

NOV 19 1998

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ST. CHARLES PARISH ASSESSOR

Hahnville, Louisiana

*General Purpose Financial Statements and
Independent Auditor's Reports
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 NOV 19 1998

T.S. KEARNS & CO.
CPA

(A Professional Corporation)
Timothy S. Kearns, MBA, CPA
501 Canal Boulevard, Thibodaux, LA 70301
(504) 447-8507 Fax (504) 447-4833

ST. CHARLES PARISH ASSESSOR
Hahnville, Louisiana

General Purpose Financial Statements and
Independent Auditor's Report
As of and for the Year Ended December 31, 1998

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INDEPENDENT AUDITOR'S REPORT

HONORABLE CLYDE A. GISCLAIR
ST. CHARLES PARISH ASSESSOR
Hahnville, Louisiana

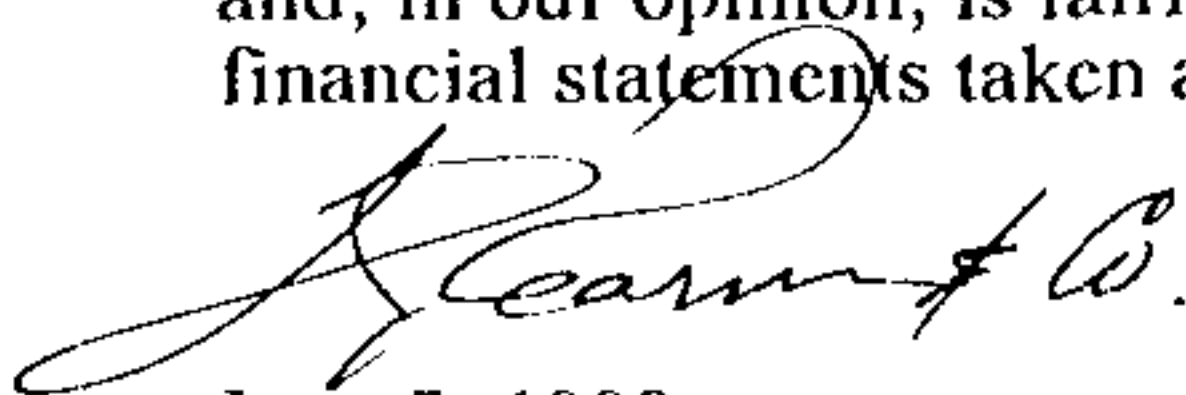
We have audited the accompanying general purpose financial statements of the St. Charles Parish Assessor, as of and for the year ended December 31, 1998, as listed in the foregoing table of contents. These financial statements are the responsibility of the management of the St. Charles Parish Assessor. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our 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 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 management, 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. Charles 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, we have also issued our report dated June 7, 1999 on our consideration of the St. Charles Parish Assessor's internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying supplemental information schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the St. Charles Parish Assessor. Such information has been subjected to the procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.



June 7, 1999

ST. CHARLES PARISH ASSESSOR
Hahnville, Louisiana
ALL FUND TYPES & ACCOUNT GROUPS

Balance Sheet
December 31, 1998

	GOVERNMENTAL FUND- GENERAL FUND	ACCOUNT GROUP ----- GENERAL FIXED ASSETS	TOTAL (MEMORANDUM ONLY)
ASSETS AND OTHER DEBITS			
Assets			
Cash and cash equivalents	\$ 851,846		\$ 851,846
Receivables:			
Ad valorem taxes (net)	777,001		777,001
State revenue sharing	19,895		19,895
Other	4,380		4,380
Security deposit	600		600
Office furnishings, equipment and uniforms		\$ 262,340	262,340
	-----	-----	-----
TOTAL ASSETS AND OTHER DEBITS	<u>\$ 1,653,723</u>	<u>\$ 262,340</u>	<u>\$ 1,916,062</u>
LIABILITIES, EQUITY AND OTHER CREDITS			
Liabilities			
Accounts payable	\$ 1,103		\$ 1,103
Payroll taxes payable	1,380		1,380
	-----	-----	-----
Total liabilities	<u>2,483</u>	<u>0</u>	<u>2,483</u>
Deferred revenue - ad valorem taxes	\$ 16,563		\$ 16,563
	-----	-----	-----
Equity and other credits			
Investment in general fixed assets		\$ 262,340	262,340
Fund balances:			
Unreserved-undesignated	1,634,677		1,634,677
	-----	-----	-----
Total equity and other credits	<u>1,634,677</u>	<u>262,340</u>	<u>1,897,017</u>
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	<u>\$ 1,653,723</u>	<u>\$ 262,340</u>	<u>\$ 1,916,062</u>

The accompanying notes are an integral part of this statement.

ST. CHARLES PARISH ASSESSOR
Hahnville, Louisiana
GOVERNMENTAL FUND - GENERAL FUND

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

	<u>BUDGET</u>	<u>ACTUAL</u>	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Advalorem taxes	\$ 796,428.00	\$ 782,067.65	\$ (14,360.35)
State revenue sharing	29,603.00	29,842.00	239.00
Computer service fees	4,200.00	4,200.00	0.00
Interest on investments	50,878.00	53,868.77	2,990.77
Duplicating fees	1,031.00	1,089.72	58.72
Preparation of tax roll	<u>1,000.00</u>	<u>0.00</u>	<u>(1,000.00)</u>
Total revenue	<u>883,140.00</u>	<u>871,068.14</u>	<u>(12,071.86)</u>
EXPENDITURES			
General government - taxation:			
Salaries:			
Assessor	76,505.00	76,504.80	0.20
Deputies	527,799.00	527,799.88	(0.88)
Others	2,400.00	2,400.00	0.00
Office expenditures	31,179.00	29,792.83	1,386.17
Equipment maintenance	12,482.00	10,372.07	2,109.93
Telephone	7,109.00	7,652.76	(543.76)
Travel and conventions	8,411.00	8,534.74	(123.74)
Payroll taxes	2,129.00	2,305.16	(176.16)
Automobile expenditures	7,439.00	11,843.29	(4,404.29)
Automobile lease	7,205.00	7,232.34	(27.34)
Employer's contribution to group insurance and retirement	126,751.00	126,900.75	(149.75)
Contracted services	4,928.00	7,168.12	(2,240.12)
Miscellaneous	74.00	74.31	(0.31)
Capital outlay:			
Equipment	<u>1,214.00</u>	<u>2,805.76</u>	<u>(1,591.76)</u>
Total expenditures	<u>815,625.00</u>	<u>821,386.81</u>	<u>(5,761.81)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	67,515.00	49,681.33	(17,833.67)
FUND BALANCE AT BEGINNING OF YEAR	<u>1,584,996.00</u>	<u>1,584,995.58</u>	<u>0.00</u>
FUND BALANCE AT END OF YEAR	<u>\$1,652,511.00</u>	<u>\$1,634,676.91</u>	<u>\$ (17,833.00)</u>

The accompanying notes are an integral part of this statement.

**ST. CHARLES PARISH ASSESSOR
Hahnville, Louisiana**

**Notes to the Financial Statements
As of and for the Year Ended 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 to provide assistance to the taxpayers of the parish. The deputies are authorized to perform all functions of the office, but the assessor is officially and pecuniarily responsible for the actions of the deputies.

The assessor's office is located in the St. Charles Parish Courthouse in Hahnville, Louisiana. The assessor employs 14 employees which includes the assessor, 12 deputies and 1 part-time janitor. 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 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 21,988 real property and movable property assessments totaling \$144,101,986 and \$550,514,592 respectively. Total exemption is \$71,806,582 and total taxable is \$622,809,996. This represents an increase from 1997 of 368 new assessments, an increase in assessed value of \$8,730,441 and an increase in taxable assessments of 7,809,555.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of presentation

The accompanying general purpose financial statements of the St. Charles 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.

B. Reporting entity

Under Governmental Accounting and Financial Standards Section 2100, the financial reporting entity consists of the primary government and its component units. As the governing authority of the parish, the St. Charles Parish Council is the primary government for financial reporting purposes.

The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB

ST. CHARLES PARISH ASSESSOR
Hahnville, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 1998

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 council 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 council.
2. Organizations for which the parish council does not appoint a voting majority but are fiscally dependent on the parish council.
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.

Based on this criteria, management has determined that the St. Charles Parish Assessor is not considered a component unit of the St. Charles Parish Council. The St. Charles Parish Assessor is a separate reporting entity because:

1. The Assessor is a separate legal entity, and not a part of the Parish Council or other governmental entities.
2. The Assessor is elected by the voters and is not appointed by the Parish Council.
3. The Parish Council does not have the ability to impose its will on the Assessor.
4. The Assessor is not fiscally dependent on the Parish Council, nor is the Assessor a significant financial burden to the Parish Council.

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 related to certain governmental 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

ST. CHARLES PARISH ASSESSOR
Hahnville, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 1998

they do not directly affect net expendable available financial resources.

The funds presented in the financial statements are described as follows:

General Fund - the governmental fund (General Fund), as provided by Louisiana Revised Statute 47:1906, is the principal fund of the assessor and accounts for the operations 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.

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 are generally included on the balance sheet. The operating statement 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 assessed are recorded, net of deferred taxes and net of an allowance for uncollectable receivables, in the year the taxes are assessed. Deferred revenue is recorded for the amount of assessed taxes that are expected to be collected after the end of the year but are not expected to be collected in time to pay current liabilities. Ad valorem taxes are assessed for the calendar year, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected by the tax collector in December of the current year and January and February of the ensuing year. Ad valorem tax revenue also includes prior year taxes received that were previously written off. Prior year net receivables written off are deducted from ad valorem tax revenue.

State revenue sharing is recorded when it becomes receivable.

All other revenue are recorded when measurable and available.

Expenditures -

Compensated absences are recognized as expenditures when leave is actually taken or when employees (or their heirs) are paid for accrued leave upon retirement or death, while the cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group. Because employees are not allowed to carryover vacation leave to future years, there is no long-term liability for compensated absences.

ST. CHARLES PARISH ASSESSOR
Hahnville, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 1998

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

Other Financing Sources -

Other financing sources are recorded when received.

E. Budgets

The St. Charles Parish Assessor adopts an annual budget for the General Fund on a modified accrual basis of accounting. The proposed budget for 1998 was published in the official journal and made available for public inspection. The public hearing for the proposed budget was held December 18, 1997, and the budget was adopted on that date. Unexpended appropriations lapse at year end and must be reappropriated in the next year's budget to be expended. Formal budget integration was employed as a management control device during the year. The budget was amended. The amended budget was published in the official journal and made available for public inspection. The amended budget was adopted at a public hearing on December 17, 1998.

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 expenditures 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 all subsequent amendments.

F. Encumbrances

The assessor does not use encumbrance accounting.

G. Cash and cash equivalents, and investments

Cash includes amounts in interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in certificates of deposits regardless of their maturities. Under state law, the assessor may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the assessor may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed one year; however, if the original maturities are one year or less, they are classified as cash equivalents. Investments are stated at cost.

ST. CHARLES PARISH ASSESSOR
Hahnville, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 1998

H. Inventories

Physical inventories consist of expendible supplies held for consumption. Because inventories are expended within one operating cycle they are recorded as expenditures when paid for and are not recorded as an inventory asset.

I. Prepaid items

The assessor does not account for prepaid items.

J. Fixed assets

Fixed assets are recorded as expenditures at the time purchased, and the related assets are capitalized in the general fixed assets account group. No depreciation has been provided on general fixed assets. Approximately 90 percent of fixed assets are valued at actual costs, while the remaining 10 per cent are valued at cost estimated by the American Appraisal Associates, based on estimated cost of similar items.

K. Compensated absences

Employees of the assessor's office earn from 12 to 27 days of vacation leave each year, depending on their length of service. Unused vacation leave may not be accumulated. Employees earn from 5 to 25 days of sick leave each year, depending on their length of service. A maximum of 60 days of sick leave may be accumulated. Upon retirement or death, unused accumulated sick leave is paid to the employee or to the employee's estate at the employee's current rate of pay.

In accordance with GASB Statement No. 16, the cost of sick leave is accrued only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals. There are no cost of leave privileges required to be reported on the financial statements.

L. 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. There are no long-term obligations.

M. Total column on balance sheet

The total column on the balance sheet is captioned Memorandum Only to indicate that 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.

ST. CHARLES PARISH ASSESSOR
Hahnville, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 1998

NOTE 2. LEVIED TAXES

The following is a summary of authorized and levied ad valorem taxes for the year ended December 31, 1998:

	Authorized Millage	Levied Millage
Assessor	1.5	1.25

The following are the principal taxpayers for the parish:

Taxpayer	Type of Business	1998 Assessed Total Valuation	Percentage of Total Assessed Valuation
Entergy Louisiana, Inc.	Utility	\$216,596,050	31.2%
Union Carbide Corporation	Chemical	52,935,299	7.6%
Shell Oil Company	Oil Refinery	46,374,283	6.7%
Shell Norco Refining Company	Oil Refinery	39,280,534	5.7%
Transamerica Refining Corp.	Oil Refinery	27,620,000	4.0%
Monsanto Company	Chemical	16,746,771	2.4%
Shell Chemical	Chemical	13,497,252	1.9%
Occidental Chemical Corp.	Chemical	9,994,563	1.4%
Total		\$423,044,752	60.9%
		=====	=====

NOTE 3. CASH

At December 31, 1998, the assessor has cash (book balances) totaling \$851,846, as follows:

Interest-bearing demand deposits	\$ 83,112
Money market	53,587
Certificates of deposit	715,147
Total	\$ 851,846
	=====

ST. CHARLES PARISH ASSESSOR
Hahnville, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 1998

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. 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 must be 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, 1998, the assessor has \$629,321 in deposits (collected bank balance) at First National Bank of St. Charles. These deposits are secured from risk by \$100,000 federal deposit insurance and \$550,000 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3). At December 31, 1998, the assessor has \$238,587 in deposits (collected balance) at Paine Webber. These deposits are secured from risk by \$238,587 of insurance by the Securities Investor Protection Corporation (GASB Category 1).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the assessor that the fiscal agent failed to pay deposited funds upon demand.

NOTE 4. RECEIVABLES

Total ad valorem taxes assessed are \$778,512. This gross receivable is recorded net of an allowance for estimated uncollectables of \$1,511.

NOTE 5. AD VALOREM TAX REVENUE

Ad valorem tax revenue assessed of \$778,512 is reported net of an allowance for uncollectables of \$1,511 and deferred revenue of \$16,562. Also included in ad valorem tax revenue are \$1,153 of prior year deferred revenue, and \$20,476 of prior year taxes collected in excess of amount reported as revenue.

NOTE 6. CHANGES IN GENERAL FIXED ASSETS

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

Balance, January 1, 1998	\$259,534
Additions	2,806
Deductions	-0-

Balance, December 31, 1998	\$262,340
	=====

ST. CHARLES PARISH ASSESSOR
Hahnville, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 1998

NOTE 7. PENSION PLAN

Plan Description. Substantially all employees of the St. Charles Parish Assessor's office are members of the Louisiana Assessors Retirement System (System), a cost-sharing, multiple-employer defined benefit pension plan 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 per cent of their final-average salary for each year of credited service, not to exceed 100 per cent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or 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 benefits 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 supplemental information for the System. That 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 state statute to contribute 7.0 percent of their annual covered salary and the St. Charles Parish Assessor is required to contribute at an actuarially determined rate. The current rate is 5.5% of annual covered payroll. Contributions to the System also include one-fourth of 1% of the taxes shown to be collected by the tax rolls of each parish, plus revenue sharing funds appropriated by the legislature. The contribution requirements of plan members and the St. Charles Parish Assessor are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The St. Charles Parish Assessor's contributions to the System for the years ended December 31, 1998, 1997 and 1996, were \$34,747, \$31,909, and \$22,622, respectively, equal to the required contributions for each year.

ST. CHARLES PARISH ASSESSOR
Hahnville, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 1998

NOTE 8. OTHER POSTEMPLOYMENT BENEFITS

The St. Charles Parish Assessor provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the assessor's employees become eligible for these benefits if they reach normal retirement age while working for the assessor. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee and the assessor. The assessor recognizes the cost of providing these benefits (assessor's portion of premium) as an expenditure when paid during the year. For 1998 the cost of retiree benefits for three retirees totaled \$11,915.

NOTE 9. LEASES

The assessor is obligated under a vehicle lease agreement accounted for as an operating lease. The lease does not satisfy any one of the four capitalization criteria required by FAS-13. Operating leases do not give rise to property rights or lease obligations, and therefore the results of this lease agreement is not reflected in the assessor's account groups.

The following is a schedule by year of future minimum rental payments required under this operating lease which has an initial or remaining noncancelable lease term in excess of one year.

<u>Year Ending</u> <u>December 1998</u>	<u>Amount</u>
1999	\$ 5,958 =====

NOTE 10. EXPENDITURES OF THE ASSESSOR NOT INCLUDED IN THE FINANCIAL STATEMENT

Certain operating expenditures of the assessor's office are paid by the parish council as required by Louisiana Revised Statute 33:4713. The assessor's office is located in the St. Charles Parish Courthouse. The upkeep, maintenance and insurance for the courthouse is paid by the St. Charles Parish Council.

NOTE 11. DEFERRED COMPENSATION PLAN

The St. Charles Parish Assessor offers some of its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan permits employees to defer a portion of their salaries until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights

ST. CHARLES PARISH ASSESSOR
Hahnville, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 1998

of the state. Participants' rights under the plan are equal to those of general creditors of the state in an amount equal to the fair market value of the deferred account for each participant. Deposits with the Louisiana Deferred Compensation Plan are stated at fair market value.

NOTE 12. LITIGATION AND CLAIMS

At December 31, 1998 the St. Charles Parish Assessor is not involved in any litigation or aware of any claims.

NOTE 13. 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 St. Charles Parish Assessor's operations.

Because of the unprecedented nature of the Year 2000 issue, its effects and the success of the related remediation efforts will not be fully determined until year 2000 and thereafter. Management cannot assure that the Assessor is or will be Year 2000 ready, that the Assessor's remediation efforts will be successful in whole or in part, or that parties with whom the Assessor does business will be Year 2000 ready.

SUPPLEMENTAL INFORMATION SCHEDULES

ST. CHARLES PARISH ASSESSOR
Hahnville, LouisianaSummary Schedule of Prior Audit Findings
As of and for the Year Ended December 31, 1998Ref. No.

9712-01

Fiscal Year Finding Initially Occurred

All previous years

Description of Finding

Internal Control Material Weakness. As a material weakness (and reportable condition), the size of the St. Charles Parish Assessor's operations and its limited staff preclude an adequate segregation of duties and other features of an adequate system of internal control, although to employ such controls may not be cost beneficial.

Corrective Action Taken (Yes, No, Partially)

Partially

Planned Corrective Action/Partial Corrective Action Taken

The assessor has retained the services of a CPA who inspects the accounting journals on a monthly basis.

Although the chief deputy has the authority to sign checks, all of the checks are signed by the assessor.

Additional Explanation

This is a common reportable condition noted in audits of small governmental entities. The assessor's office does not employ enough people in its accounting department to segregate duties such as approving purchase orders, approving invoices for payment, printing checks, recording checks, signing checks, mailing checks, and reconciling bank statements. This is one example of the circumstances that resulted in the reportable condition.

The reportable condition can not be remedied in a cost effective manner.

ST. CHARLES PARISH ASSESSOR
Hahnville, LouisianaCorrective Action Plan for Current Year Findings
As of and for the Year Ended December 31, 1998Ref. No.

9812-01

Description of Finding

Internal Control Material Weakness. As a material weakness (and reportable condition), the size of the St. Charles Parish Assessor's operations and its limited staff preclude an adequate segregation of duties and other features of an adequate system of internal control, although to employ such controls may not be cost beneficial.

Corrective Action Planned

The assessor has retained the services of a CPA who inspects the accounting journals on a monthly basis.

Although the chief deputy has the authority to sign checks, all of the checks are signed by the assessor.

Name of Contact Person

Clyde A. Gisclair, Assessor

Anticipated Completion Date

None

Additional Explanation

This is a common reportable condition noted in audits of small governmental entities. The assessor's office does not employ enough people in its accounting department to segregate duties such as approving purchase orders, approving invoices for payment, printing checks, recording checks, signing checks, mailing checks, and reconciling bank statements. This is one example of the circumstances that resulted in the reportable condition.

The reportable condition can not be remedied in a cost effective manner.

**OTHER REPORT REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

Report on Compliance and on Internal Control

**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 CLYDE A. GISCLAIR
ST. CHARLES PARISH ASSESSOR
Hahnville, Louisiana

We have audited the general purpose financial statements of the St. Charles Parish Assessor, as of and for the year ended December 31, 1998, and have issued our report thereon dated June 7, 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 St. Charles Parish 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 those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our test 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 St. Charles Parish 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 single 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 judgement, could adversely affect the entity'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 corrective action plan for the current year audit finding as item 9812-01.

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. 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 for the information of management. However, this report is a matter of public record, and its distribution is not limited.


June 7, 1999