

3/1
RECEIVED
OFFICE OF THE LEGISLATIVE AUDITOR

02 AUG 12 AM 9:47

**SABINE PARISH SHERIFF
TAX COLLECTOR AGENCY FUND
MANY, LOUISIANA
FINANCIAL REPORT
FOR THE YEAR ENDED
JUNE 30, 2002**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the 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 8/21/02

SABINE PARISH SHERIFF
TAX COLLECTOR AGENCY FUND
MANY, LOUISIANA
TABLE OF CONTENTS
JUNE 30, 2002

	<u>EXHIBIT</u>	<u>SCHEDULE</u>	<u>PAGE</u>
General Purpose Financial Statements	-	-	1
Independent Auditors' Report	-	-	2
Statement of Assets and Liabilities Arising from Cash Transactions	A	-	3
Statement of Collections, Distributions and Unsettled Balances	B	-	4
Notes to the Financial Statements	-	-	5
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Government <u>Auditing Standards</u>	-	-	7
Summary Schedule of Prior Audit Findings	-	1	8
Corrective Action Plan for Current Year Audit Findings	-	2	9

GENERAL PURPOSE FINANCIAL STATEMENTS

HINES, JACKSON & HINES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS
P.O. BOX 2188 • 133 EAST FIFTH STREET
NATCHITOCHES, LA 71457

Telephone (318) 352-6458
FAX (318) 352-0404
office@hjhcpa.biz

FRANK S. HINES, CPA
LEWIS C. HINES, CPA
E. MERLIN SQUYRES, CPA
JAY H. SHEFFIELD, CPA

A. NEILL JACKSON, JR., CPA
1926-1999

INDEPENDENT AUDITORS' REPORT

Honorable Guffey Lynn Pattison
Sabine Parish Sheriff and Ex-Officio Tax Collector
Many, Louisiana 71449

We have audited the accompanying general purpose financial statements of the Tax Collector Agency Fund of the Sabine Parish Sheriff, Many, Louisiana, as of and for the year ended June 30, 2002, as listed in the table of contents. These financial statements are the responsibility of the Sabine Parish Sheriff's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, 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 statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed more fully in Note 1, the Sabine Parish Sheriff is the ex-officio tax collector for the various taxing bodies within Sabine Parish, and the accompanying general purpose financial statements present information only on his activities as parish tax collector and is not intended to present fairly the financial position and results of operations of the Sabine Parish Sheriff, Many, Louisiana, in conformity with accounting principles generally accepted in the United States of America. The accompanying financial statements have been prepared on the basis of cash receipts and disbursements which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion the financial statements referred to in the first paragraph present fairly, in all material respects, the assets and liabilities arising from cash transactions of the Tax Collector Agency Fund of the Sabine Parish Sheriff, Many, Louisiana as of June 30, 2002, and the collections and distributions for the year then ended, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued a report dated July 23, 2002, on our consideration of the Tax Collector Agency Fund of the Sabine Parish Sheriff's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

The financial information for the year ended June 30, 2001, which is included for comparative purposes was taken from the financial report for that year in which we expressed an unqualified opinion dated July 19, 2001 on the general purpose financial statements of the Tax Collector Agency Fund of the Sabine Parish Sheriff.

Hines, Jackson & Hines
Natchitoches, Louisiana
July 23, 2002

EXHIBIT A

SABINE PARISH SHERIFF
TAX COLLECTOR AGENCY FUND
MANY, LOUISIANA
STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS
JUNE 30, 2002 AND 2001

	<u>2002</u>	<u>2001</u>
ASSETS		
Cash	<u>\$ 73,695</u>	<u>\$ 148,794</u>
LIABILITIES		
Due to Taxing Bodies and Others	<u>\$ 73,695</u>	<u>\$ 148,794</u>

The accompanying notes are an integral part of this statement.

EXHIBIT B

SABINE PARISH SHERIFF
TAX COLLECTOR AGENCY FUND
MANY, LOUISIANA
STATEMENT OF COLLECTIONS, DISTRIBUTIONS AND UNSETTLED BALANCES
FOR THE YEARS ENDED JUNE 30, 2002 AND 2001

	<u>2002</u>	<u>2001</u>
Unsettled Balances at July 1,	\$ 148,794	\$ 50,420
COLLECTIONS		
Ad valorem tax	6,695,601	6,591,538
State revenue sharing	497,307	499,748
Insurance premium	58,507	60,906
Interest	34,492	33,255
Other	<u>52,874</u>	<u>40,325</u>
Total Collections	<u>7,338,781</u>	<u>7,225,772</u>
Total available for distribution	7,487,575	7,276,192
DISTRIBUTIONS		
Louisiana Department of Agriculture and Forestry	34,624	34,650
Sabine Parish		
Fire Protection District No. 1	188,867	170,894
Fire Protection District No. 2	166,887	163,826
Fire Protection District No. 3	222,645	223,929
Library	370,015	359,081
Police Jury	1,309,993	1,270,894
School Board	3,433,009	3,299,289
Sheriff	957,612	910,830
South Toledo Bend Waterworks District	49,438	47,368
Tax Assessor	476,532	457,012
Pension Funds	187,922	184,842
Other	<u>16,336</u>	<u>4,783</u>
Total Distributions	<u>7,413,880</u>	<u>7,127,398</u>
Unsettled Balances at June 30,	<u>\$ 73,695</u>	<u>\$ 148,794</u>

The accompanying notes are an integral part of this statement.

SABINE PARISH SHERIFF
TAX COLLECTOR AGENCY FUND
MANY, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2002

NOTE 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, angling, hunting, and trapping licenses, and fines, costs, and bond forfeitures imposed by the district court.

A. Reporting Entity

Louisiana Revised Statute 24:513 (B) requires that the accounts of each tax collector be audited annually. Accordingly, the accompanying financial statements reflect the financial activity of the sheriff related only to his responsibility as ex-officio 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 tax collector are established to reflect the collections imposed by law, the distributions pursuant to such law, and unsettled balances due various taxing 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

Cash includes not only currency on hand but also demand deposits with banks or other financial institutions and other kinds of accounts that have the general characteristics of demand deposits in that the customer may deposit additional funds at any time and also effectively withdraw funds at any time without prior notice or penalty. As reflected on Exhibit A, the Tax Collector Agency Fund of the Sabine Parish Sheriff had cash totaling \$73,695 at June 30, 2002.

State law authorizes the Tax Collector Agency Fund to deposit tax collections in interest bearing accounts, certificates of deposit or other investments as permitted by law with a bank domiciled in the parish where the funds are collected. At June 30, 2002, the Tax Collector Agency Fund had bank deposit balances totaling \$80,012. These deposits were secured from risk by \$80,012 of federal depository insurance and \$0 (market value) of pledged securities held by the custodial banks in the name of the fiscal agent (GASB 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.

D. Comparative Data

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the assets and liabilities and collections and distributions of the Tax Collector Agency Fund of the Sabine Parish Sheriff. However, comparative (i.e., presentation of prior year totals by fund type) data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read. Certain amounts from prior year financial statements have been reclassified to conform with current classifications.

SABINE PARISH SHERIFF
TAX COLLECTOR AGENCY FUND
MANY, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2002

NOTE 2 STATE REVENUE SHARING

The revenue sharing funds provided by Act 1000 of 2001 and Act 36 of 2000 were distributed as follows:

	<u>2002</u>	<u>2001</u>
Sabine Parish		
Assessor	\$ 45,565	\$ 45,378
Fire Protection District #1	14,798	14,879
Fire Protection District #2	15,056	15,219
Fire Protection District #3	29,048	29,283
Library	36,438	36,755
Police Jury	125,550	126,036
School Board	155,164	156,339
Sheriff	65,021	65,150
Pension Fund	10,062	10,082
Other	<u>605</u>	<u>627</u>
Total	<u>\$ 497,307</u>	<u>\$ 499,748</u>

NOTE 3 TAXES PAID UNDER PROTEST

Louisiana Revised Statute 47:1576 provides that taxpayers, at the time of payment of all taxes due, may 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 shall be segregated and held by the tax collector for a period of thirty days. If suit is filed within the thirty day period for recovery of such amounts, the funds segregated shall be held pending outcome of the suit. If the taxpayer prevails, the tax collector shall refund the amount due, with interest at the rate of two percent per annum from the date the funds were received by the tax collector. There were \$52,110 in ad valorem taxes paid under protest at June 30, 2002.

HINES, JACKSON & HINES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS
P.O. BOX 2188 • 133 EAST FIFTH STREET
NATCHITOCHES, LA 71457

FRANK S. HINES, CPA
LEWIS C. HINES, CPA
E. MERLIN SQUYRES, CPA
JAY H. SHEFFIELD, CPA

A. NEILL JACKSON, JR., CPA
1926-1999

Telephone (318) 352-6458
FAX (318) 352-0404
office@hjhcpa.biz

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 Guffey Lynn Pattison
Sabine Parish Sheriff and Ex-Officio Tax Collector
P. O. Box 1440
Many, Louisiana 71449

We have audited the general purpose financial statements of the Tax Collector Agency Fund of the Sabine Parish Sheriff, Many, Louisiana, as of and for the year ended June 30, 2002, and have issued our report thereon dated July 23, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Tax Collector Agency Fund'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 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 Tax Collector Agency Fund'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 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.

This report is intended solely for the information and use of the Sabine Parish Sheriff and his management, and the Legislative Auditor of the State of Louisiana and is not intended to be, and should not be, used by anyone other than the specified parties.

Hines, Jackson & Hines

Natchitoches, Louisiana
July 23, 2002

SCHEDULE 1

SABINE PARISH SHERIFF
TAX COLLECTOR AGENCY FUND
MANY, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2002

<u>Ref. No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken (Yes, No, Partially)</u>	<u>Planned Corrective Action/Partial Corrective Action Taken</u>
-----------------	-----------------------------------------------------------	-------------------------------	-------------------------------------------------------------	--------------------------------------------------------------------------

Nothing came to our attention that would require disclosure under Government Auditing Standards.

SCHEDULE 2

SABINE PARISH SHERIFF
TAX COLLECTOR AGENCY FUND
MANY, LOUISIANA
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2002

<u>Ref. No.</u>	<u>Description of Finding</u>	<u>Correct Action Planned</u>	<u>Name(s) of Contact Person(s)</u>	<u>Anticipated Completion Date</u>
-----------------	-------------------------------	-------------------------------	---------------------------------------------	--------------------------------------------

Nothing came to our attention that would require disclosure under Government Auditing Standards.