

VERMILION PARISH ASSESSOR  
FINANCIAL REPORT  
DECEMBER 31, 2003

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

Release Date 5.5.04

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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, 2003 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.

Eugene C. Gilder, CPA\*  
Donald W. Kelley, CPA\*  
Herbert Lemoine II, CPA\*  
Frank A. Stagno, CPA\*  
Scott J. Broussard, CPA\*  
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Troy J. Breaux, CPA\*  
Fayette T. Dupre', CPA\*  
Mary A. Castille, CPA\*  
Joey L. Breaux, CPA\*  
Terrel P. Dressel, CPA\*

We conducted our audit in accordance with auditing standards generally accepted in the United State of America 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, 2003 and the results of its operations for the two years then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 20, 2004, 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. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, and should be read in conjunction with this report in considering the results of our audit.

### Retired:

Sidney L. Broussard, CPA 1980  
Leon K. Poche', CPA 1984  
James H. Breaux, CPA 1987  
Erna R. Walton, CPA 1988  
George A. Lewis, CPA\* 1992  
Geraldine J. Wimberley, CPA\* 1995  
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*Broussard, Poche', Lewis & Breaux LLP*

Crowley, Louisiana  
February 20, 2004

VERMILION PARISH ASSESSOR

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
December 31, 2003

ASSETS	Governmental	Account	Totals (Memorandum Only)
	Fund Type	Group	
	General Fund	General Fixed Assets	
Cash and cash equivalents	\$ 30,357	\$ -	\$ 30,357
Certificates of deposit	447,230	-	447,230
Ad valorem taxes receivable	479,643	-	479,643
Due from other governmental units	23,333	-	23,333
Accrued interest receivable	2,992	-	2,992
Office furnishings and equipment	-	74,460	74,460
<b>Total assets</b>	<b>\$ 983,555</b>	<b>\$ 74,460</b>	<b>\$ 1,058,015</b>
<b>LIABILITIES AND FUND EQUITY</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 3,094	\$ -	\$ 3,094
Deferred revenue	479,643	-	479,643
<b>Total liabilities</b>	<b>\$ 482,737</b>	<b>\$ -</b>	<b>\$ 482,737</b>
<b>FUND EQUITY</b>			
Investment in general fixed assets	\$ -	\$ 74,460	\$ 74,460
Fund balance:			
Unreserved - undesignated	500,818	-	500,818
<b>Total fund equity</b>	<b>\$ 500,818</b>	<b>\$ 74,460</b>	<b>\$ 575,278</b>
<b>Total liabilities and fund equity</b>	<b>\$ 983,555</b>	<b>\$ 74,460</b>	<b>\$ 1,058,015</b>

See Notes to Financial Statements.

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VERMILION PARISH ASSESSOR

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
 ALL GOVERNMENTAL FUND TYPES  
 GENERAL FUND  
 Year Ended December 31, 2003

Revenues:	
Taxes:	
Ad valorem	\$ 472,502
Intergovernmental:	
Preparation of tax notices	25,740
State revenue sharing	35,000
Vermilion Parish Police Jury	7,500
Interest	17,921
Other	58
	<hr/>
Total revenues	\$ 558,721
	<hr/>
Expenditures:	
Current:	
General government - taxation:	
Salaries and related expenditures	\$ 473,014
Operating services	46,103
Materials and supplies	16,183
Travel and related expenditures	6,833
Lease expense	7,914
	<hr/>
Total expenditures	\$ 550,047
	<hr/>
Excess of revenues over expenditures	\$ 8,674
Fund balance, beginning	492,144
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Fund balance, ending	\$ 500,818
	<hr/> <hr/>
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, 2002

Revenues:	
Taxes:	
Ad valorem	\$ 477,200
Intergovernmental:	
Preparation of tax notices	14,642
State revenue sharing	58,333
Interest	18,294
Other	285
	<hr/>
Total revenues	\$ 568,754
	<hr/>
Expenditures:	
Current:	
General government - taxation:	
Salaries and related expenditures	\$ 489,249
Operating services	54,109
Materials and supplies	13,456
Travel and related expenditures	3,122
Lease expense	7,834
Debt service:	
Principal payments	382
Interest expense	99
	<hr/>
Total expenditures	\$ 568,251
	<hr/>
Excess of revenues over expenditures	\$ 503
Fund balance, beginning	491,641
	<hr/>
Fund balance, ending	\$ 492,144
	<hr/> <hr/>

See Notes to Financial Statements.

VERMILION PARISH ASSESSOR

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (GAAP BASIS) - AND  
 ACTUAL - GENERAL FUND  
 Year Ended December 31, 2003

	Budget	Actual	Variance- Favorable (Unfavorable)
Revenues:			
Taxes:			
Ad valorem taxes	\$ 476,008	\$ 472,502	\$ (3,506)
Intergovernmental:			
Preparation of tax notices	10,890	25,740	14,850
State revenue sharing	23,000	35,000	12,000
Vermilion Parish Police			
Jury	-	7,500	7,500
Interest	10,000	17,921	7,921
Other	1,800	58	(1,742)
Total revenues	\$ 521,698	\$ 558,721	\$ 37,023
Expenditures:			
Current:			
General government - taxation:			
Salaries and related expenditures	\$ 457,336	\$ 473,014	\$ (15,678)
Operating services	43,000	46,103	(3,103)
Materials and supplies	25,000	16,183	8,817
Travel and related expenditures	11,200	6,833	4,367
Lease expense	8,000	7,914	86
Total expenditures	\$ 544,536	\$ 550,047	\$ (5,511)
Excess (deficiency) of revenues over expenditures	\$ (22,838)	\$ 8,674	\$ 31,512
Fund balance, beginning	492,144	492,144	-
Fund balance, ending	\$ 469,306	\$ 500,818	\$ 31,512

See Notes to Financial Statements.



VERMILION PARISH ASSESSOR

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (GAAP BASIS) - AND  
 ACTUAL - GENERAL FUND  
 Year Ended December 31, 2002

	Budget	Actual	Variance- Favorable (Unfavorable)
Revenues:			
Taxes:			
Ad valorem taxes	\$ 477,097	\$ 477,200	\$ 103
Intergovernmental:			
Preparation of tax notices	1,800	14,642	12,842
State revenue sharing	23,000	58,333	35,333
Interest	30,000	18,294	(11,706)
Other	-	285	285
Total revenues	<u>\$ 531,897</u>	<u>\$ 568,754</u>	<u>\$ 36,857</u>
Expenditures:			
Current:			
General government - taxation:			
Salaries and related expenditures	\$ 379,054	\$ 489,249	\$ (110,195)
Operating services	49,300	54,109	(4,809)
Materials and supplies	26,000	13,456	12,544
Travel and related expenditures	13,100	3,122	9,978
Lease expense	9,400	7,834	1,566
Debt service:			
Principal payments	-	382	(382)
Interest	-	99	(99)
Total expenditures	<u>\$ 476,854</u>	<u>\$ 568,251</u>	<u>\$ (91,397)</u>
Excess (deficiency) of revenues over expenditures	\$ 55,043	\$ 503	\$ (54,540)
Fund balance, beginning	491,641	491,641	-
Fund balance, ending	<u>\$ 546,684</u>	<u>\$ 492,144</u>	<u>\$ (54,540)</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 accounting principles generally accepted in the United States of America 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 accounting principles generally accepted in the United States of America 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.

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.

## NOTES TO FINANCIAL STATEMENTS

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.

### 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.

## NOTES TO FINANCIAL STATEMENTS

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.

### 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 a deposit balance (collective bank balances) of \$509,743 at December 31, 2003. These deposits are fully secured from risk by \$162,513 of federal deposit insurance (GASB Category 1) and \$852,712 of securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3) at December 31, 2003.

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.

### 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, 2003 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 accounting principles generally accepted in the United States of America. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTES TO FINANCIAL STATEMENTS

Note 2. Changes in General Fixed Assets

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

Balance, December 31, 2001	\$ 90,733
Additions	-
Balance, December 31, 2002	\$ 90,733
Deletions	(21,992)
Additions	5,719
Balance, December 31, 2003	\$ 74,460

Note 3. Operating Lease

In October 2000, the Assessor entered into a three-year operating lease agreement for the lease of an automobile. The lease consists of 36 monthly payments of \$653 each, beginning October 2000. During 2003 and 2002 total lease payments made under this lease were \$5,223 and \$7,834, respectively. This lease expired in 2003.

In September 2003, the Assessor entered into a three-year operating lease agreement for the lease of an automobile. The lease consists of 36 monthly payments of \$673 each, beginning October 2003. During 2003 lease payments made under this lease were \$2,691.

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

2004	\$ 8,076
2005	8,076
2006	5,384
	\$ 21,536

Note 4. Changes in General Long-Term Debt/ 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. In 2003 payments totaling \$382 were made on the purchase of the copier.

Balance, December 31, 2001	\$ 382
Reductions	(382)
Balance, December 31, 2002	\$ -

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.



## NOTES TO FINANCIAL STATEMENTS

### 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.

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 were required to contribute 8% of their annual covered salary. The Assessor is required to contribute at an actuarially determined rate. The rate through September 2002 was 10.75% of annual covered payroll. Effective October 1, 2002, the rate increased to 11% through December 31, 2002. The rate for January 1, 2003 through December 31, 2003 was 14% 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, 2003 and 2002 are, \$47,825, and \$57,671 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 2003, 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 2003.

### 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.

## NOTES TO FINANCIAL STATEMENTS

### Note 8. New Reporting Standard

In June 1999, the GASB issued Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments. This standard established new financial reporting requirements for state and local governments throughout the United States. When implemented, it will require new information and restructure much of the information that governments have presented in the past. Comparability with reports issued in all prior years will be affected. The Assessor is required to implement this standard for the fiscal year ended December 31, 2004. The Assessor has not yet determined the full impact that adoption of GASB Statement No. 34 will have on the financial statements.



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

### Other Offices:

Lafayette, LA  
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Church Point, LA  
(337) 684-2855

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

We have audited the general purpose financial statements of the Vermilion Parish Assessor as of December 31, 2003 and the general purpose statement of revenues, expenditures, and changes in fund balances as of the two years then ended, and have issued our report thereon dated February 20, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 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 did not disclose any 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 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 financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our 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. The reportable condition is described in the accompanying schedule of findings and questioned costs as item #2003-1.

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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  
Abbeville, Louisiana

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 condition described above to be a material weakness.

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*

Crowley, Louisiana  
February 20, 2004

VERMILION PARISH ASSESSOR

SCHEDULE OF FINDINGS AND RECOMMENDATIONS  
Year Ended December 31, 2003

We have audited the financial statements of Vermilion Parish Assessor as of and for the two years ended December 31, 2003, and have issued our report thereon dated February 20, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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, 2003 resulted in an unqualified opinion.

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

2003-1 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.

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

The Assessor did not receive any federal awards in 2003.

**Section III Management Letter**

The Assessor did not receive a management letter for the year ended December 31, 2003.

VERMILION PARISH ASSESSOR

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS  
Year Ended December 31, 2003

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

#2002-1 General Administration

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

Current status: This same finding is included in the current year schedule of findings and recommendations.

#2002-2 Budgetary Practices

Finding: The Assessor exceeded budget expenditures by more than 5%.

Current status: The Assessor has met the budgetary compliance of meeting 5% of budgeted revenues and did not exceed budgetary expenditures by more than 5%.

**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, 2003

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

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.

Budgetary Practices

Finding: The Assessor exceeded budget expenditures by more than 5%.

Cause: The budget was not amended prior to the end of the year to meet the 5% rule.

Recommendation and response: We recommend, and management agrees, that the Assessor follow the provisions of the Budget Act as it pertains to adopting budget amendments as circumstances warrant.

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

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

**Section III Management Letter**

The Assessor did not receive a management letter for the year ended December 31, 2003.

Responsible Party: Michael G. Langlinais, Assessor