

99 JUN 30 08:53

OFFICIAL  
FILE COPY

**DO NOT SEND OUT**

(Xerox necessary  
copies from this  
copy and PLACE  
BACK in FILE)

**LAFAYETTE PARISH ASSESSOR**  
Lafayette, Louisiana

Financial Report

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 7-14-99

## TABLE OF CONTENTS

	Page
Independent Auditor's Report	1-2
<b>GENERAL PURPOSE FINANCIAL STATEMENTS (COMBINED STATEMENTS - OVERVIEW)</b>	
Combined balance sheet - governmental fund type and account group	4
Comparative statement of revenues, expenditures, and changes in fund balance - governmental fund type - General Fund	5
Statement of revenues, expenditures, and changes in fund balance - budget (GAAP basis) and actual - governmental fund type - General Fund	6
Statement of expenditures compared to budget (GAAP basis) - General Fund	7
Notes to financial statements	8-14
<b>INTERNAL CONTROL AND COMPLIANCE</b>	
Independent Auditor's Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of General Purpose Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>	16-17
Schedule of Findings	18
Summary of Corrective Action Taken on Prior Year Findings	19
Corrective Action Plan	20



# Darnall, Sikes Frederick

(A Corporation of Certified Public Accountants)

Eugene H. Darnall, CPA, Retired 1990

E. Larry Sikes, CPA, CVA  
Danny P. Frederick, CPA  
Clayton E. Darnall, CPA  
Eugene H. Darnall, III, CPA  
Paula D. Bihn, CPA  
Stephanie M. Higginbotham, CPA

Jennifer S. Ziegler, CPA  
Chris A. Miller, CPA  
John P. Armato, CPA

Kathleen T. Darnall, CPA  
Stephen R. Dischler, MBA, CPA  
Alan M. Taylor, CPA  
Christine A. Raspberry, CPA  
Steven G. Moosa, CPA  
Erich G. Loewer, Jr., CPA  
Erich G. Loewer, III, CPA  
Danny P. Pontiff, CPA  
Tamera T. Landry, CPA  
Carla R. Fontenot, CPA  
Raegan D. Stelly, CPA  
Jason H. Watson, CPA

#### Other Locations:

125 Rue Beauregard  
Lafayette, LA 70508  
318.232.3312

1231 E. Laurel Avenue  
Eunice, LA 70535  
318.457.4146

1201 Brashear Avenue  
Suite 301  
Morgan City, LA 70380  
504.384.6264

404 Pere Megret  
Abbeville, LA 70510  
318.893.5470

dsfepas.com

## INDEPENDENT AUDITOR'S REPORT

Honorable L. Ellis Dupleix  
Lafayette Parish Assessor  
Lafayette, Louisiana

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

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 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.

Governmental Accounting Standards Board Technical Bulletin 98-1, Disclosures about Year 2000 Issues, requires disclosure of certain matters regarding the Year 2000 issue in order for financial statements to be prepared in conformity with generally accepted accounting principles. Such required disclosures include:

- Any significant amount of resources committed to make computer systems and other electronic equipment year 2000 compliant;
- A general description of the Year 2000 issue, including a description of the stages of work in process or completed as of the end of the reporting period to make computer systems and other electronic equipment critical to conducting operations year 2000 compliant; and
- The additional stages of work necessary for making the computer systems and other electronic equipment year 2000 compliant.

Member of  
American Institute of  
Certified Public Accountants  
Society of Louisiana  
Certified Public Accountants

The Lafayette Parish Assessor has omitted such disclosures. We do not provide assurance that the Lafayette Parish Assessor is or will be year 2000 ready, the Lafayette Parish Assessor's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the Lafayette Parish Assessor does business will be year 2000 ready.

In our opinion, except for the omission of the information discussed in the preceding paragraph, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Lafayette Parish Assessor, as of December 31, 1998, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated June 7, 1999 on our consideration of the Lafayette Parish Assessor's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. The financial information for the preceding year, which is included for comparative purposes, was taken from the financial report for that year in which we expressed an unqualified opinion on the general purpose financial statements of the Lafayette Parish Assessor.

*Dannall, Sikes & Frederick*

A Corporation of Certified Public Accountants

Lafayette, Louisiana

June 7, 1999

**GENERAL PURPOSE FINANCIAL STATEMENTS  
(COMBINED STATEMENTS - OVERVIEW)**

LAFAYETTE PARISH ASSESSOR  
Lafayette, Louisiana

Combined Balance Sheet - Governmental Fund Type and Account Group  
December 31, 1998

	Governmental Fund Type General Fund	Account Group General Fixed Assets	Totals (Memorandum Only)	
			1998	1997
<b>ASSETS</b>				
Cash	\$ 118,399	\$ -	\$ 118,399	\$ 85,194
Interest-bearing deposits, at cost	300,000	-	300,000	300,000
Receivables:				
Ad valorem taxes, net of allowance for uncollectible taxes (1998 - \$11,323; 1997 - \$10,533)	822,047	-	822,047	778,015
State revenue sharing	55,347	-	55,347	55,671
Accrued interest	5,841	-	5,841	9,760
Other	-	-	-	945
Equipment	-	66,662	66,662	57,552
Total assets	<u>\$ 1,301,634</u>	<u>\$ 66,662</u>	<u>\$ 1,368,296</u>	<u>\$ 1,287,137</u>
<b>LIABILITIES AND FUND EQUITY</b>				
Liabilities:				
Accounts payable	\$ 7,896	\$ -	\$ 7,896	\$ 3,668
Fund equity:				
Investment in general fixed assets	-	66,662	66,662	57,552
Fund balance - unreserved, undesignated	<u>1,293,738</u>	<u>-</u>	<u>1,293,738</u>	<u>1,225,917</u>
Total fund equity	<u>1,293,738</u>	<u>66,662</u>	<u>1,360,400</u>	<u>1,283,469</u>
Total liabilities and fund equity	<u>\$ 1,301,634</u>	<u>\$ 66,662</u>	<u>\$ 1,368,296</u>	<u>\$ 1,287,137</u>

The accompanying notes are an integral part of these statements.

LAFAYETTE PARISH ASSESSOR  
Lafayette, Louisiana

Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance  
Governmental Fund Type - General Fund  
Years Ended December 31, 1998 and 1997

	1998	1997
<b>Revenues:</b>		
Intergovernmental revenues -		
Ad valorem taxes	\$ 901,414	\$ 852,169
State revenue sharing	83,020	83,507
Tax roll fees	31,495	29,367
Computer usage fees	11,340	11,340
Informational services	8,060	7,962
Interest	<u>35,850</u>	<u>36,081</u>
Total revenues	<u>1,071,179</u>	<u>1,020,426</u>
<b>Expenditures:</b>		
Current -		
General government:		
Personnel services and related benefits	870,718	813,093
Operating services	94,782	93,715
Materials and supplies	28,748	29,170
Capital outlay	<u>9,110</u>	<u>800</u>
Total expenditures	<u>1,003,358</u>	<u>936,778</u>
Excess of revenues over expenditures	67,821	83,648
Fund balance, beginning	<u>1,225,917</u>	<u>1,142,269</u>
Fund balance, ending	<u>\$ 1,293,738</u>	<u>\$ 1,225,917</u>

The accompanying notes are an integral part of these statements.

LAFAYETTE PARISH ASSESSOR  
Lafayette, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Budget (GAAP Basis) and Actual -  
Governmental Fund Type - General Fund  
Year Ended December 31, 1998  
With Comparative Actual Amounts for Year Ended December 31, 1997

	1998		Variance - Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
<b>Revenues:</b>				
Intergovernmental revenues -				
Ad valorem taxes	\$ 905,800	\$ 901,414	\$ (4,386)	\$ 852,169
State revenue sharing	83,505	83,020	(485)	83,507
Tax roll fees	30,833	31,495	662	29,367
Computer usage fees	11,340	11,340	-	11,340
Informational services	7,500	8,060	560	7,962
Interest	<u>40,000</u>	<u>35,850</u>	<u>(4,150)</u>	<u>36,081</u>
Total revenues	<u>1,078,978</u>	<u>1,071,179</u>	<u>(7,799)</u>	<u>1,020,426</u>
<b>Expenditures:</b>				
Current -				
Personnel services and related benefits	870,885	870,718	167	813,093
Operating services	96,685	94,782	1,903	93,715
Materials and supplies	30,063	28,748	1,315	29,170
Capital outlay	<u>9,500</u>	<u>9,110</u>	<u>390</u>	<u>800</u>
Total expenditures	<u>1,007,133</u>	<u>1,003,358</u>	<u>3,775</u>	<u>936,778</u>
Excess of revenues over expenditures	71,845	67,821	(4,024)	83,648
Fund balance, beginning of year	<u>1,225,917</u>	<u>1,225,917</u>	<u>-</u>	<u>1,142,269</u>
Fund balance, end of year	<u>\$ 1,297,762</u>	<u>\$ 1,293,738</u>	<u>\$ (4,024)</u>	<u>\$ 1,225,917</u>

The accompanying notes are an integral part of these statements.



LAFAYETTE PARISH ASSESSOR  
Lafayette, Louisiana

Statement of Expenditures Compared to Budget (GAAP Basis) -  
General Fund  
Year Ended December 31, 1998  
With Comparative Actual Amounts for Year Ended December 31, 1997

	1998		Variance - Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Current:				
Personnel services and related benefits -				
Salaries:				
Assessor	\$ 74,900	\$ 74,900	\$ -	\$ 74,900
Deputy Assessors	582,700	582,650	50	533,466
Allowance	7,490	7,490	-	7,490
Other	21,635	21,527	108	21,345
Group insurance	144,600	144,660	(60)	140,420
Pension	<u>39,560</u>	<u>39,491</u>	<u>69</u>	<u>35,472</u>
Total personnel services and related benefits	<u>870,885</u>	<u>870,718</u>	<u>167</u>	<u>813,093</u>
Operating services -				
Professional fees	56,950	57,562	(612)	56,347
Insurance	9,250	6,701	2,549	10,470
Telephone	3,600	3,471	129	3,585
Travel and conference	10,250	9,428	822	6,690
Equipment and lease expense	8,500	7,735	765	9,023
Parking	8,135	9,095	(960)	6,840
Bad debts	-	790	(790)	760
Total operating services	<u>96,685</u>	<u>94,782</u>	<u>1,903</u>	<u>93,715</u>
Materials and supplies -				
Office supplies and expense	17,813	17,262	551	20,770
Postage and shipping	7,250	6,756	494	4,022
Automobile supplies and maintenance	1,250	1,240	10	741
Dues and subscriptions	<u>3,750</u>	<u>3,490</u>	<u>260</u>	<u>3,637</u>
Total materials and supplies	<u>30,063</u>	<u>28,748</u>	<u>1,315</u>	<u>29,170</u>
Capital outlay:				
Office equipment	<u>9,500</u>	<u>9,110</u>	<u>390</u>	<u>800</u>
Total expenditures	<u>\$ 1,007,133</u>	<u>\$ 1,003,358</u>	<u>\$ 3,775</u>	<u>\$ 936,778</u>

The accompanying notes are an integral part of these statements.

LAFAYETTE PARISH ASSESSOR  
Lafayette, Louisiana

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. The Assessor assesses property, prepares tax rolls and submits the rolls to the Louisiana Tax Commission as prescribed by law.

The accounting and reporting policies of the Assessor conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statute 24:513, as well as any applicable requirements set forth by Audits of State and Local Governmental Units, the industry audit guide issued by the American Institute of Certified Public Accountants; and the Louisiana Governmental Audit Guide.

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

These component unit financial statements only include funds, account groups, activities, component units, et cetera, that are controlled by or dependent on the Assessor as an independently elected parish official. Control by or dependence on the Assessor was determined on the basis of budget adoption, taxing authority, authority to issue debt, election or appointment of governing body, or other general oversight responsibility. At December 31, 1998, there were no entities that met the criteria to be considered a component unit of the Assessor.

Based on the criteria established by the Government Accounting Standards Board (GASB) Statement No. 14, the Assessor is a component unit of the Lafayette Consolidated Government. The Assessor is fiscally dependent on the Lafayette Consolidated Government since the Assessor's offices are located in the Parish Government Building, the upkeep and maintenance of the courthouse is paid by the Consolidated Government and certain operating expenditures of the Assessor's office are paid by the Consolidated Government.

As an independently elected official, the Assessor is solely responsible for the operations of his office, which includes the hiring or retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds.

B. Fund Accounting

The accounts of the Assessor are organized on the basis of a fund (General Fund) and an account group, 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 comprise its assets, liabilities, fund

LAFAYETTE PARISH ASSESSOR  
Lafayette, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

equity, revenues and expenditures. Compensation received from the various taxing bodies, prescribed by formula in Louisiana Revised Statutes 47:1907-1908, is accounted for in this fund and general operating expenditures are paid from this fund.

C. Fixed Assets and Long-Term Obligations

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in the General Fund. No depreciation has been provided on fixed assets. Fixed assets are valued at historical cost. The 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.

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

D. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The Assessor's records are maintained on a cash basis of accounting. However, the General 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 and the related state revenue sharing are recorded in the year taxes are due and payable. 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, January, and February of the fiscal year.

Other intergovernmental revenues and charges for services are recorded when the Assessor is entitled to the funds.

Interest on interest-bearing deposits is recorded or accrued as revenues when earned. All other revenues are recorded when received.

LAFAYETTE PARISH ASSESSOR  
Lafayette, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except that accumulated unpaid vacation and sick pay are not accrued. Purchases of various operating supplies are regarded as expenditures at the time purchased.

E. Budget Practices

The Assessor prepares a budget for the General Fund on the modified accrual basis of accounting. The budget is advertised in the official parish newspaper; a public hearing is conducted and the budget is adopted and filed. Notices of availability, adoption of budget, et cetera, are published. Budget amounts included in the accompanying financial statements include original adopted budget amounts and a subsequent amendment. All budgetary appropriations lapse at the end of each year.

F. Interest-Bearing Deposits

Interest-bearing deposits are stated at cost, which approximates market.

G. Vacation and Sick Leave

Employees of the Assessor earn vacation as follows:

One year or less of service	6 days
One to seven years of service	12 days
Eight to fourteen years of service	15 days
Fifteen years or more of service	20 days

Vacation leave must be used in the year in which it was earned and any unused vacation leave cannot be carried forward to subsequent years.

Sick leave with pay is set at 12 days per year. Extended sick leave due to extensive hospitalization or family tragedies may be granted at the Assessor's discretion providing there is no sick leave or annual leave available. Sick leave may be accumulated. At termination or retirement, employees are paid for vacation leave accumulated during the current year; however, sick leave is not paid. At December 31, 1998, the Assessor has no material accumulated leave benefits required to be reported in accordance with GASB Statement No. 16, "Accounting for Compensated Absences".

LAFAYETTE PARISH ASSESSOR  
Lafayette, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

H. Total Columns 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.

I. Bad Debts

Uncollectible amounts due for ad valorem taxes are recognized as bad debts through the adjustment of an allowance account. At December 31, 1998, the estimated amount of uncollectible taxes is 1.25 percent of the 1998 Tax Roll.

J. Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Assessor as an extension of formal budgetary integration in the funds.

K. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 CASH AND INTEREST-BEARING DEPOSITS

Under state law, the Assessor may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Assessor may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 1998, the Assessor has cash and interest-bearing deposits (book balances) totaling \$418,399 as follows:

LAFAYETTE PARISH ASSESSOR  
Lafayette, Louisiana

Notes to Financial Statements

NOTE 2 CASH AND INTEREST-BEARING DEPOSITS (CONTINUED)

Demand deposits	\$ 118,399
Time deposits	<u>300,000</u>
Total	<u>\$ 418,399</u>

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 bank. 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. Deposit balances (bank balances) at December 31, 1998, are secured as follows:

Bank balances	<u>\$ 428,327</u>
Secured by:	
Federal deposit insurance	\$ 200,000
Pledged securities (Category 3)	<u>1,515,924</u>
Total	<u>\$ 1,715,924</u>

Pledged securities in Category 3 include uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the Assessor's name. Even though the pledged securities are considered uncollateralized (Category 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 has failed to pay deposited funds upon demand.

NOTE 3 AD VALOREM TAXES

Pursuant to Act 174 of 1990, Louisiana Revised State Statute 47:1925.2 created a special assessment district to provide ad valorem tax revenue to fund the Assessor's office.

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. During the current fiscal year, taxes were levied in June and billed to the taxpayers by the Lafayette Parish Sheriff in October. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year.

LAFAYETTE PARISH ASSESSOR  
Lafayette, Louisiana

Notes to Financial Statements

NOTE 3 AD VALOREM TAXES (CONTINUED)

The taxes are based on assessed values determined by the Lafayette Parish Tax Assessor and are collected by the Sheriff. The taxes are remitted to the Tax Assessor net of deductions for pension fund contributions.

Ad valorem taxes are budgeted and recorded in the year levied and billed. For the year ended December 31, 1998, special assessment district taxes were levied at the rate of 1.62 mills on property with assessed valuations totaling \$559,232,867.

Total special assessment district taxes levied during 1998 were \$1,268,510 of which \$362,710 was excluded due to homestead exemption. Taxes receivable at December 31, 1998, were \$822,047, net of allowance for uncollectible taxes of \$11,323.

NOTE 4 CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

Balance, January 1, 1998	\$ 57,552
Additions	9,110
Deletions	<u>          </u>
Balance, December 31, 1998	<u>\$ 66,662</u>

NOTE 5 PENSION PLAN

Substantially all employees of the Lafayette Parish Assessor's office are members of the Assessors' Retirement Fund ("System"), a multiple-employer, public employee retirement system (PERS), controlled and administrated by a separate board of trustees. The System provides retirement, disability and death benefits to plan members and their beneficiaries.

Plan members are required to contribute 7.00 percent of their annual covered salary to the system while the Assessor is required to contribute the statutory rate of 5.50 percent of the total annual covered salary until September 30, 1997 and 5.75 percent of covered salary effective October 1, 1997. The Assessor's contributions to the system for the years ended December 31, 1998, 1997 and 1996 were \$39,305, \$35,190 and \$30,281, respectively, equal to the required contribution for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the LA. Assessors' Retirement Fund, P.O. Box 14699, Baton Rouge, LA 70898-4699.

LAFAYETTE PARISH ASSESSOR  
Lafayette, Louisiana

Notes to Financial Statements

NOTE 6 LITIGATION

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

NOTE 7 EXPENDITURES OF THE ASSESSOR PAID BY THE CONSOLIDATED GOVERNMENT

The Lafayette Consolidated Government provided the office space and utilities for the Assessor's office for the year ended December 31, 1998. These expenditures are not reflected in the accompanying financial statements.

NOTE 8 OPERATING LEASES

The Assessor leases an automobile under an operating lease expiring at December 31, 1998. During the year ended December 31, 1998, rental expense under the operating lease totaled \$ 6,166.



THIS PAGE INTENTIONALLY LEFT BLANK.

**INTERNAL CONTROL AND COMPLIANCE**



# Darnall, Sikes Frederick

(A Corporation of Certified Public Accountants)

Eugene H. Darnall, CPA, Retired 1990

E. Larry Sikes, CPA, CVA  
Danny P. Frederick, CPA  
Clayton E. Darnall, CPA  
Eugene H. Darnall, III, CPA  
Paula D. Bihm, CPA  
Stephanie M. Higginbotham, CPA

Jennifer S. Ziegler, CPA  
Chris A. Miller, CPA  
John P. Armato, CPA

Kathleen T. Darnall, CPA  
Stephen R. Dischler, MBA, CPA  
Alan M. Taylor, CPA  
Christine A. Raspberry, CPA  
Steven G. Monsa, CPA  
Erich G. Loewer, Jr., CPA  
Erich G. Loewer, III, CPA  
Danny P. Pontiff, CPA  
Tamera T. Landry, CPA  
Carla R. Fontenot, CPA  
Raegan D. Stelly, CPA  
Jason H. Watson, CPA

## Independent Auditor's Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of General Purpose Financial Statements Performed in Accordance with Government Auditing Standards

### Other Locations:

125 Rue Beauregard  
Lafayette, LA 70508  
318.232.3312

1231 E. Laurel Avenue  
Lunice, LA 70535  
318.457.4146

1201 Brashear Avenue  
Suite 301  
Morgan City, LA 70380  
504.384.6264

404 Pere Megret  
Abbeville, LA 70510  
318.893.5470

dsfcpas.com

Honorable L. Ellis Duplex  
Lafayette Parish Assessor  
Lafayette, Louisiana

We have audited the general purpose financial statements of the Lafayette Parish Assessor, a component unit of the Lafayette Consolidated Government, as of and for the year ended December 31, 1998, and have issued our report thereon dated June 7, 1999, which was qualified due to the omission of the year 2000 disclosures that are required by Governmental Accounting Standards Board Technical Bulletin 98-1, Disclosures about Year 2000 Issues. We have 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 Lafayette 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 general purpose 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 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 Lafayette 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 financial reporting that, in our judgement, could adversely affect the Lafayette Parish Assessor's ability to record, process,

Member of:  
American Institute of  
Certified Public Accountants  
Society of Louisiana  
Certified Public Accountants

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 schedule of findings as item 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 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 structure over financial reporting would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe the reportable condition described above is 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.

*Dannall, Sikes & Frederick*

A Corporation of Certified Public Accountants

Lafayette, Louisiana

June 7, 1999

LAFAYETTE PARISH ASSESSOR  
Lafayette, Louisiana

Schedule of Findings  
For the Year Ended December 31, 1998

Findings Related to Internal Controls:

98-1 Inadequate Segregation of Accounting Functions

Finding:

Due to the small number of accounting personnel, the Assessor did not have adequate segregation of functions within the accounting system.

Recommendation:

Based on the size of the operation and the cost-benefit of additional accounting personnel, it may not be feasible to achieve complete segregation of duties.

LAFAYETTE PARISH ASSESSOR  
Lafayette, Louisiana

Summary of Corrective Action Taken on Prior Year Findings  
For the Year Ended December 31, 1998

96-1 Finding: Inadequate Segregation of Accounting Functions

Status: This finding is unresolved. See current year finding 98-1.

LAFAYETTE PARISH ASSESSOR  
Lafayette, Louisiana

Corrective Action Plan  
For the Year Ended December 31, 1998

Response to finding 98-1:

No response is considered necessary.