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Financial Report

St. Bernard Parish Assessor

December 31, 1998

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Release Date ~~11/14/99~~

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December 31, 1998

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Burgoin & Bennett

INDEPENDENT AUDITOR'S REPORT

To the St. Bernard Parish Assessor,
Chalmette, Louisiana.

We have audited the accompanying general purpose financial statements of the St. Bernard Parish Assessor (the Assessor), as of and for the year ended December 31, 1998, as listed in the table of contents. These general purpose financial statements are the responsibility of the Assessor. Our responsibility is to express an opinion on these general purpose financial statements 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. These standards require that we 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 the Assessor, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the St. Bernard Parish Assessor as of December 31, 1998, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 13, 1999, on our consideration of the St. Bernard Parish Assessor's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

The year 2000 supplementary information on page 15 is not a required part of the basic financial statements but is supplementary information required by the Government 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 the St. Bernard Parish Assessor is or will become year 2000 compliant, that the Assessor's reconciliation efforts will be successful in whole or in part, or that parties with which the Assessor does business are or will become year 2000 compliant.

Bouvier Bennett, LLC.

Certified Public Accountants.

New Orleans, La.,
May 13, 1999.

**COMBINED BALANCE SHEET -
GOVERNMENTAL FUND TYPE AND ACCOUNT GROUP**

St. Bernard Parish Assessor

December 31, 1998

	<u>Governmental Fund Type General</u>	<u>Account Group General Fixed Assets</u>	<u>Total (Memorandum Only)</u>
Assets			
Cash	\$ 458,349		\$ 458,349
Receivables - ad valorem taxes	48,073		48,073
Due from St. Bernard Parish Sheriff	343,153		343,153
Due from State of Louisiana	20,000		20,000
Other	8,901		8,901
Fixed assets		\$ 73,905	73,905
Total assets	\$ 778,042	\$ 73,905	\$ 851,947
Liabilities			
Accounts payable and accrued expenditures	\$ 1,258		\$ 1,258
Fund Equity and Other Credits			
Investment in general fixed assets		\$ 73,905	73,905
Fund balance - unreserved	776,784		776,784
Total fund equity and other credits	776,784	73,905	850,689
Total liabilities, fund equity and other credits	\$ 778,042	\$ 73,905	\$ 851,947

See notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND**

St. Bernard Parish Assessor

For the year ended December 31, 1998

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues			
Ad valorem taxes	\$ 323,899	\$ 347,217	\$ 23,317
Intergovernmental -			
State of Louisiana -			
state revenue sharing	23,385	31,000	7,615
Use of money and property -			
interest earnings	<u>17,000</u>	<u>20,608</u>	3,608
Total revenues	<u>364,284</u>	<u>398,825</u>	34,540
Expenditures			
General government:			
Personal services	255,685	238,757	16,928
Operating services	56,535	37,871	18,664
Materials and supplies	9,348	11,325	(1,977)
Travel and other charges	7,500	7,635	(135)
Capital outlay	<u>5,000</u>	<u>2,355</u>	2,645
Total expenditures	<u>333,068</u>	<u>288,943</u>	44,125
Excess Of Revenues Over Expenditures	<u>\$ 31,215</u>	108,882	\$ 77,667
Fund Balance			
Beginning of year		<u>667,902</u>	
End of year		<u>\$ 776,564</u>	

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS**St. Bernard Parish Assessor**

December 31, 1998

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article VII, Section 34 of the Louisiana Constitution of 1974, the assessors are elected by the voters of each parish, Orleans Parish excepted, and serve terms of four years. The assessors assess property, prepare tax rolls, and submit the rolls to the Louisiana Tax Commission as prescribed by law.

The accounting policies of the St. Bernard Parish Assessor (the Assessor) conform to generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of significant accounting policies:

a) Reporting Entity

The Parish Assessor is a separately elected official and is not included as a component unit in any other financial statements. The activities of the Assessor have been reviewed and it was determined that there are no potential component units which should be included in the Assessor's general purpose financial statements.

b) Fund Accounting

The government 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. An account group, on the other hand, 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.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Fund Accounting (Continued)

Governmental Funds

Governmental Funds are those through which most governmental functions of the Assessor are financed. The acquisition, use and balances of the Assessor's expendable financial resources and the related liabilities are accounted for through a Governmental Fund. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following is the Governmental Fund of the Assessor:

General Fund

The General Fund is the general operating fund of the Assessor. It is used to account for all financial resources except those that are required to be accounted for in another fund.

Account Group

The General Fixed Assets Account Group is used to account for fixed assets not accounted for in proprietary or trust funds.

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 refers to the *timing* of the measurements made, regardless of the measurement focus applied.

All Governmental Funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Ad valorem taxes are assessed for the calendar year and become due on December 31 of each year. Ad valorem tax revenues authorized by Act 292 of 1985 is accounted for in this fund. State revenue sharing is an arrangement whereby local governments are reimbursed by the State for ad valorem taxes not billed due to the homestead exemption. The Assessor recognizes

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Basis of Accounting (Continued)

revenue from state revenue sharing of \$31,000 for the year ended December 31, 1998. Interest income on investments is recorded when the investments have matured and the income is available.

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

d) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

e) Operating Budgetary Data

As required by the Louisiana Revised Statutes 30:1303, the Parish Assessor adopted a budget for its General Fund. The budgetary practices included public notice of the proposed budget, public inspection of the proposed budget and public hearings on the budget prior to adoption. Any amendment involving the transfer of monies from one function to another or increases in expenditures at the functional level must be approved by the Assessor. All budgeted amounts which are not expended, or obligated through contracts, lapse at year end.

The General Fund budget is adopted on a basis materially consistent with generally accepted accounting principles.

f) Accounts Receivable

The general purpose financial statements of the Assessor contain no allowance for bad debts. Uncollectible receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. These amounts are not considered to be material in relation to the financial position or operation of the General Fund.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g) Fixed Assets

The accounting and reporting treatment applied to the fixed assets associated with a fund are determined by its measurement focus. All Governmental Funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental Fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. No depreciation has been provided on general fixed assets.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Fixed assets with an unaffiliated historical cost amounted to approximately \$28,000 or 38% of the total general fixed assets. Donated fixed assets are valued at their estimated fair value on the date donated.

The General Fixed Asset Account Group is not a "fund." It is concerned only with the measurement of financial position. It is not involved with measurement of results of operations.

h) Vacation and Sick Leave

Employees of the Assessor's office earn two to three weeks of vacation leave each year, depending on their years of service. Vacation leave cannot be carried forward to succeeding years. There is no formal policy regarding sick leave.

The cost of leave privileges is recognized as a current-year expenditure in the General Fund when leave is actually taken. At December 31, 1998, there are no accumulated and vested benefits relating to compensated absence.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I) Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded in the fund general ledger, is not utilized by the Assessor.

J) Total Columns on Combined Statements - Overview

The total columns on the combined statements - overview is captioned memorandum only to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position or results of operations, in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Note 2 - LEVIED TAXES

Property taxes are levied each November 1 on the assessed value listed as of the prior January 1 for all property, merchandise and renewable property located in the Parish. Assessed values are established by the St. Bernard Parish Assessor's Office and State Tax Commission at percentages of retail value as specified by Louisiana law. A reevaluation of all property is required to be completed no less than every four years. The last reevaluation was completed for the list of January 1, 1996. Taxes are due and payable December 31 with interest being charged on payments after January 1. Taxes can be paid through the tax sale date, which is the last Wednesday in June. Properties for which the taxes have not been paid are sold at the amount of the taxes. The tax rate for the year ended December 31, 1998 was \$1.92 per \$1,000 of assessed valuation of property within St. Bernard Parish for the purpose of assessing property, preparing tax rolls and submitting the rolls to the Louisiana Tax Commission.

The assessor's office is located in the St. Bernard Parish Courthouse in Chalmette, Louisiana. In accordance with Louisiana law, the assessor bases real and movable property assessments on conditions existing on January 1 of the tax year. The assessor completes an assessment listing by May 1 of the tax year and submits the list to the parish governing authority and the Louisiana Tax Commission, as prescribed by law. Once the

Note 2 - LEVIED TAXES (Continued)

assessment listing is approved, the assessor submits the assessment roll to the parish tax collector, who is responsible for the collection and distribution of taxes to the various taxing bodies.

As December 31, 1998, there are 26,456 real property and movable property assessments totaling \$161,848,154 and \$125,285,722, respectively. This represents an increase of 179 assessments and increase in property assessments of \$6,730,853 over the prior year, caused primarily by an increase in the assessment to several large taxpayers for significant additions to their property, as well as the increasing number of new businesses in the parish during the year.

The following are the principal taxpayers for the parish with assessed valuation in excess of \$3 million:

<u>Taxpayer</u>	<u>Type of Business</u>	<u>1998 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Chalmet to Refining, L.L.C. (Formerly Mobil Oil Corp.)	Oil	\$ 41,514,373	14.5
Murphy Oil Co.	Oil	18,852,884	6.3
Shell Oil	Oil	7,500,316	2.6
Energy Louisiana, Inc.	Utility	6,505,650	2.3
Dominion Sugar	Sugar	6,443,203	2.3
Bell South	Telephone	6,168,609	2.2
Southeast Natural Gas Co.	Utility	5,439,490	1.9
Hibernia National Bank	Banking	3,880,865	1.4
Yard Maintenance Co.	Oil	3,664,044	1.3
Bank One	Banking	3,281,023	1.1
Total		\$102,977,342	26.1

Note 3 - DEPOSITS

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States, certificates of deposit of state or national banks having their principal office in Louisiana or any other federally insured investment.

Note 3 - DEPOSITS (Continued)

State law requires deposits (cash and certificates of deposit) of all political subdivisions to be fully collateralized at all times. Acceptable collateralization includes FIMC insurance and the market value of securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision or with an unaffiliated bank or trust company for the account of the political subdivision. In accordance with state law all cash was collateralized.

Cash and deposits are categorized into three categories of credit risk.

Category 1 includes deposits covered by federal depository insurance or by collateral held by the assessor or its agent in the Assessor's name.

Category 2 includes deposits covered by collateral held by the pledging financial institution's trust department or its agent in the Assessor's name.

Category 3 includes deposits covered by collateral held by the pledging financial institution or its trust department or agent but not in the Assessor's name and deposits which are uninsured or uncollateralized.

The year end bank balances of deposits and the carrying amount as shown on the combined balance sheet are as follows:

	Bank Balances			Book Balance
	Category			
	1	2	3	
Cash	<u>\$191,760</u>	\$-	<u>\$269,143</u>	<u>\$460,903</u>

At December 31, 1998, cash in excess of the FIMC insurance was collateralized by securities held by unaffiliated banks for the account of the Assessor. The Governmental Accounting Standards Board (GASB), which promulgates the standards for accounting and financial reporting for state and local governments, considers these securities uncollateralized. Even though the pledged securities are considered uncollateralized under

Note 3 - DEPOSITS (Continued)

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 depositor that the fiscal agent has failed to pay deposited funds upon demand.

Note 4 - DUE FROM ST. BERNARD PARISH SHERIFF

Amounts due from the St. Bernard Parish Sheriff at December 31, 1998 consisted of ad valorem taxes collected by the St. Bernard Parish Sheriff in December 1998 but not remitted to the Assessor until the beginning of the following year.

Note 5 - DUE FROM STATE OF LOUISIANA - STATE REVENUE SHARING

State revenue sharing is an arrangement whereby local governments are reimbursed by the State for ad valorem taxes not billed due to the homestead exemption. The Assessor recognized revenue from state revenue sharing of \$31,000 for the year ended December 31, 1998. Receivable for state revenue sharing for the year ended 1998 was \$20,666.

Note 6 - CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets (office furnishings and equipment) follows:

Balance, January 1, 1998	\$ 71,148
Additions	2,255
Deductions	<u> </u>
Balance, December 31, 1998	<u>\$ 73,403</u>

Note 7 - DEFINED BENEFIT PENSION PLAN

Plan Description - The St. Bernard Parish Assessor (the Assessor) contributes to the Louisiana Assessors' Retirement Fund (System), a cost-sharing multiple-employer defined benefit public employee retirement system (PERS), which is controlled and administered by a separate Board of Trustees. The System provides retirement, deferred and disability benefits, survivor's benefits and cost of living adjustments to plan members and beneficiaries. Act 91 of the 1980 Louisiana Legislative Session established the plan. Provisions of the plan are set forth in the Louisiana Revised Statutes 11:1401 through 11:1483. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to Louisiana Assessors' Retirement Fund, P.O. Box 1786, Slidereport, Louisiana, 71166-1786.

Funding Policy - Plan members are required to contribute 7.00% of their annual salary and the Assessor is required to contribute at an actuarially determined rate. The rates used during 1996 were 5.75% of eligible payroll. In addition, the fund receives .25% of the taxes shown to be collected on the tax rolls of each parish excluding Orleans and revenue sharing funds as appropriated each year by the legislature. The Assessor's contributions to the System for the years ending December 31, 1998, 1997 and 1996 were \$10,897, \$11,812 and \$8,151, respectively, equal to the required contributions for each year.

Note 8 - LEASE COMMITMENTS

The Assessor has entered into an operating lease agreement for a vehicle. The lease agreement is for 24 months and expires April 13, 2000 with a residual value of \$34,344. The entire lease amount was paid in 1998 for \$13,812, of which \$8,133 is recorded as an other asset at December 31, 1998 and \$4,879 was recognized as lease expense.

Note 9 - RISK MANAGEMENT

The Assessor is exposed to various risks of loss related to workers compensation, torts, theft of, damage to and destruction of assets, errors and omissions, and natural disasters for which the Assessor carries commercial insurance. No settlements were made during the year that exceeded the Assessor's insurance coverage.

Note 10 - EXPENDITURES NOT INCLUDED IN THE ACCOMPANYING FINANCIAL STATEMENTS

The accompanying financial statements do not include certain expenditures of the Assessor's office paid out of the funds of the St. Bernard Parish Government.

GASB REQUIRED SUPPLEMENTARY INFORMATION SECTION

YEAR 2000 SUPPLEMENTARY INFORMATION

St. Bernard Parish Assessor

December 31, 1998

(Unaudited)

The year 2000 issue is the result of shortcomings in many data processing systems and other electronic equipment that may adversely affect the Assessor's operations as early as fiscal year 1999.

The Assessor has completed an inventory of computer systems and other electronic equipment that may be affected by the year 2000 issue and that are necessary to conducting Assessor operations. The Assessor currently has completed assessing the need for system changes. Most of the specifications have occurred for the system and testing of the system is complete. The Assessor believes that because of the recent updates of software and peripherals of hardware, as well as reliance on external on-going maintenance of systems, the year 2000 problem will not pose significant operational problems for the Assessor's computer systems.

Because of the unprecedented nature of the year 2000 issue, its effects and the success of related remediation efforts will not be determinable until the year 2000 and thereafter. The Assessor can not assure that the Office is year 2000 ready, that the Assessor's remediation efforts have been successful in whole or in part or that parties with whom the Assessor does business will be year 2000 ready.

SPECIAL REPORT OF CERTIFIED PUBLIC ACCOUNTANTS



Bourgeois Bennett

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

To the St. Bernard Parish Assessor,
Chalmette, Louisiana.

We have audited the general purpose financial statements of the St. Bernard Parish Assessor (the Assessor), as of and for the year ended December 31, 1998, and have issued our report thereon, dated May 13, 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 Assessor's general purpose 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 Assessor's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements 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 Assessor's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements. The reportable condition is described in the accompanying schedule of findings as item 98-1.

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 of 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. However, we believe the reportable condition described above is not a material weakness.

This report is intended solely for the information of the St. Bernard Parish Assessor, the State of Louisiana and the Legislative Auditor for the State of Louisiana and is not intended to be and should not be used by anyone other than those specified parties.

Bourgeois Bennett, LLC

Certified Public Accountants

New Orleans, La.,
May 13, 1999.

SCHEDULE OF FINDINGS

St. Bernard Parish Assessor

For the year ended December 31, 1998

Section I Summary of Auditor's Results

a) Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting:

- | | | |
|--|--------------|-------------|
| • Material weakness(es) identified? | ___ Yes | <u>X</u> No |
| • Reportable condition(s) identified that are not considered to be material weakness | <u>X</u> Yes | ___ No |

Noncompliance material to financial statements noted? ___ Yes X No

b) Federal Awards

The St. Bernard Parish Assessor did not receive federal awards during the year ended December 31, 1998.

Section II Financial Statement Findings

Internal Control

98-1 Criteria - Internal controls should be in place that provides reasonable assurance that all transactions are being recognized.

Condition - The majority of the accounting functions of the Assessor's office are performed by the Assessor.

Questioned Costs - None

Context - Not applicable

Section II Financial Statement Findings (Continued)

Internal Control (Continued)

98-1 (Continued)

Effect - The Assessor's office has a lack of segregation of duties over financial reporting which may result in errors and irregularities not being detected in a timely manner.

Cause - A limited number of employees qualified to assist in the accounting function.

Recommendation - We recommend the Assessor consider having other personnel involved in the accounting function, although to employ such controls may not be cost beneficial.

Views of responsible officials of the auditee when there is disagreement with the finding, to the extent practical - None.

Compliance

No compliance findings material to the general purpose financial statements were noted during the audit for the year ended December 31, 1998.

Section III Federal Award Findings and Questioned Cost

Not applicable.

REPORTS BY MANAGEMENT

SCHEDULE OF PRIOR YEAR FINDINGS

St. Bernard Parish Assessor

For the year ended December 31, 1997

Section I Internal Control and Compliance Material to the General Purpose Financial Statements

Internal Control

No material weaknesses were noted during the audit for the year ended December 31, 1997.

97-1 Recommendation - We recommended the Assessor consider having other personnel involved in the accounting function, although to employ such controls may not be cost beneficial.

Management's Response - The Assessor's office has neither the qualified personnel nor the funds to hire additional personnel to assist in the accounting functions. Unresolved, see finding 98-1.

Compliance

No compliance findings material to the general purpose financial statements were noted during the year ended December 31, 1997.

Section II Internal Control and Compliance Material To Federal Awards

The St. Bernard Parish Assessor did not receive Federal Awards during the year ended December 31, 1997.

Section III Management Letter

A management letter was not issued in connection with the audit for the year ended December 31, 1997.

MANAGEMENT'S CORRECTIVE ACTION PLAN

St. Bernard Parish Assessor

For the year ended December 31, 1998

Section I Internal Control and Compliance Material to the General Purpose Financial Statements

Internal Control

No material weaknesses were noted during the audit for the year ended December 31, 1998.

98-1 Recommendation - We recommend the Assessor consider having other personnel involved in the accounting function, although to employ such controls may not be cost beneficial.

Management's Corrective Action Plan - The Assessor's office has neither the qualified personnel nor the funds to hire additional personnel to assist in the accounting functions.

Compliance

No compliance findings material to the general purpose financial statements were noted during the year ended December 31, 1998.

Section II Internal Control and Compliance Material To Federal Awards

The St. Bernard Parish Assessor did not receive Federal awards during the year ended December 31, 1998.

Section III Management Letter

A management letter was not issued in connection with the audit for the year ended December 31, 1998.