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EAST FELICIANA PARISH ASSESSOR
CLINTON, LOUISIANA
GENERAL PURPOSE FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S REPORT
AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 1998

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.

Release Date ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED

EAST FELICIANA PARISH ASSESSOR
CLINTON, LOUISIANA
GENERAL PURPOSE FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S REPORT
AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 1998

C O N T E N T S

	<u>Statement</u>	<u>Page No.</u>
Independent Auditor's Report		3
General Purpose Financial Statements:		
Balance Sheet - All Fund Types and Account Groups	A	5
Governmental Funds:		
Statement of Revenues, Expenditures, and Changes in Fund Balances	B	6
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP) and Actual	C	7
Notes to the Financial Statements		9

Exhibit

Independent Auditor's Reports Required by <u>Government Auditing Standards</u> :		
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed In Accordance With Government Auditing Standards	A	20
Schedule of Findings		22

PHIL T. GRAHAM

CERTIFIED PUBLIC ACCOUNTANT

7732 GOODWOOD BOULEVARD, SUITE F ♦ BATON ROUGE, LOUISIANA 70806
TELEPHONE: 225/928-4865 ♦ FAX: 225/928-4866

June 1, 1999

Independent Auditor's Report

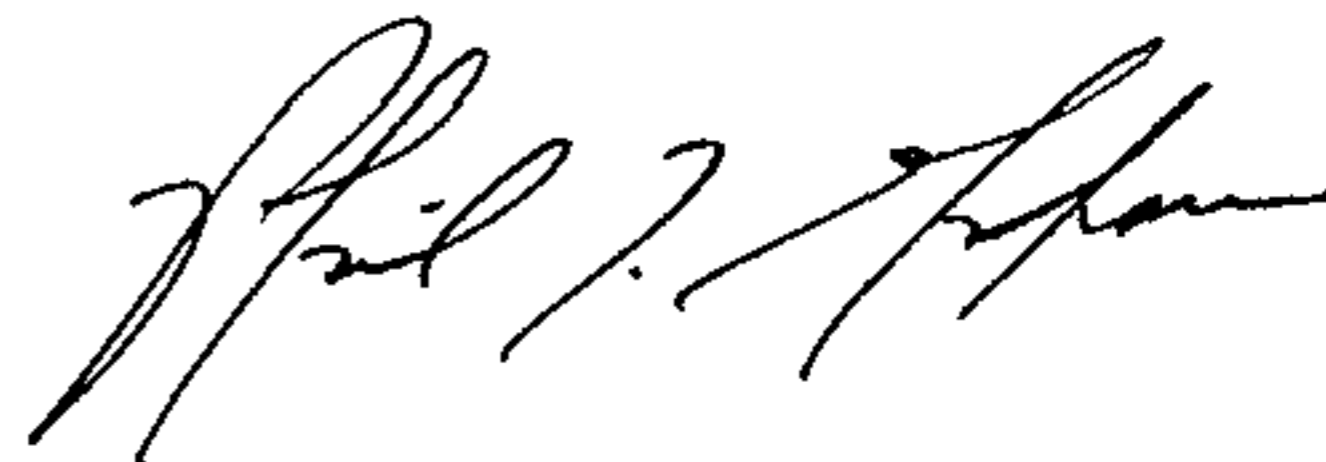
Honorable Holic T. Jackson, Jr.
East Feliciana Parish Assessor
Clinton, Louisiana

I have audited the accompanying general purpose financial statements of the East Feliciana Parish 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 East Feliciana 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. Those 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 component unit 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 East Feliciana Parish Assessor as of December 31, 1998, and the results of operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued my report dated June 1, 1999, on my consideration of the East Feliciana Parish Assessor's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants.



GENERAL PURPOSE FINANCIAL STATEMENT
(OVERVIEW)

EAST FELICIANA PARISH ASSESSOR
CLINTON, LOUISIANA
BALANCE SHEET-ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 1998

	GOVERNMENTAL FUND TYPE GENERAL FUND	<u>ACCOUNT GROUP</u>		TOTAL (MEMORANDUM ONLY)
		<u>GENERAL FIXED ASSETS</u>	<u>GENERAL LONG- TERM DEBT</u>	
<u>ASSETS AND OTHER DEBITS</u>				
Cash and Cash Equivalents	\$ 308,033			\$ 308,033
Revenue receivable:				
Assessor's compensation	396			396
Ad valorem taxes	236,178			236,178
State revenue sharing	93,648			93,648
Office furnishings and equipment		\$32,585		32,585
Amount to be provided for retire- ment of general long-term debt			\$21,458	21,458
<u>TOTAL ASSETS AND OTHER DEBITS</u>	<u>\$ 638,255</u>	<u>\$ 32,585</u>	<u>\$21,458</u>	<u>\$ 692,298</u>
<u>LIABILITIES AND FUND EQUITY</u>				
Liabilities:				
Capital lease payable			21,458	21,458
Total Liabilities	None	None	\$21,458	\$ 21,458
Fund Equity:				
Investment in general fixed assets		32,585		32,585
Fund balances:				
Unreserved-undesignated	638,255			638,255
Total Fund Equity	\$ 638,255	\$ 32,585	None	\$ 670,840
<u>TOTAL LIABILITIES AND FUND EQUITY</u>	<u>\$ 638,255</u>	<u>\$ 32,585</u>	<u>\$21,458</u>	<u>\$ 692,298</u>

See accompanying notes and accountant's report

EAST FELICIANA PARISH ASSESSOR
CLINTON, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE-
GOVERNMENTAL FUND TYPE - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 1998

	<u>GENERAL FUND</u>
<u>REVENUES</u>	
Intergovernmental revenues:	
Ad valorem taxes	\$ 285,550
State revenue sharing	93,648
Other revenues:	
Administrative services	1,454
Interest on:	
Ad valorem taxes	926
Investments	<u>6,738</u>
Total revenues	<u>\$ 388,316</u>
<u>EXPENDITURES</u>	
General governmental - taxation:	
Personal services and related benefits	210,991
Operating services	3,959
Office supplies and expense	29,679
Travel expense	4,343
Capital outlay:	
General fixed assets	6,800
Capital lease	24,697
Debt service:	
Principle	3,238
Interest	<u>2,594</u>
Total expenditures	<u>\$ 286,301</u>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>	102,015
<u>OTHER FINANCING SOURCES (USES)</u>	
Increase in capital lease	<u>24,697</u>
<u>EXCESS (DEFICIENCY) OF REVENUES & OTHER SOURCES OVER EXPENDITURES & OTHER USES</u>	126,712
<u>FUND BALANCE AT BEGINNING OF YEAR</u>	<u>511,543</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 638,255</u>

See accompanying notes and accountant's report

EAST FELICIANA PARISH ASSESSOR
CLINTON, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE -
GOVERNMENTAL FUND TYPE - GENERAL FUND
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 1998
(CONTINUED)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u> <u>FAVORABLE</u> <u>(UNFAVORABLE)</u>
<u>REVENUES</u>			
Intergovernmental Revenues:			
Ad valorem taxes	\$ 281,432	\$ 285,550	\$ 4,118
State revenue sharing	93,500	93,648	148
Use of Money and Property:			
Interest on:			
Ad valorem taxes	1,000	926	(74)
Investments		6,738	6,738
Other revenues:			
Administrative services	<u>1,423</u>	<u>1,454</u>	<u>31</u>
Total revenues	<u>377,355</u>	<u>388,316</u>	<u>10,961</u>
 <u>EXPENDITURES</u>			
General governmental - taxation:			
Personal services and related benefits:			
Salaries:			
Assessor	60,000	60,000	0
Deputy and others	119,224	119,840	(616)
Employees group insurance	15,780	18,643	(2,863)
Employees retirement	8,827	10,075	(1,248)
Employees medicare	2,500	1,775	725
Employees social security		658	(658)
Operating services:			
Association Dues	1,292	1,510	(218)
Surety Bond	500	185	315
Professional services	3,481	1,198	2,283
Workmen's compensation	2,000	1,066	934

See accompanying notes and accountant's report

EAST FELICIANA PARISH ASSESSOR
CLINTON, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE -
GOVERNMENTAL FUND TYPE - GENERAL FUND
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 1998
(CONCLUDED)

	<u>BUDGET</u>	<u>ACTUAL</u>	VARIANCE FAVORABLE <u>(UNFAVORABLE)</u>
Office expense and supplies:			
Office expense	9,229	22,733	(13,504)
Miscellaneous	843	946	(103)
Assessor's allowance	6,000	6,000	0
Travel	5118	4,343	775
Capital outlay			
General fixed assets	10,000	6,800	3,200
Capital lease	33,407	24,697	8,710
Debt Service:			
Principle	3,138	3,238	(100)
Interest	<u>2,466</u>	<u>2,594</u>	<u>(128)</u>
Total Expenditures	<u>283,805</u>	<u>286,301</u>	<u>(2,496)</u>
 <u>EXCESS OF REVENUE OVER EXPENDITURES</u>	 \$ 93,550	 \$ 102,015	 \$ 8,465
 <u>OTHER FINANCING SOURCES (USES)</u>			
Increase in capital lease	<u> </u>	<u>24,697</u>	<u>24,697</u>
	93,550	126,712	33,162
 <u>FUND BALANCE AT BEGINNING OF YEAR</u>	 <u>511,543</u>	 <u>511,543</u>	 <u>0</u>
 <u>FUND BALANCE AT END OF YEAR</u>	 <u>\$ 605,093</u>	 <u>\$ 638,255</u>	 <u>\$ 33,162</u>

See accompanying notes and accountant's report

EAST FELICIANA PARISH ASSESSOR
CLINTON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1998

INTRODUCTION

As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, the Assessor is elected by the voters of the parish and serves a four-year term. The Assessor assesses all real and movable property in the parish, subject to ad valorem taxation. The Assessor is authorized to appoint as many deputies as may be necessary for the efficient operation of the office and 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 pecuniarily responsible for the actions of the deputies.

The Assessor's office is located in Clinton, Louisiana. The Assessor employs six employees, including two deputies. 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 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.

At December 31, 1998, there are 22,094 real property and movable property assessments totaling \$43,293,630 and \$21,932,770, respectively. This represents an increase of 387 assessments totaling \$2,556,550 over the prior year, due primarily to the reassessment of land and public utilities.

NOTE #1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the East Feliciana Parish Assessor have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for

EAST FELICIANA PARISH ASSESSOR
CLINTON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1998

established governmental accounting and financial reporting principles.

B. REPORTING ENTITY

As the governing authority of the Parish, for reporting purposes, the East Feliciana Parish Police Jury is the financial reporting entity for East Feliciana Parish. The financial reporting entity consists of (a) the primary government (Police Jury), (b) organizations for which the primary government is financially accountable, and © 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 established criteria determining which component units should be considered part of the East Feliciana Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial responsibility. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

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.

EAST FELICIANA PARISH ASSESSOR
CLINTON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1998

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 Police Jury office in which the Assessor's office is located and provides funds for equipment and furniture of the Assessor's office, the Assessor was determined to be a component unit of the East Feliciana 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.

C. 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 relating 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.

Funds of the Assessor are classified as governmental funds. Governmental funds account for the Assessor's general activities, including the collection and disbursement of specific or legally restricted monies and the acquisition of general fixed assets. Governmental funds of the Assessor include:

EAST FELICIANA PARISH ASSESSOR
CLINTON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1998

General Fund - the General Fund, as provided by Louisiana Revised Statute 47:1906, is the principal fund of the Assessor and accounts for the operation of the Assessor's office. 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.

D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The General Fund is accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The operating statement of the General Fund presents increases and decreases in net current assets. The modified accrual basis of accounting is used by the General Fund. The General Fund uses the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes are assessed on a calendar year basis and are due on November 15 of each year. The ad valorem taxes are generally received in December of the current year and January and February of the ensuing year.

Interest income on time deposits is recorded when earned and available.

Other revenues are recorded when received.

Expenditures

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

EAST FELICIANA PARISH ASSESSOR
CLINTON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1998

E. BUDGET PRACTICES

The Assessor prepares a budget at the beginning of each year based upon prior year expenditures and anticipated revenues for the budget year. The proposed budget is prepared on a modified accrual basis of accounting and is made available for public inspection no later than 15 days prior to the beginning of the budgeted year. The budget is then formally adopted by the Assessor prior to the beginning of the budgeted year. All appropriations lapse at year end. In accordance with Louisiana Revised Statute 47:1908, the Assessor carries forward into subsequent years any unexpired appropriation.

Formal budget integration (within the accounting system) is not employed as a management control device. During the fiscal year, actual revenues and expenditures are compared to budgeted revenues and expenditures by the Assessor. If actual total revenues are falling short of budgeted total revenues by five per cent or more, or if actual total expenditures to date plus projected expenditures for the remainder of the year exceed the budgeted total expenditures by five per cent or more, the original budget is amended by the Assessor. Budgeted amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

F. CASH AND CASH EQUIVALENTS

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 a cash balance totaling \$308,033.

Deposits by the Assessor are stated at cost, which

EAST FELICIANA PARISH ASSESSOR
CLINTON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1998

approximates market. Under state law, these deposits, or the resulting bank balances, must be insured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must, at all times, equal the amount on deposit with the fiscal agent. These deposits are held in the name of the pledging fiscal bank in a holding or custodial bank that is mutually acceptable to both parties. Cash (bank balance) at December 31, 1998, are secured as follows:

Bank Balance	<u>\$ 320,186</u>
Federal Deposit Insurance	<u>\$ 200,000</u>
Pledged securities (uncollateralized)	<u>\$ 186,511</u>
Total	<u>\$ 382,511</u>

Because the pledged securities are held by a custodial bank in the name of the fiscal agent bank rather than in the name of the assessor, they are considered uncollateralized (category 3) under the provisions of GASB Codification C20.106; however, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell securities within 10 days of being notified by the assessor that the fiscal agent has failed to pay deposited funds upon demand. Further, LRS 39:1224 states that securities held by a third party shall be deemed to be held in the assessor's name.

G. FIXED ASSETS

Fixed assets used in governmental fund operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in the governmental funds. General fixed assets provided by the parish Police Jury are recorded within the Assessor's general fixed assets account group. Fixed assets are valued at historical cost. No depreciation has been provided on fixed assets. The

EAST FELICIANA PARISH ASSESSOR
CLINTON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1998

account group is not a fund. It is concerned only with the measurement of financial position and does not involve measurement of results of operations.

H. VACATION AND SICK LEAVE

Employees earn from one to four weeks of vacation leave each year depending on length of service. Vacation leave cannot be accumulated. Employees are allowed seven days sick leave per year which cannot be accumulated. At December 31, 1998, there are no accumulated and vested benefits that require disclosure to conform with generally accepted accounting principles.

I. LONG-TERM OBLIGATIONS

Long-term obligations expected to be financed from the General Fund are reported in the general long-term obligations account group. Expenditures for principal and interest payments for long-term obligations are recognized in the General Fund when due.

J. FUND EQUITY

1. Reserves - reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use.
2. Designated Fund Balance - designated fund balance represents tentative plans for future use of financial resources.
3. Fund Balance - unreserved, undesignated fund balance has a balance of \$638,255.

EAST FELICIANA PARISH ASSESSOR
CLINTON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1998

K. TOTAL COLUMNS ON STATEMENTS

The total columns on the statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

NOTE #2: LEVIED TAXES

The following public service businesses are the principal taxpayers for the parish:

<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Colonial Pipeline	\$ 6,928,980	11%
Transcontinental	4,177,920	6%
Entergy/GSU	3,800,810	6%
Mieco, Inc.	2,232,660	3%
Dixie Electric	1,791,140	3%
Texaco Pipeline	1,785,960	3%
Bell South Telecom	1,085,930	2%
Hawco Manufacturing	910,510	1%
Feliciana Bank & Trust	885,530	1%
Marathon Pipeline	<u>705,530</u>	<u>1%</u>
Total	<u>\$ 24,304,970</u>	<u>37%</u>

NOTE #3: CHANGES IN GENERAL FIXED ASSETS

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

Balance, January 1, 1998	\$ 25,785
Additions	6,800
Deductions	<u>-0-</u>
Balance, December 31, 1998	<u>\$ 32,585</u>

EAST FELICIANA PARISH ASSESSOR
CLINTON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1998

NOTE #4: PENSION PLAN

Substantially all employees of the East Feliciana Parish Assessor's office are members of the Louisiana Assessors 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 60 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 creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent 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 joined 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 financial report that includes financial statements and 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 calling (318) 425-4446.

Plan members are required by state statute to contribute 7.0 percent of their annual covered salary and the East Feliciana Parish Assessor is required to contribute at an actuarially determined rate. The current rate is 5.75 percent 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 East Feliciana 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

EAST FELICIANA PARISH ASSESSOR
CLINTON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1998

valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The East Feliciana Parish Assessor's contributions to the System for the years ending December 31, 1998, 1997, and 1996, were \$22,341, \$20,875, and \$14,255, respectively, equal to the required contributions for each year.

NOTE #5: POST-RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The East Feliciana Parish Assessor provides continuing health care benefits for its retired employees. Substantially all of the Assessor's employees become eligible for those benefits if they reach normal retirement age while working for the Assessor. Those benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employees and the Assessor. The Assessor recognizes the cost of providing these benefits, \$4,902, as an expenditure when paid during the year.

NOTE #6: EXPENDITURES OF THE ASSESSOR NOT INCLUDED IN THE FINANCIAL STATEMENTS

Certain operating expenditures of the Assessor's office are paid by the Parish Police Jury as required by Louisiana Revised Statute 33:4713. These expenditures are summarized as follows and are not included in the accompanying financial statements:

Office utilities	\$ 2,296
Equipment rental and supplies	<u>4,817</u>
Total	<u>\$ 7,113</u>

NOTE #7: LITIGATION AND CLAIMS

There is no litigation pending against the Assessor's office at December 31, 1998.

NOTE #8: CAPITAL LEASE

The assessor records items under capital lease as an asset and an obligation in the accompanying financial statements. At December 31, 1998, the assessor has one capital lease in effect for a Chevrolet truck with a recorded amount of \$24,696. The following is a summary of long-term debt transactions for the year ended December 31, 1998:

EAST FELICIANA PARISH ASSESSOR
CLINTON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1998

Balance at January 1, 1998	None
Additions	\$24,696
Reductions	<u>3,238</u>
Balance at December 31, 1998	<u>\$ 21,458</u>

NOTE #9: YEAR 2000 ISSUE

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

The East Feliciana Parish Assessor's office 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 conduct operations of the Assessor's office. Management has identified the following systems requiring year 2000 remediation:

Tax Rolls and Property Tax Assessment:

The Assessor's office has purchased new computer equipment and software. The validation has been completed and the system was determined to be year 2000 compliant.

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 can not assume that the Assessor's office is or will be year 2000 ready, that the remediation efforts of the Assessor's office will be successful in whole or in part, or that parties with whom the Assessor's office does business will be year 2000 ready.

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TELEPHONE: 225/928-4865 ♦ FAX: 225/928-4866

June 1, 1999

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 Holice T. Jackson
East Feliciana Parish Assessor
Clinton, Louisiana

I have audited the general purpose financial statements of the East Feliciana Parish Assessor, as of and for the year ended December 31, 1998. 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 East Feliciana Parish Assessor's general purpose 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 statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards which are described in the accompanying schedule of findings and questioned costs as item 98-1.

Internal Control Over Financial Reporting

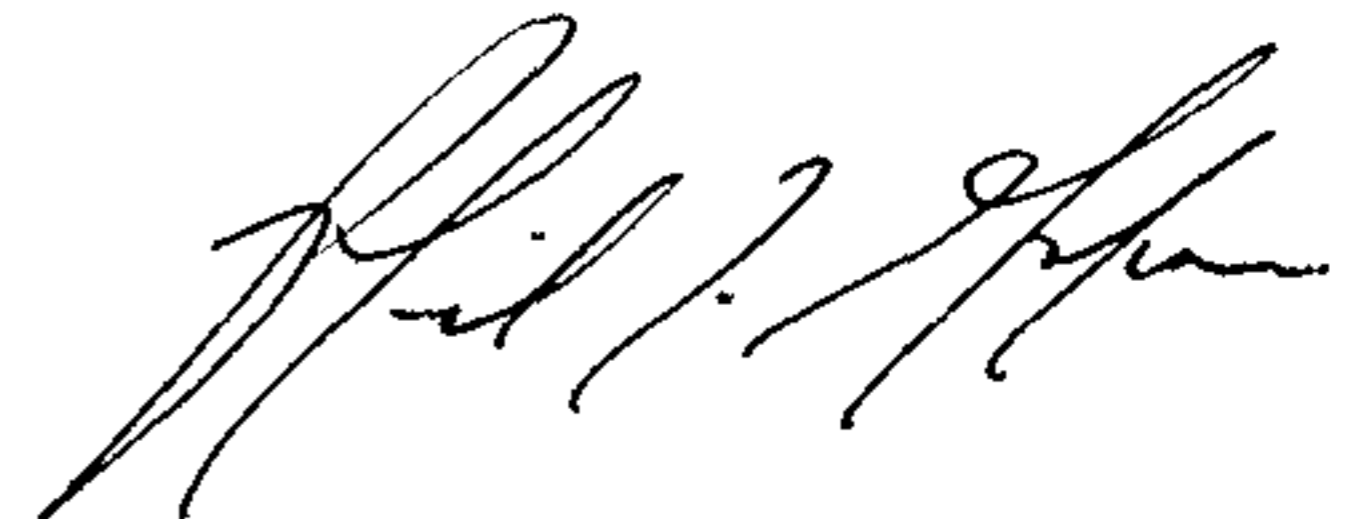
In planning and performing my audit, I considered the East

Honorable Holice T. Jackson

June 1, 1999

Feliciano Parish Assessor's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose 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 general purpose 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.

This report is intended for the information and use of the East Feliciano Parish Assessor's office and its management and is not intended to be and should not be used by anyone other than these specified parties. By provisions of state law, this report is a public document, and it has been distributed to appropriate public officials.



EAST FELICIANA PARISH ASSESSOR
CLINTON, LOUISIANA
SCHEDULE OF FINDINGS
DECEMBER 31, 1998

Prior Year Findings

None

Current Year Findings

98-1

Reportable Condition: Automotive equipment was purchased and financed under a financing contract without obtaining bids or obtaining approval from the State Bond Commission.

Cause: Management for the automobile dealership informed the Assessor that other government agencies in the parish had purchased vehicles under the same terms. Bids and approval were not required. They also advised that this would qualify as a operating lease.

Effect: This results in a violation of state law and could result in excess cost of equipment and financing expenses.

Recommendation: All equipment should be purchased under state bid laws. Debt incurred by the Assessor's office must be approved by the State Bond Commission. Debt includes loans and capital leases.

Management Response: A policy has been established whereby future purchases will be made with state contract or by competitive bid. Leases or financing arrangements are not anticipated in the future due to the available reserves. However, any purchases that are financed will be approved in writing.

Contact Person: Holice T. Jackson, Jr.

Anticipated Completion Date : Immediate