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VERMILION PARISH ASSESSOR  
  
FINANCIAL REPORT  
  
DECEMBER 31, 1999

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the clerk and sheriff of the parish and to the clerk of the court. The report is available for inspection at the parish assessor's office, at the parish clerk of court's office, at the parish sheriff's office, where appropriate, or at the office of the parish clerk of court.

Release Date 08-16-00

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# BROUSSARD, POCHE', LEWIS & BREAUX, L.L.P.

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## INDEPENDENT AUDITOR'S REPORT

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The Honorable Michael G. Langlinais  
Vermilion Parish Assessor  
Abbeville, Louisiana

We have audited the accompanying general purpose balance sheet of the Vermilion Parish Assessor as of December 31, 1999 and the general purpose statement of revenues, expenditures, and changes in fund balance for the two years then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the Assessor. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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Rodney L. Savoy, CPA\* 1996  
Larry G. Broussard, CPA\* 1996  
Lawrence A. Cramer, CPA\* 1999  
Michael P. Crochet, CPA\* 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. 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 financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall 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 Vermilion Parish Assessor as of December 31, 1999 and the results of its operations for the two years then ended, in conformity with generally accepted accounting principles.

The Honorable Michael G. Langlinais  
Vermilion Parish Assessor

In accordance with *Government Auditing Standards*, we have also issued our report dated June 7, 2000, on our consideration of the Assessor's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

*Broussard, Poché, Lewis & Breaux LLP*

Abbeville, Louisiana  
June 7, 2000

VERMILION PARISH ASSESSOR

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
December 31, 1999

ASSETS	Governmental			Totals (Memorandum) Only
	<u>Fund Type</u>	<u>Account Group</u>		
	<u>General Fund</u>	<u>General Fixed Assets</u>	<u>General Long Term Debt</u>	
Cash and cash equivalents	\$ 22,113	\$ -	\$ -	\$ 22,113
Certificates of deposit	495,000	-	-	495,000
Ad valorem taxes receivable	388,629	-	-	388,629
Accrued interest receivable	17,982	-	-	17,982
Due from employees	795	-	-	795
Office furnishings and equipment	-	88,729	-	88,729
Amount to be provided for retirement of long-term debt	-	-	3,152	3,152
<b>Total assets</b>	<b>\$ 924,519</b>	<b>\$ 88,729</b>	<b>\$ 3,152</b>	<b>\$1,016,400</b>
<b>LIABILITIES AND FUND EQUITY</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 1,932	\$ -	\$ -	\$ 1,932
Deferred revenue	421,896	-	-	421,896
Capital lease payable	-	-	3,152	3,152
<b>Total liabilities</b>	<b>\$ 423,828</b>	<b>\$ -</b>	<b>\$ 3,152</b>	<b>\$ 426,980</b>
<b>FUND EQUITY</b>				
Investment in general fixed assets	\$ -	\$ 88,729	\$ -	\$ 88,729
Fund balance:				
Unreserved - undesignated	500,691	-	-	500,691
<b>Total fund equity</b>	<b>\$ 500,691</b>	<b>\$ 88,729</b>	<b>\$ -</b>	<b>\$ 589,420</b>
<b>Total liabilities and fund equity</b>	<b>\$ 924,519</b>	<b>\$ 88,729</b>	<b>\$ 3,152</b>	<b>\$1,016,400</b>

See Notes to Financial Statements.

VERMILION PARISH ASSESSOR

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - ALL GOVERNMENTAL FUND TYPES  
GENERAL FUND

Year Ended December 31, 1999

Revenues:	
Taxes:	
Ad valorem	\$418,015
Intergovernmental:	
Preparation of tax notices	15,263
State revenue sharing	35,000
Interest	31,985
Other	<u>2,287</u>
Total revenues	<u>\$502,550</u>
Expenditures:	
Current:	
General government - taxation:	
Salaries and related expenditures	\$414,682
Operating services	39,657
Materials and supplies	20,408
Travel and related expenditures	14,399
Lease expense	7,134
Capital outlay	3,707
Debt service:	
Principal payments	555
Interest	<u>47</u>
Total expenditures	<u>\$500,589</u>
Excess of revenues over expenditures	\$ 1,961
Other financing sources:	
Capital lease proceeds	<u>3,707</u>
Excess of revenue and other financing sources over expenditures	\$ 5,668
Fund balance, beginning	<u>495,023</u>
Fund balance, ending	<u>\$500,691</u>

See Notes to Financial Statements.

VERMILION PARISH ASSESSOR

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - ALL GOVERNMENTAL FUND TYPES  
 GENERAL FUND  
 Year Ended December 31, 1998

Revenues:

Taxes:

Ad valorem

\$415,265

Intergovernmental:

Preparation of tax notices

15,588

State revenue sharing

35,000

Interest

34,638

Other

14,497

Total revenues

\$514,988

Expenditures:

Current:

General government - taxation:

Salaries and related expenditures

\$384,468

Operating services

35,618

Materials and supplies

18,667

Travel and related expenditures

13,181

Conferences and seminars

814

Lease expense

7,134

Capital outlay

2,280

Total expenditures

\$462,162

Excess of revenues over expenditures

\$ 52,826

Fund balance, beginning

442,197

Fund balance, ending

\$495,023

See Notes to Financial Statements.



VERMILION PARISH ASSESSOR

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL -  
 GENERAL FUND  
 Year Ended December 31, 1999

	<u>Actual</u>	<u>Budget</u>	<u>Variance- Favorable (Unfavorable)</u>
Revenues:			
Taxes:			
Ad Valorem	\$418,015	\$415,000	\$ 3,015
Intergovernmental:			
Preparation of tax notices	15,263	11,000	4,263
State revenue sharing	35,000	18,000	17,000
Interest	31,985	35,000	(3,015)
Other	<u>2,287</u>	<u>-</u>	<u>2,287</u>
Total revenues	<u>\$502,550</u>	<u>\$479,000</u>	<u>\$ 23,550</u>
Expenditures:			
Current:			
General government-taxation:			
Salaries and related expenditures	\$414,682	\$391,000	\$(23,682)
Operating services	39,657	41,000	1,343
Materials and supplies	20,408	23,300	2,892
Travel and related expenditures	14,399	20,500	6,101
Lease expense	7,134	-	(7,134)
Capital outlay	3,707	-	(3,707)
Debt service:			
Principal payments	555	2,953	2,398
Interest	<u>47</u>	<u>47</u>	<u>-</u>
Total expenditures	<u>\$500,589</u>	<u>\$478,800</u>	<u>\$(21,789)</u>
Excess of revenues over expenditures	\$ 1,961	\$ 200	\$ 1,761
Other financing sources:			
Capital lease proceeds	<u>3,707</u>	<u>-</u>	<u>3,707</u>
Excess of revenue and other financing sources over expenditures	\$ 5,668	\$ 200	\$ 5,468
Fund balance, beginning	<u>495,023</u>	<u>495,023</u>	<u>-</u>
Fund balance, ending	<u>\$500,691</u>	<u>\$495,223</u>	<u>\$ 5,468</u>

See Notes to Financial Statements



VERMILION PARISH ASSESSOR

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

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 term of four years beginning January 1 following the year in which elected. A vacancy occurring in the office in which the unexpired term is one year or more is filled by a special election to be held within 60 days of the occurrence of the vacancy; a vacancy in which the unexpired term is less than one year is filled by an appointment of the governor.

The Assessor assesses property, prepares tax rolls, and submits the rolls to the Louisiana Tax Commission and other governmental bodies as prescribed by law. The Assessor is authorized to appoint as many deputies as may be necessary for the efficient operation of the office and provides 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.

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. GASB has issued a codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments.

For financial reporting purposes, in conformance with GASB Codification Section 2100, the Assessor includes all funds, account groups, and activities that are controlled by the Assessor as an independently elected parish official. The activities of the parish police jury, parish school board, other independently elected parish officials, and municipal level governments are not included within the accompanying financial statements as they are considered autonomous governments.

Fund accounting:

The accounts of the Assessor are organized on the basis of a fund (general fund) and two account groups, each of which is considered a separate accounting entity. The operations of the general fund, as provided by Louisiana Revised Statute 47:1906, are accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. Ad valorem tax revenue, authorized by Act 292 of 1985, is accounted for in this fund. General operating expenditures are paid from this fund.

## NOTES TO FINANCIAL STATEMENTS

### General fixed assets:

Fixed assets are accounted for in the general fixed assets account group, rather than in the general fund. General fixed assets provided by the parish police jury are recorded within the general fixed assets account group. Fixed assets are valued at historical cost or estimated cost if historical cost is not available. No depreciation has been provided on fixed assets. Due to the nature of its operations, the Assessor does not have any public domain (infrastructure) fixed assets.

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

### General long-term debt:

Long-term debt is accounted for in the general long-term debt account group, rather than in the general fund. This account group includes obligations under capital lease.

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

### 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 modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Assessor's records are maintained on a cash basis of accounting. However, the fund reported in the accompanying financial statements has been converted to a modified accrual basis of accounting using the following practices in recording revenues and expenditures.

### Revenues:

Ad valorem taxes are reported as revenue in the year following the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year. State revenue sharing revenues, revenue from preparation of tax notices, and all other revenues are recorded when received, unless a right to collect existed as of the end of the year.

## NOTES TO FINANCIAL STATEMENTS

### Expenditures:

Expenditures are reported on the modified accrual basis of accounting when the related fund liability is incurred.

### Budget practices:

The proposed budget is made available for public inspection before the end of the current calendar year. The proposed budget is published in the official journal prior to a public hearing. A public hearing is held at the Assessor's office in order to obtain comments from the public. The budget is then legally adopted by the Assessor. The budget is prepared on a basis consistent with generally accepted accounting principles (GAAP). All appropriations lapse at year-end. The Assessor does not use encumbrance accounting.

Each year, actual revenues and expenditures are compared to budgeted revenues and expenditures. The assessor amends his budget if a 5% or greater negative variance is projected for either revenues or expenditures.

The Assessor did not adopt a budget for the year ended December 31, 1998. The budget amounts disclosed in this report for the year ended December 31, 1999 are as adopted by the Assessor.

### Cash, cash equivalents, and certificates of deposit:

For reporting purposes, cash and cash equivalents include demand deposits and certificates of deposit with an original maturity of ninety days or less. 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.

Cash and cash equivalents are stated at cost, which approximates market. Under state law, these deposits 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 pledged 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. The Assessor had deposit balances (collective bank balances) of \$541,527 and \$550,128 at December 31, 1999 and 1998, respectively. These deposits are fully secured from risk by \$146,527 and \$179,702 of federal deposit insurance (GASB Category 1) and \$780,723 and \$807,263 of securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3) at December 31, 1999 and 1998, respectively.

Even though the pledged securities are not considered collateralized (Category 3) under provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell pledged securities within 10 days of being notified by the Assessor that the fiscal agent has failed to pay deposited funds upon demand.



NOTES TO FINANCIAL STATEMENTS

Vacation and sick leave:

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

Vacations are mandatory and consist of two weeks leave which can be taken between January 1 and November 1 of each year. In addition to vacation, annual leave consists of twelve working days absence due to illness or business matters. Any unused portion of the annual leave will not be accumulated and carried forward and will be lost. If any employee exceeds the twelve day annual leave, the salary is reduced accordingly.

Should maternity, surgery, or prolonged illness require extended absence, paid leave not to exceed six weeks (including the twelve day annual leave) will be allowed.

Due to uncertainty and immateriality of actual amounts which will be paid for compensated absences, no accruals have been made at December 31, 1998 for such absences.

Total column on combined balance sheet:

The total column on the combined 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. Interfund eliminations have not been made in the aggregation of this data.

Note 2. Changes in General Fixed Assets

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

Balance, December 31, 1997	\$ 82,742
Additions	2,280
Reductions	<u>          -</u>
Balance, December 31, 1998	\$ 85,022
Additions	3,707
Reductions	<u>          -</u>
Balance, December 31, 1999	<u>\$ 88,729</u>

NOTES TO FINANCIAL STATEMENTS

Note 3. Operating Lease

In October 1997, the Assessor entered into a three-year operating lease agreement for the lease of an automobile. The lease consists of 36 monthly payments of \$594 each, beginning October 1997. During 1999 and 1998, total lease payments were \$7,134 and \$7,134 respectively.

Total future minimum lease payments of the Assessor are as follows:

2000      \$ 4,756

Note 4. Capital lease

In July, 1999, the Assessor entered into a capital lease for the purchase for a copier. The total amount financed is \$3,707 to be paid over 36 months with an interest rate of 3.248%. The lease agreement requires monthly payments of \$120 with a final purchase option payment of \$1.

The following is a breakdown of the annual lease payments between principal and interest for the remaining term of the lease:

<u>Year</u>	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
2000	\$ 82	\$ 1,363	\$ 1,445
2001	37	1,407	1,444
2002	<u>2</u>	<u>382</u>	<u>384</u>
	<u>\$ 121</u>	<u>\$ 3,152</u>	<u>\$ 3,273</u>

Note 5. Pension Plan

Substantially all employees of the Vermilion Parish Assessor's office are members of the Louisiana Assessor's Retirement Fund ("System"), a cost sharing multiple-employer, public employee system (PERS), controlled and administered by a separate board of trustees.

Plan description:

Those employees considered eligible for membership to Louisiana Assessor's Retirement Fund include the assessor and permanent, full-time employees. Members with 30 years of creditable service may retire at age fifty and members with at least 12 years of service may retire at age fifty-five. The monthly retirement allowance is equal to three percent of the highest average monthly salary earned during any thirty-six consecutive months while employed multiplied by the member's years of creditable service. The retirement allowance may not exceed 100% of final average compensation, after taking into account the reduction arising from any option selected. Upon withdrawal from service, members not entitled to a retirement allowance are paid a refund of accumulated contributions upon request. Receipt of such a refund cancels all accrued rights in the System. The System also provides death and survivor benefits. Benefits are established by state statute.

## NOTES TO FINANCIAL STATEMENTS

The Louisiana Assessor's Retirement Fund issues a publicly available financial report that includes financial statements and required supplemental information. That report may be obtained by writing to Louisiana Assessors' Retirement Fund, P.O. Box 1786, Shreveport, Louisiana 71166-1786.

### Funding policy:

Contributions to the System include one-fourth of 1% of ad valorem taxes collected within the respective parishes except for Orleans and receives state revenue sharing funds. Plan members are required to contribute 7% of their annual covered salary and the assessor is required to contribute at an actuarially determined rate. The current rate is 5.75% of annual covered payroll. The contribution requirements of Plan members are established and may be amended by the System's Board of Trustees. The Assessor's contributions to the System for the years ended December 31, 1999, 1998, and 1997 were \$20,084, \$18,237, and \$16,257, respectively, equal to the required contributions for each year.

### Note 6. Taxes Receivable and Deferred Revenue

Deferred revenue is the expected amount of ad valorem taxes to be collected for the tax roll issued in November 1999, less an expected 2% reserve, based on prior years' collection experience. Ad valorem taxes receivable are the corresponding off set for the amounts billed, less any amount collected in December 1999.

### Note 7. Expenses of the Assessor Not Included in the Financial Statements

Certain operating expenses of the Assessor's office are paid by the Vermilion Parish Police Jury (the "Jury."). They are:

1. Office space, equivalent to rent, is furnished by the Jury.
2. Utility bills are paid by the Jury.
3. The Assessor's office has the use of miscellaneous office furniture owned by the Jury.



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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

The Honorable Michael G. Langlinais  
Vermilion Parish Assessor  
Abbeville, Louisiana

We have audited the general purpose balance sheet of the Vermilion Parish Assessor as of December 31, 1999 and the general purpose statement of revenues, expenditures, and changes in fund balance as of the two years then ended, and have issued our report thereon dated June 7, 2000. 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.

Eugene C. Gilder, CPA\*  
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Fayette T. Dupre, CPA\*

### Compliance

As part of obtaining reasonable assurance about whether the Vermilion 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 tests disclosed two 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 items 99-2 and 98-2..

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Vermilion 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 certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over

*Retired:*

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Lawrence A. Cramer, CPA\* 1999  
Michael P. Crochet, CPA\* 1999

Members of American Institute of  
Certified Public Accountants  
Society of Louisiana Certified  
Public Accountants  
\* A Professional Accounting Corporation.



The Honorable Michael G. Langlinais  
Vermilion Parish Assessor

financial reporting that, in our judgment, could adversely affect the Vermilion Parish Assessor's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 99-1 and 98-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we consider the reportable conditions described above to be material weaknesses.

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

*Broussard, Poché, Lewis & Breaux LLP*

Abbeville, Louisiana  
June 7, 2000

VERMILION PARISH ASSESSOR

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Two Years Ended December 31, 1999

We have audited the financial statements of Vermilion Parish Assessor as of and for the two years ended December 31, 1999, and have issued our report thereon dated June 7, 2000. 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. Our audit of the financial statements as of and for the two years ended December 31, 1999 resulted in an unqualified opinion.

**Section I Summary of Auditor's Reports**

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses  Yes  No Reportable Conditions  Yes  No

Compliance

Compliance Material to Financial Statements  Yes  No

b. Federal Awards

The Assessor did not receive any federal awards.

**Section II Financial Statement Findings**

99-1; 98-1 General Administration

Finding: As in previous years, our review of the internal control structure indicated inadequate segregation of duties.

Cause: Inadequate segregation of duties is due to the limited number of personnel previously performing the administrative functions.

Recommendation and response: We recommend that the Assessor perform more oversight functions to mediate risks caused by the inadequate segregation of duties. The Vermilion Parish Assessor has evaluated this inadequacy and concluded the related costs versus benefits to be achieved does not justify the additional personnel it would require to establish an adequate segregation. The Assessor will strengthen oversight procedures to mediate some of the risk caused by the inadequate segregation of duties.

Questioned Costs: \$ - 0 -

VERMILION PARISH ASSESSOR

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
Two Years Ended December 31, 1999

**Section II Financial Statement Findings (continued)**

98-2 Budget Adoption

Finding: The Assessor was not in compliance with the Local Government Budget Act in fiscal year 1998.

Cause: The Assessor did not adopt a budget for fiscal year 1998.

Suggestion and response: We recommend that the Assessor take all action necessary in the future to adopt a budget in compliance with the Local Government Budget Act. The Assessor will take the necessary action in the future to comply with the Local Government Budget Act.

Questioned Costs: \$ - 0 -

99-2 Budget Act Compliance

Finding: The Assessor's adoption of the 1999 budget was not in complete compliance with the Local Government Budget Act.

Cause: The proposed budget was not completed, submitted and made available for public inspection at least 15 days prior to the beginning of the fiscal year. Also, all action necessary to adopt and otherwise finalize and implement the budget for fiscal year 1999 was not completed prior to the end of the fiscal year 1998. The public hearing for the proposed budget for fiscal year 1999 was not held prior to the end of fiscal year 1998.

Recommendation and response: We recommend that the Assessor adopt future budgets within the time guidelines required by the Local Government Budget Act and the Assessor has agreed to implement this recommendation.

Questioned Costs: \$ - 0 -

**Section III Federal Award Findings and Questioned Costs**

The Assessor did not receive any federal awards in the covered years.

VERMILION PARISH ASSESSOR

SCHEDULE OF PRIOR YEAR FINDINGS  
Two Years Ended December 31, 1999

**I Internal Control and Compliance Material to the Financial Statements**

97-1 General Administration

Finding: As in previous years, our review of the internal control structure indicated inadequate segregation of duties.

Cause: Inadequate segregation of duties results from the limited number of personnel performing the administrative functions.

Suggestion and response: The Vermilion Parish Assessor has evaluated this inadequacy and concluded the related costs versus benefits to be achieved does not justify the additional personnel it would require to establish an adequate segregation.

Current status: This same finding is included in the current year's schedule of findings and questions costs as 99-1 and 98-1.

**II Internal Control and Compliance Material to Federal Awards**

The prior year's report did not include any federal awards.

**III Management Letter**

The prior year's report did not include a management letter.

VERMILION PARISH ASSESSOR

MANAGEMENT'S CORRECTIVE ACTION PLAN  
Year Ended December 31, 1998

**Section I Internal Control and Compliance Material to the Financial Statements**

99-1; 98-1 General Administration

**Finding:** An inadequate segregation of duties exists due to the limited number of personnel performing the administrative functions.

**Recommendation and response:** The auditors have suggested more oversight functions be performed by the Assessor to mediate the risks cause by the inadequate segregation of duties. The Assessor will increase his oversight and review of the various accounting areas. Management has ensured as much segregation as possible based on available resources. However, adequate segregation is not feasible.

98-2 Budget Adoption

**Finding:** The Assessor did not adopt a budget for fiscal year 1998 and was therefore not in compliance with the Local government Budget Act.

**Recommendation and Response:** The auditors have recommended that the Assessor adopt future budgets in compliance with the requirements of the Local Government Budget Act. Management will make sure that a budget is adopted for future years in accordance with statutes.

99-2 Budget Act Compliance

**Finding:** The Assessor's adoption of the 1999 budget did not meet with the time requirements of the Local Government Budget Act.

**Recommendation and Response:** The auditors have recommended that the Assessor adopt future budgets within the time guidelines required by the Local Government Budget Act and the Assessor has agreed to do so.

**Section II Management Letter**

The current year's report did not include a management letter.

**Responsible Party:** Michael G. Langlinais, Assessor