCE

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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

The Honorable Willy J. Martin, Jr.
St. James Parish Sheriff as
Ex-Officio Tax Collector
Convent, Louisiana

We have audited the financial statements of The Tax Collector Fund (agency fund) of the St. James Parish Sheriff for the year ended June 30, 1999, and have issued our report thereon dated September 17, 1999. 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 reasonable assurance about whether the The Tax Collector Fund's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws and regulations, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, 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 St. James Parish Sheriff's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statement and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the St. James Parish Sheriff's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statement. The reportable condition is described in the accompanying summary schedule of current and prior year audit findings and corrective action plan at 99-1 (IC).

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 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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. We believe the reportable condition described in the accompanying schedule of current and prior year audit findings and corrective action plan at Item 99-1 (IC) is a material weakness.

This report is intended for the information of management. However, this report is a matter of public record and its distribution is not limited.

Kolder, Champagne, Slaven & Rainey, LLC
Certified Public Accountants

Lafayette, Louisiana
September 17, 1999

ST. JAMES PARISH SHERIFF

Summary Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan (Continued)
Year Ended June 30, 1999

Reference Number	Fiscal Year Finding Initially Occurred	Description of finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
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CURRENT YEAR (6/30/99)

Internal Control:

99-1 (IC)	Unknown	The Tax Collector did not have adequate segregation of functions within the accounting system.	N/A	No response is considered necessary.	Rhonda Roper, Civil Office Supervisor	N/A
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