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WEST FELICIANA PARISH ASSESSOR  
ST. FRANCISVILLE, 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 JUN

WEST FELICIANA PARISH ASSESSOR  
ST. FRANCISVILLE, LOUISIANA  
GENERAL PURPOSE FINANCIAL STATEMENTS  
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AS OF AND FOR THE YEAR ENDED  
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# PHIL T. GRAHAM

CERTIFIED PUBLIC ACCOUNTANT

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## INDEPENDENT AUDITOR'S REPORT

June 2, 1999

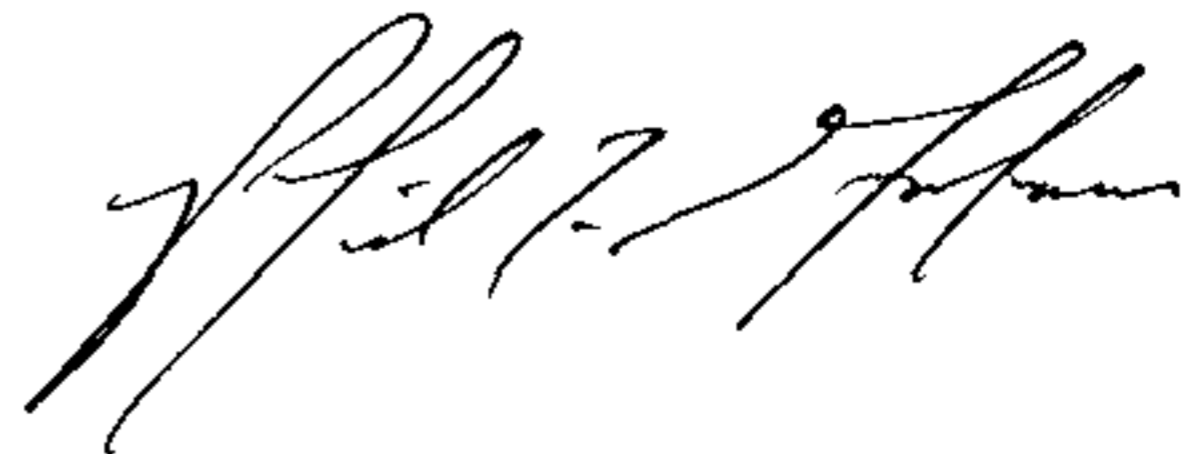
Honorable W. D. Spillman,  
West Feliciana Parish Assessor  
St. Francisville, Louisiana

I have audited the general-purpose financial statements of the West Feliciana Parish Assessor as of December 31, 1998, and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the West 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 the standards applicable to financial audits contained in 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 West 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 a report dated June 2, 1999, on my consideration of West 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)

## STATEMENT A

WEST FELICIANA PARISH ASSESSOR  
ST. FRANCISVILLE, LOUISIANA  
BALANCE SHEET-ALL FUND TYPES AND ACCOUNT GROUPS  
DECEMBER 31, 1998

	GOVERNMENTAL FUND TYPE GENERAL <u>FUND</u>	ACCOUNT GROUP GENERAL FIXED <u>ASSETS</u>	<u>TOTAL</u> (MEMORANDUM ONLY)
<u>ASSETS AND OTHER DEBITS</u>			
Cash and Cash Equivalents	\$ 875,363		\$ 875,363
Revenue receivable:			
Ad Valorem taxes receivable	106,009		106,009
Interest receivable	21,653		21,653
Due from:			
State of Louisiana - Department of Revenue	10,373		10,373
Office furnishings and equipment	<u>                    </u>	\$ 191,122	<u>191,122</u>
 <u>TOTAL ASSETS AND OTHER DEBITS</u>	 <u>\$1,013,398</u>	 <u>\$ 191,122</u>	 <u>\$1,204,520</u>
 <u>LIABILITIES AND FUND EQUITY</u>			
Liabilities:			
Accounts payable	2,855		2,855
Payroll taxes payable	4,917		4,917
Retirement and insurance payable	90		90
Accrued interest payable	306		306
Short-term debt payable	<u>35,000</u>		<u>35,000</u>
Total Liabilities	<u>43,168</u>		<u>43,168</u>
Fund Equity:			
Investment in general fixed assets		191,122	191,122
Fund balances:			
Unreserved-undesignated	<u>970,230</u>		<u>970,230</u>
Total Fund Equity	<u>970,230</u>	<u>191,122</u>	<u>1,161,352</u>
 <u>TOTAL LIABILITIES AND FUND EQUITY</u>	 <u>\$1,013,398</u>	 <u>\$ 191,122</u>	 <u>\$1,204,520</u>

See accompanying notes and auditor's report

WEST FELICIANA PARISH ASSESSOR  
ST. FRANCISVILLE, 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	\$ 538,169
State revenue sharing	15,591
Other revenues:	
Sale of maps	517
Interest income	24,785
Miscellaneous income	<u>720</u>
Total revenues	<u>\$ 579,782</u>
<u>EXPENDITURES</u>	
General government - taxation:	
Personal services and related benefits	205,837
Operating services	12,508
Office expense and supplies	24,163
Travel expense	3,081
Capital outlay	<u>16,223</u>
Total expenditures	<u>261,812</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u>	317,970
<u>FUND BALANCE AT BEGINNING OF YEAR</u>	<u>652,260</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 970,230</u>

See accompanying notes and auditor's report

WEST FELICIANA PARISH ASSESSOR  
ST. FRANCISVILLE, 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

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u> <u>FAVORABLE</u> <u>(UNFAVORABLE)</u>
<u>REVENUES</u>			
Intergovernmental Revenues:			
Ad Valorem taxes	\$551,800	\$538,169	\$ (13,631)
Revenue sharing	11,500	15,591	4,091
Use of money and property-			
Interest earnings	24,600	24,785	185
Other revenues:			
Maps and miscellaneous	<u>2,100</u>	<u>1,237</u>	<u>(863)</u>
Total revenues	<u>590,000</u>	<u>579,782</u>	<u>(10,218)</u>
<u>EXPENDITURES</u>			
General government - taxation:			
Personal services and related benefits:			
Salaries:			
Assessor	60,000	60,000	0
Group insurance	48,000	30,029	17,971
Payroll taxes	3,300	1,014	2,286
Retirement	10,500	9,023	1,477
Salaries-other	110,250	105,771	4,479
Operating services:			
Accounting and legal	4,000	4,316	(316)
Surety Bond	400	200	200
Computer Maintenance	5,000	4,411	589
Dues	1,200	1,380	(180)
Mapping	2,000	1,201	799
Miscellaneous	2,200	1,000	1,200
Office expenses and supplies:			
Auto expense	10,300	7,501	2,799
Insurance	4,000	1,766	2,234
Interest		367	(367)
Materials and supplies	5,000	3,933	1,067
Rent	1,200	1,200	0
Telephone	2,500	3,009	(509)
Utilities	350	387	(37)
Assessor's allowance	6,000	6,000	0
Travel expense	5,500	3,081	2,419
Transfer to other government	75,000	0	75,000
Capital outlay	<u>25,500</u>	<u>16,223</u>	<u>9,277</u>
Total Expenditures	<u>382,200</u>	<u>261,812</u>	<u>120,388</u>

(CONTINUED)

See accompanying notes and auditor's report

WEST FELICIANA PARISH ASSESSOR  
ST. FRANCISVILLE, 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>EXCESS (DEFICIENCY) OF REVENUE</u> <u>OVER EXPENDITURES</u>	\$ 207,800	\$ 317,970	\$110,170
<u>FUND BALANCE AT BEGINNING OF YEAR</u>	<u>652,260</u>	<u>652,260</u>	<u>0</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 860,060</u>	<u>\$ 970,230</u>	<u>\$110,170</u>

See accompanying notes and auditor's report



WEST FELICIANA PARISH ASSESSOR  
ST. FRANCISVILLE, 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 the West Feliciana Parish courthouse in St. Francisville, Louisiana. The Assessor employs four 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 collecting and distributing taxes to the various taxing bodies.

At December 31, 1998, there are 4,491 real property and movable property assessments totaling \$292,382,982 and \$19,998,387 respectively. This represents an decrease of assessments totaling \$2,259,330 over the prior year. This is due primarily because of reassessments.

NOTE #1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the West 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 established governmental accounting and financial reporting principles.

B. REPORTING ENTITY

The assessor is an independently elected official; however, the assessor is fiscally dependent on the West Feliciana Parish Police Jury. The police jury maintains and operates the parish courthouse in which the assessor's office is located and provides funds for equipment and furniture of the assessor's office. In addition, the police jury's general purpose financial statements would be incomplete or misleading without inclusion of the assessor. For these reasons, the assessor was determined

WEST FELICIANA PARISH ASSESSOR  
ST. FRANCISVILLE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 1998

to be a component unit of the West 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:

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

WEST FELICIANA PARISH ASSESSOR  
ST. FRANCISVILLE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 1998

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

Compensation from taxing bodies is recorded in the year ad valorem taxes are assessed. Ad valorem taxes are assessed on a calendar year basis and are due on November 15 of each year. The compensation is 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.

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 revenues are falling short of budgeted revenues by five per cent or more or if actual expenditures to date plus projected expenditures for the remainder of the year exceed the budgeted expenditures by five per cent or more, the original budget is amended by

WEST FELICIANA PARISH ASSESSOR  
ST. FRANCISVILLE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 1998

the Assessor. Budgeted amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

F. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with maturities of 90 days or less. Under state law, the assessor may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

G. FIXED ASSETS

Fixed assets are recorded as expenditures at the time purchased, and the related assets are capitalized (reported) in the general fixed assets account group. No depreciation has been provided on fixed assets. All fixed assets are valued at historical cost.

H. COMPENSATED ABSENCES

The assessor has the following policy relating to vacation and sick leave:

Employees earn from two to three 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.

There are no long-term obligations at December 31, 1998.

J. FUND EQUITY

1. Reserves - reserves represent those portions of fund equity not appropriable for expenditure or legally

WEST FELICIANA PARISH ASSESSOR  
ST. FRANCISVILLE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 1998

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 \$982,914.

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

During 1990, Louisiana Revised Statutes 47:1925.1 and 1925,2 (A) were amended and reenacted to create an assessment district in West Feliciana Parish to fund the office of the assessor. This law provides for funding by levying a millage determined by the legislative auditor to yield tax revenues in an amount equal to monies currently received from pro rata deductions of all ad valorem taxes collected in the parish.

For the year 1998, ad valorem taxes levied were 1.78 mills.

The following are the principal taxpayers for the parish:

<u>Taxpayer</u>	<u>Type of Business</u>	<u>% 1998 Assessed Valuation</u>	<u>of Total Assessed Valuation</u>	<u>Ad Valorem Tax Revenue For Assessor</u>
Crown Vantage Entergy, Gulf States, Inc.	Paper Mill	\$ 17,628,782	5.6%	\$ 31,379
Texas Eastern	Public Service	257,418,330	82.4%	458,204
Bell South	Pipeline	3,992,800	1.2%	7,107
Dixie Electric	Public Service	1,601,920	.5%	2,851
Bluffs Limited Partnership	Real Estate Development	1,431,900	.5%	2,549
Colonial Pipeline	Development	506,937	.2%	902
Transcontinental	Pipeline	259,680	.1%	462
Cecil Graves Chevrolet	Pipeline	498,600	.2%	888
	Car Dealership	388,118	.1%	691
<b>Total</b>		<u>\$283,727,067</u>	<u>90.8%</u>	<u>\$ 505,033</u>

WEST FELICIANA PARISH ASSESSOR  
ST. FRANCISVILLE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 1998

NOTE #3: CASH AND CASH EQUIVALENTS

At December 31, 1998, the assessor had cash and cash equivalents (book balances) totaling \$875,363 as follows:

Demand deposits	\$475,363
Time deposits	<u>400,000</u>
Total	<u>\$875,363</u>

These deposits are stated at cost, which 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 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, 1998, the assessor has \$877,206 in deposits (collected bank balances). These deposits are secured by \$300,000 in federal deposit insurance and \$300,000 of pledged securities held by the custodial banks in the name of the fiscal agent bank (GASB Category 3). The remaining balance of \$277,206 is not secured by the pledge of securities and is a violation of state law.

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, R.S. 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 has failed to pay deposited funds upon demand.

NOTE #4: CHANGES IN GENERAL FIXED ASSETS

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

Balance, January 1, 1998	\$ 174,899
Additions	16,223
Deductions	<u>0</u>
Balance, December 31, 1998	<u>\$ 191,122</u>

NOTE #5: PENSION PLAN

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

WEST FELICIANA PARISH ASSESSOR  
ST. FRANCISVILLE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 1998

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 report that includes financial statements and required supplemental information. That Report may be obtained by writing to the Louisiana Assessor's Retirement System, Post Office Box 1786, Shreveport, Louisiana 71166-1786, or by calling (318) 425-4446.

Funding Policy: Plan members are required to contribute 7.0 per cent of their annual covered salary and the West Feliciana Parish Assessor is required to contribute at an actuarially determined rate. The current rate is 5.75% of annual covered payroll. Contributions to the system include one-fourth of one per cent 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 West 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 an actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The West Feliciana Parish Assessor's contributions to the System for the years ending December 31, 1998, 1997, and 1996 were \$9,023, \$9,433, and \$5,167, respectively, equal to the required contributions for each year.

The West Feliciana Parish Assessor does not guarantee the pension benefits of the System.

NOTE #6: POST-RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The West Feliciana Parish Assessor does not provide continuing health care benefits for its retired employees.

WEST FELICIANA PARISH ASSESSOR  
ST. FRANCISVILLE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 1998

NOTE #7: EXPENDITURES OF THE ASSESSOR NOT INCLUDED IN THE FINANCIAL STATEMENTS

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

NOTE #8: LITIGATION AND CLAIMS

There is no litigation pending against the Assessor's office at December 31, 1998. There is a dispute over payment of property tax due from a public utility which has filed for bankruptcy. The assessor's portion of the disputed tax is \$27,725, which was recorded as income in a prior period, but, as of the date of this report has not been received. The outcome of this matter can not be determined at this time.

NOTE #9: SHORT-TERM DEBT

On November 24, 1998 a loan was incurred which was payable to Hancock Bank. The interest rate was 7.5% and the maturity date was January 5, 1999 when it was paid in full.

NOTE #10: LEASES

The West Feliciana Parish Assessor leases a vehicle under an operating lease agreement. Total rent expense for 1998 was \$4,596.

Future minimum lease payments under the noncancellable operating lease are as follows:

1999	\$ 4,943
2000	<u>412</u>
Total	<u>\$ 5,355</u>

NOTE #11: 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 West 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:



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ST. FRANCISVILLE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 1998

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.

# PHIL T. GRAHAM

CERTIFIED PUBLIC ACCOUNTANT

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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

June 2, 1999

Honorable W. D. Spillman  
West Feliciana Parish Assessor  
St. Francisville, Louisiana

I have audited the general purpose financial statements of the West Feliciana Parish Assessor of and for the year ended December 31, 1998, and have issued my report thereon dated June 2, 1999. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

### Compliance

As part of obtaining reasonable assurance about whether the West 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 West Feliciana Parish Assessor's 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

Honorable W. D. Spillman  
June 2, 1999  
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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 West Feliciana 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.



WEST FELICIANA PARISH ASSESSOR  
ST. FRANCISVILLE, LOUISIANA  
SUMMARY OF PRIOR YEAR AUDIT FINDINGS  
DECEMBER 31, 1998

97-1

**REPORTABLE CONDITION:** There was an invoice for a gasoline credit card which did not have the credit card receipts attached.

**ACTION TAKEN:** This matter has been corrected.

WEST FELICIANA PARISH ASSESSOR  
ST. FRANCISVILLE, LOUISIANA  
SUMMARY SCHEDULE FOR CURRENT YEAR AUDIT FINDINGS  
DECEMBER 31, 1998

98-1

Description of Finding:

The Assessor's fiscal agent agreement with the banks requires that they maintain sufficient collateral to secure the funds in excess of federal deposit insurance coverage. At the end of the year one institution did not have sufficient collateral to cover the cash on deposit.

Cause:

This was due to a large deposit which was made on December 31, 1998. The policy of the bank is to review the account balances only one time each month. Consequently, the requirement for additional collateral was not detected immediately.

Effect:

\$277,206 was at risk.

Recommendation:

The bank should be instructed to increase pledges to cover additional deposits at all times.

Managements Response:

Within 30 days of the deposit, the Assessor's office had transferred the excess funds to other financial institutions. This was done to reduce the amount of cash in one bank below the secured balance as well as to secure a higher rate of return.

Corrective Action Plan:

All funds are now secured and the bank has been notified.

Name of Contact Person:

W. D. Spillman

Anticipated Completion Date:

Corrected on January 20, 1999.