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**TERREBONNE PARISH ASSESSOR**  
Houma, Louisiana  
General Purpose Financial Statements  
and Independent Auditor's Reports  
As of and for the Year Ended  
December 31, 1999

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

Release Date JUL 19 2000

**KEITH J. ROVIRA**  
*Certified Public Accountant*

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### INDEPENDENT AUDITOR'S REPORT

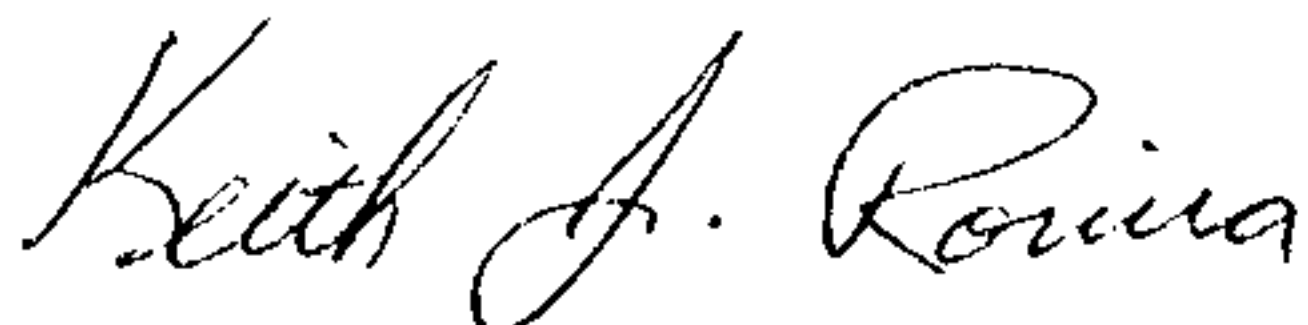
Honorable Gene P. Bonvillain  
Terrebonne Parish Assessor  
A Component Unit of the  
Terrebonne Parish Consolidated Government  
Houma, Louisiana

I have audited the accompanying general purpose financial statements of the Terrebonne Parish Assessor, a component unit of the Terrebonne Parish Consolidated Government, as of and for the year ended December 31, 1999, as listed in the table of contents. These general purpose financial statements are the responsibility of the Terrebonne Parish Assessor. 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 contained in the 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 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 in the first paragraph present fairly, in all material respects, the financial position of the Terrebonne Parish Assessor as of December 31, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued a report dated June 1, 2000, on my consideration of the Terrebonne Parish Assessor's compliance and on internal control over financial reporting based on an audit of financial statements performed in accordance with Government Auditing Standards. This report is presented separately after the notes to the financial statements of this audit report.



Keith J. Rovira  
Certified Public Accountant

June 1, 2000

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**GENERAL PURPOSE FINANCIAL STATEMENTS**

**TERREBONNE PARISH ASSESSOR**  
Houma, Louisiana  
All Fund Types and Account Groups  
Balance Sheet  
December 31, 1999

Statement A

	<u>Governmental Fund - General Fund</u>	<u>Account Group - General Fixed Assets</u>	<u>Total (Memorandum Only)</u>
<u>ASSETS</u>			
Cash and cash equivalents (Note C)	\$117,022	-	\$117,022
Revenue receivables:			
Ad valorem taxes (Note A.8.)	613,647	-	613,647
State revenue sharing	33,670	-	33,670
Office furnishings and equipment (Note D)	-	\$184,909	184,909
TOTAL ASSETS	<u>\$764,339</u>	<u>\$184,909</u>	<u>\$949,248</u>
<u>LIABILITIES, EQUITY AND OTHER CREDITS</u>			
Liabilities:			
Accounts payable	\$18,887	-	\$18,887
Total Liabilities	<u>18,887</u>	-	<u>18,887</u>
Equity and Other Credits:			
Investment in general fixed assets	-	\$184,909	\$184,909
Fund balance - unreserved- undesignated	<u>745,452</u>	-	<u>745,452</u>
Total Fund Equity	<u>745,452</u>	<u>184,909</u>	<u>930,361</u>
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	<u>\$764,339</u>	<u>\$184,909</u>	<u>\$949,248</u>

The accompanying notes are an integral part of this statement.

**TERREBONNE PARISH ASSESSOR**  
Houma, Louisiana  
Governmental Fund Type - General Fund  
Statement of Revenues, Expenditures  
and Changes in Fund Balance  
For the Year Ended December 31, 1999

Statement B

REVENUES

Ad valorem taxes	\$642,594
State revenue sharing	50,505
Interest earnings	6,471
Other	<u>6,638</u>
 Total Revenues	 <u>706,208</u>

EXPENDITURES

Personnel services and related expenditures	577,495
Operating services and maintenance	56,049
Travel and other charges	20,277
Professional services	105,879
Capital outlay	<u>29,975</u>
 Total Expenditures	 <u>789,675</u>
 (Deficiency) of Revenues over Expenditures	 (83,467)
 Fund Balance at Beginning of Year	 <u>828,919</u>
 Fund Balance at End of Year	 <u>\$745,452</u>

The accompanying notes are an integral part of this statement.

**TERREBONNE PARISH ASSESSOR**  
Houma, 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, 1999

Statement C

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>REVENUES</u>			
Ad valorem taxes	\$635,000	\$642,594	\$7,594
State revenue sharing	-	50,505	50,505
Interest earnings	18,000	6,471	(11,529)
Other	<u>15,000</u>	<u>6,638</u>	<u>(8,362)</u>
Total Revenues	<u>668,000</u>	<u>706,208</u>	<u>38,208</u>
 <u>EXPENDITURES</u>			
Personnel services and related expenditures	590,000	577,495	12,505
Operating services and maintenance	60,000	56,049	3,951
Travel and other charges	20,000	20,277	(277)
Professional services	60,000	105,879	(45,879)
Capital outlay	<u>40,000</u>	<u>29,975</u>	<u>10,025</u>
Total Expenditures	<u>770,000</u>	<u>789,675</u>	<u>(19,675)</u>
Excess (Deficiency) of Revenues over Expenditures	(102,000)	(83,467)	18,533
Fund Balance at Beginning of Year	<u>828,919</u>	<u>828,919</u>	<u>-</u>
Fund Balance at End of Year	<u>\$726,919</u>	<u>\$745,452</u>	<u>\$18,533</u>

The accompanying notes are an integral part of this statement.

**NOTES TO THE FINANCIAL STATEMENTS**



**TERREBONNE PARISH ASSESSOR**  
Houma, Louisiana  
Notes to the Financial Statements  
December 31, 1999

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 the Terrebonne Parish Courthouse in Houma, 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 during 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.

1. Basis of Presentation

The accompanying financial statements of the Terrebonne Parish Assessor have been prepared in conformity with 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.

2. Reporting Entity

As the governing authority of the parish, for reporting purposes, the Terrebonne Parish Consolidated Government is the financial reporting entity for Terrebonne Parish. The financial reporting entity consists of (a) the primary government (Terrebonne Parish Consolidated Government), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which 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.

**TERREBONNE PARISH ASSESSOR**  
Houma, Louisiana  
Notes to the Financial Statements  
December 31, 1999

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Terrebonne Parish Consolidated Government for financial reporting purposes.

The basic criterion 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:

1. Appointing a voting majority of an organization's governing body, and
  - a. the ability of the parish government 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 parish government.
2. Organizations for which the parish government does not appoint a voting majority, but are fiscally dependent on the parish government.
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Even though the assessor is an independently elected official, and is legally separate from the parish government, the exclusion from the parish government's financial statements would cause the parish government's financial statements to be misleading or incomplete. Also, the assessor is fiscally dependent on the parish government when the parish government has approval authority over the assessor's capital budget. The parish government has approval authority over the assessor's capital budget because office space is furnished to the assessor by the parish government and title to real property is in the name of the parish government. Because of these reasons, the assessor is determined to be a component unit of the Terrebonne Parish Consolidated Government.

**TERREBONNE PARISH ASSESSOR**  
Houma, Louisiana  
Notes to the Financial Statements  
December 31, 1999

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Fund Accounting

The assessor uses a fund (General Fund) and an account group (General Fixed Assets Account Group) 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. On the other hand, an account group 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.

The assessor's General Fund is classified as a governmental fund. Governmental funds account for general activities, including the collection and disbursement of specific or legally restricted monies and the acquisition of general fixed assets.

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. Ad valorem tax revenue authorized by Act 292 of 1985 is accounted for in this fund. General operating expenditures are paid from this fund. The general fund is classified as a governmental fund.

4. 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 relates to the timing of the measurements made, regardless of the measurement focus applied. The assessor's records are maintained on a cash basis of accounting. However, the funds reported in the accompanying financial statements have been converted to a modified accrual basis of accounting. The General Fund uses the following practices in recording revenues and expenditures:

Revenues:

Ad valorem taxes are assessed on a calendar year basis,



**TERREBONNE PARISH ASSESSOR**  
Houma, Louisiana  
Notes to the Financial Statements  
December 31, 1999

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

become due on November 15 of each year, and become delinquent on December 31. They are recognized as revenue in the year the taxes are assessed.

Interest earnings on certificates of deposit are recorded when the certificates of deposit have matured and the revenue is available.

Expenditures:

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

5. Budgets

The proposed budget for 1999 was published in the official journal and made available for public inspection on December 9, 1998. A public hearing was held and the budget was adopted on December 30, 1998. Appropriations lapse at year end. The original adopted budget was amended on December 30, 1999.

The budget is legally adopted and amended, as necessary, by the assessor. It is prepared and reported on the modified accrual basis of accounting. Formal budget integration is employed as a management control device during the year. The assessor reserves all authority to make changes to the budget. When actual revenues fail to meet budgeted revenues by five per cent or more and/or actual expenditures exceed budgeted revenues by five per cent or more, a budget amendment to reflect such change is adopted by the assessor. Budgeted amounts included in the accompanying financial statements include the original adopted budget and any subsequent amendments, if applicable.

6. Encumbrances

Encumbrance accounting is not utilized by the assessor due to the nature of operations and the ability of management to monitor budgeted expenditures on a timely basis.

**TERREBONNE PARISH ASSESSOR**  
Houma, Louisiana  
Notes to the Financial Statements  
December 31, 1999

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

7. Cash and Cash Equivalents  
Cash includes amounts in a demand deposit account. Cash equivalents include amounts in certificates of deposit. Under state law, the assessor may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or certificates of deposit with state banks organized under Louisiana law and national banks having principal offices in Louisiana.
8. Ad Valorem Tax Receivables  
There was no provision made for uncollectible ad valorem tax receivables because the amount was based on actual taxes received in 2000.
9. Fixed Assets  
Fixed assets are recorded as expenditures at the time purchased. The related assets are capitalized and reported in the general fixed assets account group. No depreciation has been provided on general fixed assets. Approximately 71 percent of fixed assets are valued at actual cost, while the remaining 29 percent are valued at estimated cost.  
  
Fixed assets provided by the parish government are not included in the general fixed assets account group.
10. Compensated Absences  
Employees of the assessor earn from ten to fifteen days of vacation leave each year depending on length of service, and ten days of sick leave. Leave benefits do not vest or accumulate and must be taken in the year earned. Payment is not made for accumulated leave upon retirement, resignation or termination of employment. The cost of current leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current year expenditure in the General Fund when the leave is actually taken.
11. Long-term Obligations  
There were no long-term obligations at December 31, 1999.

**TERREBONNE PARISH ASSESSOR**  
Houma, Louisiana  
Notes to the Financial Statements  
December 31, 1999

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

NOTE B - LEVIED TAXES

In 1999, the assessor was authorized to levy up to 1.96 mills in ad valorem taxes. A 1.96-mill ad valorem tax was levied for the year ended December 31, 1999.

The following are the principal taxpayers for the parish:

<u>Taxpayer</u>	<u>Type of Business</u>	<u>1999 Assessed Valuation</u>	<u>Percentage of Total Valuation</u>
Texaco, Inc.	Oil Company	\$15,686,415	4.76%
BellSouth	Telephone	11,049,870	3.35
Tenneco, Inc.	Oil Company	7,298,790	2.22
Transcontinental Gas Pipeline	Pipelines	7,105,180	2.16
Entergy La., Inc.	Utility	6,896,390	2.09
Bank One	Banking	6,447,860	1.96
Poseidon Oil, Inc.	Oil Company	5,198,615	1.44
Equiva Servs., LLC	Oil Company	4,752,210	1.44
South La. Electr.	Utility	4,551,200	1.38
Hibernia Nat'l Bk.	Banking	<u>4,248,825</u>	<u>1.29</u>
		<u>\$73,235,355</u>	<u>22.09%</u>

The total assessed valuation for all taxpayers at December 31, 1999, was \$329,561,315. This figure was used in calculating the percentage of the "1999 assessed valuation of each of the principal taxpayers" to the "total assessed valuation for all taxpayers."

**TERRIBONNE PARISH ASSESSOR**  
Houma, Louisiana  
Notes to the Financial Statements  
December 31, 1999

NOTE C - CASH AND CASH EQUIVALENTS

At December 31, 1999, the assessor had cash and cash equivalents (book balances) as follows:

Demand deposit	\$17,022
Certificates of deposit	<u>100,000</u>
Total	<u>\$117,022</u>

These deposits are stated at cost. 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. 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 securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 1999, the assessor had \$122,804 in deposits (collected bank balances). These deposits were secured from risk by \$100,000 of federal deposit insurance and \$22,804 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Although the bank balances were totally secured by the FDIC and pledged securities at December 31, 1999, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank for securities pledged to safeguard deposits of the assessor during the year and to advertise and sell the pledged securities within 10 days of being notified by the assessor that the fiscal agent has failed to pay deposited funds upon demand.

NOTE D - CHANGES IN GENERAL FIXED ASSETS

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

Balance, January 1, 1999	\$164,257
Additions	20,652
Deductions	<u>          </u>
Balance, December 31, 1999	<u>\$184,909</u>



**TERREBONNE PARISH ASSESSOR**  
Houma, Louisiana  
Notes to the Financial Statements  
December 31, 1999

NOTE E - PENSION PLAN

Plan Description

Substantially all employees of the Terrebonne Parish Assessor's office are members of the Louisiana Assessor's Retirement System (System), a multiple-employer (cost sharing), public employee retirement system, 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 credited 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. The report may be obtained by writing to the Louisiana Assessors' Retirement System, Post Office Box 1786, Shreveport, Louisiana 71166-1786, or by calling (318) 425-4446.

Funding Policy

Plan members are required by statute to contribute 7.00% percent of their annual covered salary and the Terrebonne Parish Assessor is required to contribute at an actuarially determined rate. The current employer (assessor's portion) rate is 5.75% of annual covered payroll. Contributions to the System also include one-fourth of one percent (one percent 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 Terrebonne Parish Assessor are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103,



**TERREBONNE PARISH ASSESSOR**  
Houma, Louisiana  
Notes to the Financial Statements  
December 31, 1999

**NOTE E - PENSION PLAN**

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 assessor's (employer) contributions to the System for the years ending December 31, 1999, 1998 and 1997 were \$22,278, \$21,685 and \$19,880, respectively, equal to the required contributions for each year.

**NOTE F - DEFERRED COMPENSATION PLAN**

The assessor offers his employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, which is available to all the assessor's employees, permits employees to defer a portion of their salary until future years. The deferred compensation amount is not available to employees until termination, retirement, death or unforeseeable emergency. The assessor has no fiduciary responsibility to the administration of this plan. Participants, themselves, decide on the types of investments in which to invest their deferrals, and the plans administration is performed by an organization which is separate from the assessor's office. In this regard, there are no reporting requirements which need to be applied for this plan arrangement.

Deferrals on deposit in the plan had a balance totaling \$12,830 at December 31, 1999. This balance is stated at fair market value.

**NOTE G - POSTRETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS**

The assessor provides certain continuing health care and life insurance benefits for retired employees. 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 paid monthly and jointly by the retiree, employee and the assessor. The assessor recognizes the cost of providing these benefits (assessor's portion of premiums) as an expenditure when paid during the year. For 1998, the cost of health care and life insurance benefits paid by the assessor for retirees, and active employees, totaled \$27,828, and \$85,557, respectively.

**TERREBONNE PARISH ASSESSOR**  
Houma, Louisiana  
Notes to the Financial Statements  
December 31, 1999

NOTE H - LEASES

As of December 31, 1999, there were no future annual lease commitments for the assessor, nor were there any operating or capital leases outstanding.

NOTE I - COMPENSATED ABSENCES

Payment is not made for accumulated leave upon retirement, resignation or termination of employment. Therefore, there was no liability to be reported for compensated absences at December 31, 1999.

NOTE J - INTERGOVERNMENTAL AGREEMENT

In January, 1992, the assessor entered into an intergovernmental agreement with the Terrebonne Parish Consolidated Government. The assessor rents the use of the parish's computer for data processing of the assessor's records. Rental payments of \$1,229 are made to the parish government on a monthly basis. Total payments made in 1999 were \$14,748.

NOTE K - EXPENDITURES OF THE ASSESSOR NOT INCLUDED IN THE FINANCIAL STATEMENTS

Louisiana R.S. 33:4713 requires the Terrebonne Parish Consolidated Government to provide the assessor with all necessary office space, utilities, furniture, equipment, supplies, and maps. During the year ended December 31, 1999, the parish government provided office space, utilities, and janitorial services on a limited basis. The value of these items are not reflected in the accompanying financial statements.

NOTE L - LITIGATION

At December 31, 1999, according to the assessor's legal counsel, there was no pending or threatened litigation which would require a liability to be recorded on the financial statements.

**SUPPLEMENTAL INFORMATION SCHEDULES**

**TERREBONNE PARISH ASSESSOR**  
Houma, Louisiana  
Supplemental Information Schedules  
Summary Schedule of Prior Audit Findings  
For the Year Ended December 31, 1999

Reference No.: 1

Fiscal Year Finding Initially Occurred: Has existed from inception.

Finding Described: The size of the assessor's operations and its limited staff preclude an adequate segregation of duties and other features of an adequate system of internal accounting control.

Corrective Action and Additional Explanation: Management is aware of this inadequacy in the internal control structure, however, it feels that to employ such controls would not be cost beneficial. No action will need to be taken.

**TERREBONNE PARISH ASSESSOR**  
Houma, Louisiana  
Supplemental Information Schedules  
Corrective Action Plan for Current Year Audit Findings  
For the Year Ended December 31, 1999

Reference No.: 1

Fiscal Year Finding Initially Occurred: Has existed from inception.

Finding Described: The size of the assessor's operations and its limited staff preclude an adequate segregation of duties and other features of an adequate system of internal accounting control.

Corrective Action and Additional Explanation: Management is aware of this inadequacy in the internal control structure, however, it feels that to employ such controls would not be cost beneficial. No action will need to be taken.

Contact Person:  
Gene P. Bonvillain,  
Terrebonne Parish Assessor  
Houma, Louisiana

Anticipated Completion Date: Not applicable.

**OTHER REPORT REQUIRED BY  
GOVERNMENT AUDITING STANDARDS**



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

Honorable Gene P. Bonvillain  
Terrebonne Parish Assessor  
A Component Unit of the  
Terrebonne Parish Consolidated Government  
Houma, Louisiana

I have audited the general purpose financial statements of the Terrebonne Parish Assessor, a component unit of the Terrebonne Parish Consolidated Government, as of and for the year ended December 31, 1999, and have issued my report thereon dated June 1, 2000. 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 a part of obtaining reasonable assurance about whether the Terrebonne Parish Assessor's general purpose financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations and contracts, noncompliance with which could have a direct and material effect on the determination of the 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 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 Terrebonne 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. However, I noted a matter involving the internal control over financial reporting and its operations that I consider to be reportable condition. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgement, 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. I noted that, as a material weakness, the size of the assessor's operations and its limited staff preclude an adequate segregation of duties and other features of an adequate system of internal accounting control. Management is aware of this inadequacy in the internal control structure, however, it feels that to employ such controls would not be cost beneficial.

A material weakness is a reportable 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. My 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, I considered the reportable condition described above to be a material weakness.

This report is intended solely for the use of management and the State of Louisiana Legislative Auditor and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report which, upon acceptance by the State of Louisiana Legislative Auditor, is a matter of public record.



Keith J. Rovira  
Certified Public Accountant

June 1, 2000