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# **LAFAYETTE PARISH ASSESSOR**

## **Financial Report**

**Year Ended December 31, 2005**

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 6-28-06

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## INDEPENDENT AUDITORS' REPORT

WEB SITE:  
[WWW.KCSRCPAS.COM](http://WWW.KCSRCPAS.COM)

Honorable Conrad T. Comeaux  
Lafayette Parish Assessor  
Lafayette, Louisiana

We have audited the accompanying financial statements of the governmental activities and the major fund of the Lafayette Parish Assessor (Assessor), a component unit of the Lafayette Consolidated Government, as of and for the year ended December 31, 2005, which collectively comprise the Assessor's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Assessor. Our responsibility is to express opinions on these financial statements based on our audit. The prior year comparative information has been derived from the Lafayette Parish Assessor's 2004 financial statements and, in our report dated May 13, 2005, we expressed unqualified opinions on the respective financial statements of the governmental activities and the major fund.

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. 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 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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Lafayette Parish Assessor, as of December 31, 2005, and the respective changes in financial position for the year 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 a report dated May 5, 2006, 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 grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Governmental Auditing Standards, and should be read in conjunction with this report in considering the results of our audit.

The required supplementary information on page 22 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The prior year comparative information on the other supplementary information has been derived from the Lafayette Parish Assessor's 2004 financial statements, which was subjected to the auditing procedures applied in the audit of the basic financial statement and, in our opinion, was fairly presented in all material respects in relation to the basic financial statements taken as a whole.

The Lafayette Parish Assessor has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Assessor's basic financial statements. The accompanying financial information listed as "Other Supplementary Information" in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The prior year comparative information on the other supplementary information has been derived from the Lafayette Parish Assessor's 2004 financial statements, which was subjected to the auditing procedures applied in the audit of the basic financial statement and, in our opinion, was fairly presented in all material respects in relation to the basic financial statements taken as a whole.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
May 5, 2006

## **BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE  
FINANCIAL STATEMENTS (GWFS)**

LAFAYETTE PARISH ASSESSOR  
Lafayette, Louisiana

Statement of Net Assets  
December 31, 2005  
With Comparative Amounts for December 31, 2004

	Governmental Activities	
	2005	2004
<b>ASSETS</b>		
Current assets:		
Cash and interest-bearing deposits	\$ 225,662	\$ 148,513
Cash - equipment escrow account	114,579	112,103
Revenue receivable	1,400,074	1,248,678
Other receivable	-	121,010
Total current assets	1,740,315	1,630,304
Noncurrent assets:		
Capital assets, net	162,908	174,377
Total assets	1,903,223	1,804,681
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	52,839	23,282
Accrued interest payable	3,006	4,505
Capital leases payable - current portion	73,060	86,922
Total current liabilities	128,905	114,709
Noncurrent liabilities:		
Capital leases payable - long-term portion	115,553	188,604
Total liabilities	244,458	303,313
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	85,868	127,459
Unrestricted	1,572,897	1,373,909
Total net assets	\$ 1,658,765	\$ 1,501,368

The accompanying notes are an integral part of the basic financial statements.

LAFAYETTE PARISH ASSESSOR  
Lafayette, Louisiana

Statement of Activities  
For the Year Ended December 31, 2005

Activities	Expenses	Program Revenues Charges for Services	Net (Expense) Revenues and Changes in Net Assets
			Governmental Activities
Governmental activities:			
General government	\$ 1,538,576	\$ 46,293	\$ (1,492,283)
Interest on long-term debt	7,781	-	(7,781)
Total governmental activities	<u>\$ 1,546,357</u>	<u>\$ 46,293</u>	<u>(1,500,064)</u>
General revenues:			
Property taxes			1,551,181
State revenue sharing			83,980
Interest and investment earnings			22,300
Total general revenues			<u>1,657,461</u>
Change in net assets			157,397
Net assets - January 1, 2005			<u>1,501,368</u>
Net assets - December 31, 2005			<u>\$ 1,658,765</u>

The accompanying notes are an integral part of the basic financial statements.



**FUND FINANCIAL STATEMENTS (FFS)**

**LAFAYETTE PARISH ASSESSOR**  
**Lafayette, Louisiana**

**Comparative Balance Sheet - Governmental Fund**  
**December 31, 2005 and 2004**

	<u>General Fund</u>	
	<u>2005</u>	<u>2004</u>
<b>ASSETS</b>		
Cash and interest-bearing deposits	\$ 225,662	\$ 148,513
Cash - equipment escrow account	114,579	112,103
Revenue receivable-		
Ad valorem taxes, net of allowance for uncollectible taxes		
(2005 - \$28,033; 2004 - \$30,880)	1,344,088	1,192,777
State revenue sharing	55,986	55,901
Other receivable	<u>-</u>	<u>121,010</u>
Total assets	<u>\$ 1,740,315</u>	<u>\$ 1,630,304</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable	\$ 52,839	\$ 23,282
Fund balance:		
Unreserved, undesignated	<u>1,687,476</u>	<u>1,607,022</u>
Total liabilities and fund balance	<u>\$ 1,740,315</u>	<u>\$ 1,630,304</u>

The accompanying notes are an integral part of the basic financial statements.

**LAFAYETTE PARISH ASSESSOR**  
**Lafayette, Louisiana**

**Reconciliation of the Governmental Fund Balance Sheet  
to the Statement of Net Assets  
December 31, 2005**

<b>Total fund balance for the governmental fund at December 31, 2005</b>		<b>\$1,687,476</b>
<b>Capital assets at December 31, 2005</b>	<b>\$ 364,266</b>	
<b>Less: Accumulated depreciation</b>	<u><b>(201,358)</b></u>	<b>162,908</b>
<b>Long-term liabilities at December 31, 2005:</b>		
<b>Capital leases payable</b>	<b>(188,613)</b>	
<b>Accrued interest payable</b>	<u><b>(3,006)</b></u>	<u><b>(191,619)</b></u>
<b>Total net assets of governmental activities at December 31, 2005</b>		<u><b>\$1,658,765</b></u>

The accompanying notes are an integral part of the basic financial statements.

**LAFAYETTE PARISH ASSESSOR**  
Lafayette, Louisiana

**Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Fund**  
**Years Ended December 31, 2005 and 2004**

	<u>General Fund</u>	
	<u>2005</u>	<u>2004</u>
<b>Revenues:</b>		
Intergovernmental revenues -		
Ad valorem taxes	\$1,551,181	\$ 1,431,133
State revenue sharing	83,980	84,476
Tax roll fees	37,174	36,155
Computer usage fees	2,835	12,285
Informational services	6,284	6,925
Interest income	22,300	6,182
Total revenues	<u>1,703,754</u>	<u>1,577,156</u>
<b>Expenditures:</b>		
Current -		
General government:		
Personnel services and related benefits	1,209,783	1,174,066
Operating services	213,061	193,068
Materials and supplies	73,511	80,151
Capital outlay	30,752	14,769
Debt service:		
Principal retirement	86,913	94,917
Interest expense	9,280	12,440
Total expenditures	<u>1,623,300</u>	<u>1,569,411</u>
Excess (deficiency) of revenues over expenditures	80,454	7,745
<b>Other financing sources:</b>		
Reversal of leased assets previously capitalized	<u>-</u>	<u>167,896</u>
Net change in fund balance	80,454	175,641
Fund balance, beginning	<u>1,607,022</u>	<u>1,431,381</u>
Fund balance, ending	<u>\$1,687,476</u>	<u>\$ 1,607,022</u>

The accompanying notes are an integral part of the basic financial statements.

LAFAYETTE PARISH ASSESSOR  
Lafayette, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balance of Governmental Fund  
to the Statement of Activities  
For the Year Ended December 31, 2005

Total net change in fund balance for the year ended December 31, 2005 per Statement of Revenues, Expenditures and Changes in Fund Balance			\$ 80,454
Add: Capital outlay which is considered as expenditure on Statement of Revenues, Expenditures, and Changes in Fund Balance		\$30,752	
Less: Depreciation expense for the year ended December 31, 2005		<u>(42,221)</u>	(11,469)
Add: Payment on capital leases			86,913
Less: Difference between interest on leases on modified accrual basis versus interest on accrual basis			<u>1,499</u>
Total change in net assets for the year ended December 31, 2005 per Statement of Activities			<u>\$157,397</u>

The accompanying notes are an integral part of the basic financial statements.

LAFAYETTE PARISH ASSESSOR  
Lafayette, Louisiana

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the Lafayette Parish Assessor (Assessor) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

A. Financial Reporting Entity

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.

This report includes all funds, which are controlled by the Assessor as an independently elected parish official. Control by or dependence on the Assessor was determined on the basis of general oversight responsibility. The Assessor is fiscally dependent on the Lafayette Consolidated Government since the Assessor's office is located in the parish government building, the upkeep and maintenance of the parish government building 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. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net assets and statement of activities display information about the reporting government as a whole. They include the fund of the reporting entity, which is considered to be a governmental activity.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Assessor's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

**LAFAYETTE PARISH ASSESSOR**  
Lafayette, Louisiana

**Notes to Basic Financial Statements (Continued)**

**Fund Financial Statements (FFS)**

The accounts of the Assessor are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The fund of the Assessor is classified as a governmental fund. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The major fund of the Assessor is described below:

**Governmental Fund -**

**General Fund**

The General Fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the Assessor and is used to account for the operations of the Assessor's office. The various fees and charges due to the Assessor's office are accounted for in this fund. General operating expenditures are paid from this fund.

**C. Measurement Focus/Basis of Accounting**

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

LAFAYETTE PARISH ASSESSOR  
Lafayette, Louisiana

Notes to Basic Financial Statements (Continued)

Measurement Focus

On the government-wide statement of net assets and the statement of activities, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery) and financial position. All assets and liabilities (whether current or noncurrent) associated with its activities are reported. Government-wide fund equity is classified as net assets. In the fund financial statements, the "current financial resources" measurement focus is used. Only current financial assets and liabilities are generally included on its balance sheet. Their operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of the period.

Basis of Accounting

In the government-wide statement of net assets and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues are classified by source and expenditures are classified by function and character. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

When both restricted and unrestricted resources are available for use, it is the Assessor's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities and Equity

Cash and interest-bearing deposits

For purposes of the statement of net assets, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the Assessor.



**LAFAYETTE PARISH ASSESSOR**  
**Lafayette, Louisiana**

**Notes to Basic Financial Statements (Continued)**

**Capital Assets**

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Assessor maintains a threshold level of \$500 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Furniture, fixtures and equipment	3-10 years
Building improvements	20-39 years

**Equity Classifications**

In the government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

LAFAYETTE PARISH ASSESSOR  
Lafayette, Louisiana

Notes to Basic Financial Statements (Continued)

E. Budgetary and Budgetary Accounting

The Assessor follows these procedures in establishing the budgetary data reflected in the financial statements:

1. A proposed budget is prepared and submitted to the Assessor for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for a hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the Assessor. Such amendments were not material in relation to the original appropriations.

F. 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 expenditures during the reporting period. Actual results could differ from those estimates.

G. Report Classification

Certain previously reported amounts for the year ended December 31, 2004 have been reclassified to conform to the December 31, 2005 classifications.

**LAFAYETTE PARISH ASSESSOR**  
Lafayette, Louisiana

Notes to Basic Financial Statements (Continued)

(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 United States bonds, treasury notes, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2005, the Assessor has cash and cash equivalents (book balances) totaling \$225,662, which consist of demand deposits and are applicable to governmental activities.

These deposits are stated at cost, which approximates fair value. 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 fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. The following is a summary of deposit balances (bank balances) at December 31, 2005, and the related federal insurance and pledged securities:

Bank balances	<u>\$278,861</u>
Secured by:	
Federal insurance	\$ 107,314
Pledged securities (Category 3)	<u>171,547</u>
Total federal insurance and pledged securities	<u>\$278,861</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.

(3) Capital Assets

Capital asset balances and activity for the year ended December 31, 2005 are as follows:

	Balance 01/01/05	Additions	Deletions	Balance 12/31/2005
Furniture, fixtures and equipment	\$ 266,128	\$ 30,752	-	\$ 296,880
Building improvements	<u>67,386</u>	-	-	<u>67,386</u>
Totals	333,514	30,752	-	364,266
Less: Accumulated depreciation	<u>159,137</u>	<u>42,221</u>	-	<u>201,358</u>
Net capital assets	<u>\$ 174,377</u>	<u>\$ (11,469)</u>	<u>\$ -</u>	<u>\$ 162,908</u>

Depreciation expense of \$42,221 was charged to the general government function.

LAFAYETTE PARISH ASSESSOR  
Lafayette, Louisiana

Notes to Basic Financial Statements (Continued)

(4) 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 taxes revenue to fund the Assessor's office.

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied in September or October and billed to the taxpayers by the Lafayette Parish Sheriff in December. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Lafayette Parish Assessor and are collected by the Sheriff.

For the year ended December 31, 2005, taxes were levied at the rate of 1.56 mills on property with assessed valuations totaling \$992,943,265.

Total taxes levied during 2005 were \$2,009,953 of which \$461,172 was excluded due to homestead exemption. Taxes receivable at December 31, 2005 were \$1,344,088, net of allowance for uncollectible taxes of \$28,033.

(5) Pension Plan

Substantially all employees of the Lafayette Parish Assessor's office are members of the Louisiana Assessors' Retirement System (System), a cost-sharing, multiple-employer, defined benefit pension plan 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 8.00 percent of their annual covered salary to the system while the Assessor is required to contribute the statutory rate of 14.00 percent of the total annual covered salary. The Assessor's contributions to the system for the years ended December 31, 2005, 2004 and 2003 were \$115,258, \$110,643, and \$98,247, respectively, equal to the required contributions for each year.

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

(6) Deferred Compensation Plan

The Lafayette Parish Assessor offers its employees participation in the State of Louisiana Public Employees Deferred Compensation Plan adopted by the Louisiana Deferred Compensation Commission and established in accordance with Internal Revenue Code Section 457. The plan is reported as an agency fund in the State of Louisiana's financial statements. The plan, available to all Assessor employees, permits the employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or proof of hardship.

LAFAYETTE PARISH ASSESSOR  
Lafayette, Louisiana

Notes to Basic Financial Statements (Continued)

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the State of Louisiana (without being restricted to the provisions of benefits under the plan) subject only to the claims of the general creditors of the State of Louisiana. Participants' rights under the plan are equal to those of general creditors of the State of Louisiana in an amount equal to the fair market value of the deferred account for each participant.

Complete disclosures relating to the plan are included in the separately issued audit report for the plan, available from the Louisiana Assessors' Retirement System, Post Office Box 1786, Shreveport, Louisiana 71166-1786, or by calling (318) 425-4446.

(7) Changes in Long-Term Debt

The Assessor has various lease agreements for the purchase of office equipment. The following is a summary of long-term debt transactions of the Lafayette Parish Assessor for the year ended December 31, 2005:

	<u>Balance 1/1/2005</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/2005</u>
Capital Leases	<u>\$ 275,526</u>	<u>\$ -</u>	<u>\$ 86,913</u>	<u>\$ 188,613</u>

Capital leases payable are currently outstanding as follows:

<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Interest Rates</u>	<u>Balance Outstanding</u>
10/29/02	10/29/2006	3.59	\$ 18,120
06/03/03	7/25/2008	3.35	<u>170,493</u>
			<u>\$ 188,613</u>

The capital leases are due as follows:

Year Ending June 30	<u>Governmental Activities</u>		
	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2006	\$ 73,060	\$ 6,285	\$ 79,345
2007	56,815	3,929	60,744
2008	<u>58,738</u>	<u>1,997</u>	<u>60,735</u>
	<u>\$ 188,613</u>	<u>\$ 12,211</u>	<u>\$200,824</u>

LAFAYETTE PARISH ASSESSOR  
Lafayette, Louisiana

Notes to Basic Financial Statements (Continued)

(8) Expenditures of the Assessor Paid by the Lafayette Parish Consolidated Government

The Lafayette Parish Consolidated Government provided the office space and utilities for the Assessor's office for the year ended December 31, 2005. These expenditures are not reflected in the accompanying financial statements.

(9) Risk Management

The Assessor is exposed to risks of loss in the areas of auto and property liability and surety bonds. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year.

(10) Litigation

The Assessor was involved in one lawsuit regarding protest taxes as of December 31, 2005, which was subsequently settled in favor of the taxpayer. The Assessor has no exposure beyond the loss of the disputed taxes, which is immaterial to the financial statements.

(11) Subsequent Event

In April, 2006, the Assessor entered into an agreement with Software Techniques, Inc. for the installation and maintenance of computer software. The Assessor is currently in negotiations with Lafayette Parish Consolidated Government to fund a portion of the contract. If the Assessor funds the entire contract, which includes support and maintenance for a three-year period, the maximum liability will be \$436,275. However, if a portion of the contract is funded by the Lafayette Parish Consolidated Government, the amount to be financed by the Assessor could be reduced to approximately \$264,100.

**REQUIRED  
SUPPLEMENTARY INFORMATION**

LAFAYETTE PARISH ASSESSOR  
Lafayette, Louisiana

Budgetary Comparison Schedule  
General Fund  
Year Ended December 31, 2005  
With Comparative Actual Amounts for Year Ended December 31, 2004

	2005			Variance with Final Budget	2004
	Budget			Positive (Negative)	Actual
Revenues:	Original	Final	Actual		
Intergovernmental revenues -					
Ad valorem taxes	\$1,460,000	\$1,529,420	\$1,551,181	\$ 21,761	\$1,431,133
State revenue sharing	83,288	83,851	83,980	129	84,476
Tax roll fees	37,481	37,173	37,174	1	36,155
Computer usage fees	11,340	2,835	2,835	-	12,285
Informational services	7,000	6,500	6,284	(216)	6,925
Interest income	6,250	19,250	22,300	3,050	6,182
Total revenues	<u>1,605,359</u>	<u>1,679,029</u>	<u>1,703,754</u>	<u>24,725</u>	<u>1,577,156</u>
Expenditures:					
Current -					
Personnel services and and related benefits	1,208,599	1,153,486	1,209,783	(56,297)	1,174,066
Operating services	204,707	208,457	213,061	(4,604)	193,068
Materials and supplies	83,860	73,800	73,511	289	80,151
Capital outlay	12,000	34,500	30,752	3,748	14,769
Debt service:					
Principal retirement	86,913	86,913	86,913	-	94,917
Interest expense	9,280	9,280	9,280	-	12,440
Total expenditures	<u>1,605,359</u>	<u>1,566,436</u>	<u>1,623,300</u>	<u>(56,864)</u>	<u>1,569,411</u>
Excess of revenues over expenditures	-	112,593	80,454	(32,139)	7,745
Other financing sources:					
Reversal of leased assets previously capitalized	-	-	-	-	167,896
Excess of revenues and other sources over expenditures	-	112,593	80,454	(32,139)	175,641
Fund balance, beginning	<u>1,607,022</u>	<u>1,607,022</u>	<u>1,607,022</u>	-	<u>1,431,381</u>
Fund balance, ending	<u>\$1,607,022</u>	<u>\$1,719,615</u>	<u>\$1,687,476</u>	<u>\$(32,139)</u>	<u>\$1,607,022</u>



**OTHER SUPPLEMENTARY INFORMATION**

LAFAYETTE PARISH ASSESSOR  
Lafayette, Louisiana

Statement of Expenditures Compared to Budget (GAAP Basis) -  
General Fund  
Year Ended December 31, 2005  
With Comparative Actual Amounts for Year Ended December 31, 2004

	2005				
	Budget			Variance -	2004
	Original	Final	Actual	Favorable (Unfavorable)	Actual
Current:					
Personnel services and related benefits -					
Salaries:					
Assessor	\$ 93,090	\$ 93,090	\$ 93,090	\$ -	\$ 93,090
Deputy Assessors	710,000	660,730	711,937	(51,207)	710,297
Allowance	9,309	9,309	9,309	-	9,309
Other	55,000	51,144	53,156	(2,012)	57,216
Deferred compensation	25,000	26,212	26,212	-	23,324
Vacation expense	-	-	4,193	(4,193)	1,347
Group insurance	200,000	196,382	196,500	(118)	167,871
Unemployment	1,200	128	128	-	969
Pension	115,000	116,491	115,258	1,233	110,643
Total personnel services and related benefits	1,208,599	1,153,486	1,209,783	(56,297)	1,174,066
Operating services -					
Professional fees - legal and accounting	45,000	32,000	34,413	(2,413)	32,931
Professional fees - computer	30,000	15,000	19,107	(4,107)	21,807
Professional fees - other	30,000	34,000	38,894	(4,894)	21,420
Contract labor	15,000	10,000	10,800	(800)	12,805
Insurance	14,400	14,400	11,986	2,414	11,330
Telephone	12,500	19,000	17,887	1,113	9,958
Travel and conference	25,000	48,000	44,539	3,461	46,295
Equipment and lease expense	20,807	25,307	24,675	632	18,911
Parking	12,000	10,750	10,760	(10)	10,580
Bad debts	-	-	-	-	7,031
Total operating services	204,707	208,457	213,061	(4,604)	193,068
Materials and supplies -					
Office supplies and expense	50,000	28,000	27,707	293	42,359
Postage and shipping	12,500	20,000	21,085	(1,085)	15,401
Automobile supplies and maintenance	12,000	13,000	13,360	(360)	12,455
Dues and subscriptions	6,500	10,000	8,892	1,108	8,340
Uniforms	2,500	2,500	2,076	424	1,330
Miscellaneous	360	300	391	(91)	266
Total materials and supplies	83,860	73,800	73,511	289	80,151
Capital outlay:					
Office equipment	12,000	34,500	30,752	3,748	14,769
Debt service:					
Principal retirement	86,913	86,913	86,913	-	94,917
Interest expense	9,280	9,280	9,280	-	12,440
Total debt service	96,193	96,193	96,193	-	107,357
Total expenditures	\$ 1,605,359	\$ 1,566,436	\$ 1,623,300	\$ (56,864)	\$1,569,411

**INTERNAL CONTROL  
AND  
COMPLIANCE**

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Conrad T. Comeaux  
Lafayette Parish Assessor  
Lafayette, Louisiana

We have audited the financial statements of the governmental activities and the major fund of the Lafayette Parish Assessor, a component unit of the Lafayette Consolidated Government, as of and for the year ended December 31, 2005, which collectively comprise the Assessor's basic financial statements and have issued our report thereon dated May 5, 2006. 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.

### 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 financial statements and not to provide an opinion 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 Lafayette 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 summary schedule of current and prior year audit findings and corrective action plan as item 05-1 (IC).

A material weakness is a reportable 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 caused by error or fraud 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 believe the reportable condition described above is a material weakness.

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AMERICAN INSTITUTE OF  
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Member of:  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Lafayette Parish Assessor's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of management of the Lafayette Parish Assessor and is not intended to be and should not be used by anyone other than this specified party. However, this report is a matter of public record and its distribution is not limited.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
May 5, 2006

**LAFAYETTE PARISH ASSESSOR**  
Lafayette, Louisiana

**Summary Schedule of Current and Prior Year Audit Findings  
and Corrective Action Plan  
Year Ended December 31, 2005**

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Completion Date
<b>CURRENT YEAR (12/31/05) --</b>						
<u>Internal Control:</u> 05-01(IC)	Unknown	Due to the small number of employees, the Lafayette Parish Assessor did not have adequate segregation of functions within the accounting system.	N/A	No response is considered necessary.	Pat McDonald, Accountant	N/A
<b>PRIOR YEAR (12/31/04) --</b>						
<u>Internal Control:</u> 04-01(IC)	Unknown	same as 05-01 (IC)	N/A	No response is considered necessary.	Pat McDonald, Accountant	N/A