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**UNION PARISH ASSessor**  
Farmville, Louisiana

**General Purpose Financial Statements  
With Independent Auditor's Report  
As of and for the Two Years Ended  
December 31, 1998**

Under provisions of state law, this report is a public document. A copy of this report has been submitted to the Auditor, or reviewed, and other appropriate public officials. This report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, when appropriate, at the office of the parish clerk of court.

Release Date: 04/23/99

**VERNON R  
COON**  
LEGISLATIVE AUDITOR

**UNION PARISH ASSESSOR**  
**Farmerville, Louisiana**

**General Purpose Financial Statements**  
**With Independent Auditor's Report**  
**As of and for the Two Years Ended**  
**December 31, 1998**

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## Independent Auditor's Report

HONORABLE YVVERN TAYLOR  
UNION PARISH ASSESSOR  
Farmerville, Louisiana

I have audited the general purpose financial statements of the Union Parish Assessor, a component unit of the Union Parish Police Jury, as of December 31, 1988, and for the two years then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the Union Parish Assessor's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

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

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Union Parish Assessor as of December 31, 1988, and the results of operations for the two years then ended in conformity with generally accepted accounting principles.

VERNON R. COON  
INCORPORATED  
PUBLIC ACCOUNTANTS

OFFICE OF LOUISIANA  
GOVERNMENT PUBLIC  
ACCOUNTANTS

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HONORABLE YVERN TAYLOR  
UNION PARISH ASSESSOR  
Pattersonville, Louisiana  
Independent Auditor's Report,  
December 31, 1998

In accordance with Government Auditing Standards, I have also issued a report dated May 4, 1999, on the Union Parish Assessor's compliance with laws, regulations, and contracts, and my consideration of the agency's internal control over financial reporting.



West Monroe, Louisiana  
May 4, 1999

**GENERAL PURPOSE FINANCIAL STATEMENTS  
(OVERVIEW)**

**UNION PARISH ASSessor**  
**Terrebonne, Louisiana**  
**ALL FUND TYPES AND ACCOUNT GROUPS**

Balance Sheet, December 31, 1998

|   | ACCOUNT GROUPS -                            |  | TOTAL<br>(MEMORANDUM<br>ONLY) |
|---|---|--|-------------------------------|
|   | GOVERNMENTAL<br>FUND TYPE -<br>GENERAL FUND | GENERAL<br>FUND -<br>LONG TERM<br>DEBT |                               |
| <b>ASSETS AND OTHER DEBITS</b>                                    |   |  |                               |
| Cash and cash equivalents   | \$241,202                                   |  | \$241,202                     |
| Accounts receivable - all valuation taxes                         | 253,181                                     |  | 253,181                       |
| Other assets  | 1,027                                       |  | 1,027                         |
| Office furnishings and equipment                                  |   | \$61,356                               | 61,356                        |
| Amount to be provided for retirement<br>of general long-term debt |   | 32,035                                 | 3,035                         |
| <b>TOTAL ASSETS AND<br/>OTHER DEBITS</b>                          | <u>\$495,433</u>                            | <u>\$61,356</u>                        | <u>\$558,811</u>              |
| <b>LIABILITIES AND FUND EQUITY</b>                                |   |  |                               |
| <b>Liabilities:</b>   |   |  |                               |
| Accounts payable  | \$1,428                                     |  | \$1,428                       |
| Payroll withholdings payable                                      | 3,082                                       |  | 3,082                         |
| Capital lease payable   |   | 32,035                                 | 3,035                         |
| <b>Total Liabilities</b>  | <u>4,510</u>                                | <u>NONE</u>                            | <u>8,345</u>                  |
| <b>Fund Equity:</b>   |   |  |                               |
| Investment in general fund assets                                 |   | \$61,356                               | \$61,356                      |
| Fund balance - unreserved -<br>undesignated                       | 490,923                                     |  | 490,923                       |
| <b>Total Fund Equity</b>  | <u>490,923</u>                              | <u>61,356</u>                          | <u>552,279</u>                |
| <b>TOTAL LIABILITIES<br/>AND FUND EQUITY</b>                      | <u>\$495,433</u>                            | <u>\$61,356</u>                        | <u>\$558,811</u>              |

The accompanying notes are an integral part of this statement.

UNION PARISH ASSessor  
 Ferrisville, Louisiana  
 GOVERNMENTAL FUND TYPE - GENERAL FUND

Statement B

Statement of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget  
 (GAAP Basis) and Actual  
 For the Year Ended December 31, 1998

|  | <u>BUDGET</u>         | <u>ACTUAL</u>         | <u>VARIANCE<br/>FAVORABLE<br/>(UNFAVORABLE)</u> |
|--|-----------------------|-----------------------|---|
| <b>REVENUES</b>  |                       |                       |   |
| Taxes - ad valorem   | \$260,000             | \$270,535             | \$10,535  |
| Intergovernmental  |                       |                       |   |
| In lieu of taxes   | 6,300                 | 6,306                 | 66  |
| Local grants   | 10,000                | 10,600                | 600   |
| Fees, charges, and commissions for services                      | 3,800                 | 3,944                 | 144   |
| Use of money and property - interest earnings                    | 11,000                | 14,117                | 3,117   |
| Total revenues   | <u>291,100</u>        | <u>305,502</u>        | <u>14,402</u>                                   |
| <b>EXPENDITURES</b>  |                       |                       |   |
| General government - taxation                                    |                       |                       |   |
| Personal services and related benefits                           | 210,000               | 211,475               | (1,475)   |
| Operating services   | 25,000                | 22,332                | 2,668   |
| Materials and supplies   | 11,000                | 9,305                 | 1,695   |
| Travel and other charges   | 15,000                | 15,375                | 1,625   |
| Debt service   | 3,500                 | 3,591                 |   |
| Capital outlay   | 10,000                | 9,500                 | 500   |
| Total expenditures   | <u>274,500</u>        | <u>269,978</u>        | <u>4,522</u>                                    |
| <b>EXCESS OF REVENUES<br/>OVER EXPENDITURES</b>                  | <b>16,600</b>         | <b>35,524</b>         | <b>18,924</b>                                   |
| <b>OTHER FINANCING SOURCE</b>                                    |                       |                       |   |
| Sale of fixed assets   |                       | 50                    | (50)  |
| <b>EXCESS OF REVENUES AND OTHER<br/>SOURCE OVER EXPENDITURES</b> | <b>16,600</b>         | <b>35,574</b>         | <b>18,874</b>                                   |
| <b>FUND BALANCE AT BEGINNING OF YEAR</b>                         | <b>455,394</b>        | <b>455,394</b>        |   |
| <b>FUND BALANCE AT END OF YEAR</b>                               | <b><u>471,994</u></b> | <b><u>490,968</u></b> | <b><u>18,974</u></b>                            |

The accompanying notes are an integral part of this statement.

**UNION PARISH ASSESSOR**  
**Farmerville, Louisiana**  
**GOVERNMENTAL FUND TYPE - GENERAL FUND**

**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance - Budget**  
**(GAAP Basis) and Actual**  
**For the Year Ended December 31, 1997**

|   | <u>BUDGET</u>    | <u>ACTUAL</u>    | <u>VARIANCE<br/>FAVORABLE<br/>(UNFAVORABLE)</u> |
|---|------------------|------------------|---|
| <b>REVENUES</b>                                     |                  |                  |   |
| Taxes - all valuations                              | \$248,450        | \$253,362        | \$4,912   |
| Intergovernmental - compensation from taxing bodies | 200,000          | 230,200          | 30,200  |
| Fees, charges, and commissions for services         | 4,500            | 4,250            | (250)   |
| Use of money and property - interest earnings       | 2,500            | 3,467            | 967   |
| Other revenue                                       | 4,050            | 4,050            | -   |
| Total revenues                                      | <u>459,500</u>   | <u>504,929</u>   | <u>45,429</u>                                   |
| <b>EXPENDITURES</b>                                 |                  |                  |   |
| General government - facilities:                    |                  |                  |   |
| Personnel services and related benefits             | 150,000          | 193,914          | 43,914  |
| Operating services                                  | 21,000           | 20,109           | 891   |
| Materials and supplies                              | 8,000            | 8,096            | 96  |
| Travel and other charges                            | 11,000           | 10,058           | 942   |
| Debt service  | 4,500            | 3,591            | 909   |
| Capital outlay                                      | 8,000            | 2,150            | 5,850   |
| Total expenditures                                  | <u>248,500</u>   | <u>239,928</u>   | <u>8,572</u>                                    |
| <b>EXCESS OF REVENUES<br/>OVER EXPENDITURES</b>     | <b>210,999</b>   | <b>264,999</b>   | <b>53,999</b>                                   |
| <b>FUND BALANCE AT BEGINNING OF YEAR</b>            | <b>180,721</b>   | <b>180,721</b>   | <b>-</b>  |
| <b>FUND BALANCE AT END OF YEAR</b>                  | <b>\$401,713</b> | <b>\$445,720</b> | <b>\$43,999</b>                                 |

The accompanying notes are an integral part of this statement.



**UNION PARISH ASSESSOR**  
Bossierville, Louisiana

**Notes to the Financial Statements**  
As of and For the Two Years Ended December 31, 1998

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

As provided by Article VII, Section 34 of the Louisiana Constitution of 1974, the assessor is elected by the voters of the parish and serves a term of four years, beginning January 1 following the year in which elected. The assessor assesses all real and movable property in the parish, subject to ad valorem taxation, prepares tax rolls, and submits the rolls to the Louisiana Tax Commission and other governmental bodies as prescribed by law. The assessor is authorized to appoint as many deputies as necessary for the efficient operation of his office and to provide assistance to the taxpayers of the parish. The deputies are authorized to perform all functions of the office, but the assessor is officially and personally responsible for the actions of the deputies.

At December 31, 1997, there are 44,879 real, movable and public service assessment listings totaling \$43,819,520, \$23,988,600, and \$12,962,340 respectively. This represents an decrease of 261 assessment listings. The total assessed valuation increased by \$2,664,120.

At December 31, 1998, there are 43,133 real, movable and public service assessment listings totaling \$44,733,400, \$23,683,480, and \$12,694,100 respectively. This represents an decrease of 1,746 assessment listings. The total assessed valuation increased by \$320,310.

**A. REPORTING ENTITY**

As the governing authority of the parish, for reporting purposes, the Union Parish Police Jury is the financial reporting entity for Union 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 establishes criteria for determining which component units should be considered part of the Union Parish Police Jury for financial reporting purposes. The basic criteria 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. This criteria includes:

## UNION PARISH ASSessor

Farmersville, Louisiana

### Notes to the Financial Statements (Continued)

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.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations 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.

Because the police jury maintains and operates the parish courthouse in which the assessor's office is located, the assessor was determined to be a component unit of the Union Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the assessor and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

## II. FUND ACCOUNTING

The assessor uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government 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. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities (general fund assets and general long-term debt) that are not recorded in the "funds" because they do not directly affect net expendable available financial resources. They are concerned only with the measurement of financial position, not with the measurement of results of operations.

## UNION PARISH ASSessor

Farmerville, Louisiana

### Notes to the Financial Statements (Continued)

Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The assessor's current operations require only the use of governmental funds (General Fund). Compensation received from the various taxing bodies, prescribed by Formula in Louisiana Revised Statutes 47:1907-1908, is accounted for in this fund. General operating expenditures are paid from this fund.

#### C. GENERAL FIXED ASSETS AND LONG-TERM DEBT

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in the General Fund. Fixed assets provided by the police jury are not recorded in the general fixed assets account group. Approximately 3 per cent of fixed assets are valued at estimated historical costs based on the actual costs of like items while the remaining 97 per cent are based on actual historical costs. No depreciation has been provided on general fixed assets.

Long-term debt, such as capital leases, is recognized as a liability of a governmental fund only when due. The remaining portion of such debt is reported in the general long-term debt account group.

#### D. BASIS OF ACCOUNTING

The financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial measurement measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for reporting all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when

**LISBON PARISH ASSessor**  
Farmerville, Louisiana  
Notes to the Financial Statements (Continued)

acceptable to accrual (i.e., when they are both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The assessor uses the following practices in recognizing and reporting revenues and expenditures:

**Revenues**

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, 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 47:1803 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.

Compensation from taxing bodies is recorded in the year the ad valorem taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due November 15 of each year, and become delinquent on December 31. The compensation is generally collected in December of the current year and January of the ensuing year.

Fees for preparing tax rolls are recorded in the year prepared. Interest income on time deposits is recorded when the time deposits have matured. Interest income on demand deposits is recorded monthly when the interest is earned and credited to the account.

Based on the above criteria, ad valorem taxes, compensation from taxing bodies, and fees for preparing tax rolls have been treated as acceptable to accrual.

**Expenditures**

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

**Other Financing Source**

Sales of fixed assets are accounted for as an other financing source and are recognized when the underlying events occur.

UNION PARISH ASSessor  
Farmerville, Louisiana  
Notes to the Financial Statements (Continued)

**L. BUDGET PRACTICES**

The proposed budget for the General Fund, prepared on the modified accrual basis of accounting, is made available for public inspection at least fifteen days prior to the beginning of each fiscal year. The budget is then legally adopted by the assessor and amended during the year, as necessary. The budget is established and controlled by the assessor at the object level of expenditures. Appropriations lapse at year-end and must be reappropriated for the following year to be expended. All changes in the budget must be approved by the assessor.

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments.

**M. CASH**

Under state law, the assessor may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The assessor may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 1998, the assessor has cash and cash equivalents (bank balances) totaling \$241,202, follows:

|                   |                  |
|-------------------|------------------|
| Domestic deposits | \$41,202         |
| Time deposits     | <u>200,000</u>   |
| Total             | <u>\$241,202</u> |

These deposits are stated at cost, which approximates market. 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. All deposits are fully secured by federal deposit insurance at December 31, 1998.

**N. VACATION AND SICK LEAVE**

All employees are granted from five to ten days of noncumulative vacation leave each year, depending on length of service. Employees earn eighteen days of noncumulative sick leave each year. At December 31, 1998, there are no accumulated and vested benefits relating to vacation and sick leave that require accrual or disclosure.

UNION PARISH ASSessor

Farmerville, Louisiana

Notes to the Financial Statements (Continued)

The cost of leave privileges, computed in accordance with GASB Codification Section 500, is recognized as a current-year expenditure in the General Fund when leave is actually taken.

II. RISK MANAGEMENT

The amount is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. To handle such risk of loss, the assessor maintains commercial insurance policies covering its automobile, workers' compensation and surety bond coverage. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended December 31, 1998.

L. TOTAL COLUMN ON THE BALANCE SHEET

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

1. PRINCIPAL TAXPAYERS

The following are the principal taxpayers for the parish and their 1998 assessed valuation (amounts expressed in thousands):

|                                     | 1998<br>Assessed<br>Valuation | Percent<br>of Total<br>Assessed<br>Valuation |
|-------------------------------------|-------------------------------|--|
| Pine Creek Timber Co., Inc.         | \$3,175                       | 3.91%  |
| Energy L.A., Inc.                   | 2,740                         | 3.38%  |
| Conartytel                          | 2,248                         | 2.77%  |
| Norman Energy Corp.                 | 1,772                         | 2.18%  |
| Kelsoville Telecommunications, Inc. | 1,766                         | 2.18%  |
| Clatsone Electric                   | \$1,656                       | 2.03%  |
| Coke Fairbanks Catering             | 1,473                         | 1.81%  |

**UNION PARISH ASSessor**

Farmerville, Louisiana

**Notes to the Financial Statements (Continued)**

|                              | 1998                          | Percent<br>of Total           |
|------------------------------|-------------------------------|-------------------------------|
|                              | <u>Assessed<br/>Valuation</u> | <u>Assessed<br/>Valuation</u> |
| Williams Industries, Inc.    | 1,351                         | 1.70%                         |
| First United Bank            | 1,193                         | 1.47%                         |
| Coke-Louisiana Gathering Co. | <u>1,124</u>                  | <u>1.39%</u>                  |
| Total                        | <u>\$38,807</u>               | <u>33.82%</u>                 |

**3. CHANGES IN GENERAL FIXED ASSETS**

A summary of changes in office furnishings and equipment follows:

|                                       |                 |
|---------------------------------------|-----------------|
| Balance at January 1, 1997            | \$60,367        |
| For the year ended December 31, 1997: |                 |
| Additions                             | 2,198           |
| Deletions                             | (16,288)        |
| For the year ended December 31, 1998: |                 |
| Additions                             | 9,500           |
| Deletions                             | <u>(27,411)</u> |
| Balance at December 31, 1998          | <u>\$61,366</u> |

**4. PENSION PLAN**

Substantially all employees of the Union Parish Assessor's office are members of the Louisiana Assessor's Retirement System (system), a multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees.

All full-time employees who are under the age of 68 at the time of original employment and are not drawing retirement benefits from any other public retirement system in Louisiana are required to participate in the system. Employees who retire at or after age 55 with at least 12 years of credited service or at or after age 50 with at least 30 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 1 per cent of their final-average salary for each year of credited service, not to exceed 100 per cent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or jointed 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. The system also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available report that includes financial statements and

**UNION PARISH ASSessor**

Barracville, Louisiana

**Notes to the Financial Statements (Continued)**

required supplementary information for the System. That report may be obtained by writing to the Louisiana Assessor's Retirement System, Post Office Box 1786, Shreveport, Louisiana 71166-1786, or by calling (504) 425-4444.

Plan members are required by state statute to contribute 7.00 per cent of their annual covered salary and the Union Parish Assessor is required to contribute at an actuarially determined rate. The current rate is 5.75 per cent of annual covered payroll. Contributions to the system include one-fourth of one per cent (one per cent for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each parish, plus revenue sharing funds appropriated by the legislature. The contribution requirements of plan members and the Union Parish Assessor 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 for the prior fiscal year. The Union Parish Assessor's contributions to the system for the years ending December 31, 1996, 1997, 1998, were \$8,862, \$8,189, and \$6,418, respectively, equal to the required contributions for each year.

**5. CAPITAL LEASE**

The assessor records items under capital leases as an asset and an obligation in the accompanying financial statements. At December 31, 1998, the assessor has one capital lease in effect for computer equipment with a recorded amount of \$14,529. The following is a summary of long-term debt transactions for the two years ended December 31, 1998:

|                                       |                |
|---------------------------------------|----------------|
| Balance at January 1, 1997            | \$8,287        |
| For the year ended December 31, 1997: |                |
| Additions                             | NONE           |
| Reductions                            | (2,991)        |
| For the year ended December 31, 1998: |                |
| Additions                             | NONE           |
| Reductions                            | <u>(3,261)</u> |
| Balance at December 31, 1998          | <u>\$2,035</u> |

The following is a summary of future minimum lease payments, together with the present value of the net minimum lease payments, as of December 31, 1998:

|   |                 |
|---|-----------------|
| <u>Year</u>                                 | <u>Payments</u> |
| 1999  | \$2,095         |
| Less - amount representing interest         | <u>668</u>      |
| Present value of net minimum lease payments | <u>\$1,427</u>  |



**UNION PARISH ASSessor**

Parrishville, Louisiana

Notes to the Financial Statements (Continued)

**6. POST RETIREMENT BENEFITS**

The Union Parish Assessor provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the assessor's employees become eligible for these benefits if they reach normal retirement age while working for the assessor. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee and the assessor. The assessor recognizes the cost of providing these benefits (assessor's cost of premiums) as an expenditure when the monthly premiums are paid. For the two years ended December 31, 1996 and 1997, the total amount of premiums paid were \$31,293 and \$42,869, respectively, while the amounts paid for retirees totaled \$13,086 and \$13,086, respectively.

**7. LITIGATION AND CLAIMS**

At December 31, 1998, the Union Parish Assessor is not involved in any litigation nor is he aware of any unasserted claims.

**8. EXPENDITURES OF THE ASSESSOR'S OFFICE PAID BY THE POLICE JURY**

The Union Parish Assessor's office is located in the parish courthouse. The cost of maintaining and operating the courthouse, as required by Louisiana Revised Statute 33:4713, is paid by the Union Parish Police Jury.

**9. YEAR 2000 ISSUE (Unaudited)**

The year 2000 issue is the result of shortcomings in many electronic data processing systems and other electronic equipment that may adversely affect the government's operations as early as fiscal year 1999. The Union Parish Assessor has completed an inventory of computer systems that may be affected by the year 2000 issue and that are critical to conducting operations of the assessor's office. The assessor has identified the following systems requiring 2000 remediation, a financial reporting system and, tax assessment system. All testing and validation of these two systems has been completed.

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 assessor is or will be Year 2000 ready, that the assessor's remediation efforts will be successful in whole or part, or that parties with whom the assessor does business will be year 2000 ready.

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

The following independent auditor's report on compliance with laws, regulations, and contracts and internal control are presented in compliance with the requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.



## Independent Auditor's Report on Compliance and Internal Control Over Financial Reporting

### UNION PARISH ASSESSOR Bossierville, Louisiana

I have audited the general purpose financial statements of the Union Parish Assessor as of and for the two years ended December 31, 1998 and have issued my report thereon dated May 4, 1999. I conducted my 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 Union Parish Assessor's financial statements are free of material misstatement, I 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 amounts. However, providing an opinion on compliance with these provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

#### Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Union Parish Assessor's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My 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. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

MEMBER AMERICAN  
INSTITUTE OF CERTIFIED  
PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC  
ACCOUNTANTS

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UNION PARISH ASSESSOR  
Farmerville, Louisiana  
Independent Auditor's Report on Compliance  
And Internal Control Over Financial Reporting, etc.  
December 31, 1998

This report is intended for the information of the Union Parish Assessor, management of the assessor's office and interested state agencies. This is not intended to limit the distribution of this report, which is a matter of public record.



West Monroe, Louisiana  
May 4, 1999

Union Parish Assessor  
Pattersonville, Louisiana

Schedule of Findings and Questioned Costs  
For the Two Years Ended December 31, 1998

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of Union Parish Assessor.
2. No instances of noncompliance material to the financial statements of Union Parish Assessor were disclosed during the audit.
3. No reportable conditions relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

Union Parish Assessor  
Farmerville, Louisiana

Summary Schedule of Prior Audit Findings  
For the Two Years Ended December 31, 1998

There were no audit findings reported in the audit for the year ended December 31, 1998.