

**MADISON PARISH ASSESSOR
FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2008**

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

6/17/09

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MADISON PARISH TAX ASSESSOR
TALLULAH, LOUISIANA

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INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

Mr. Jim Sevier
Madison Parish Assessor
Tallulah, Louisiana

I have audited the accompanying financial statements of the governmental activities and the major fund of the Madison Parish Assessor as of and for the year ended December 31, 2008, as listed in the table of contents. These financial statements are the responsibility of the Madison Parish Assessor. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my 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 I 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Madison Parish Assessor, as of December 31, 2008, and the changes in financial positions for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis and other required supplementary information on pages 4 through 7, and page 23 respectively, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information and reviewing the source of selected information. However, I did not audit the information and express no opinion on it.

My audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The other reports listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the basic financial statements of the Madison Parish Assessor. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, I have also issued a report dated April 24, 2009, on my consideration of the Assessor's internal control over financial reporting and my tests of its compliance with certain provisions of laws. 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 my audit.

Tallulah, Louisiana
April 24, 2009

A handwritten signature in black ink, appearing to read "David Rader". The signature is written in a cursive style with a prominent initial "D" and "R".

REQUIRED SUPPLEMENTARY INFORMATION

PART I

Management's Discussion and Analysis
December 31, 2008

As management of the Madison Parish Assessor, I offer readers of the Madison Parish Assessor's financial statements this narrative overview and analysis of the financial activities of the Madison Parish Assessor for the fiscal year ended December 31, 2008. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

Financial Highlights

The Assessor's total net assets increased by \$88,403 over the course of this years operations.

During the year, the Assessor's expenditures were \$344,491. This was an increase of \$46,087 in comparison to the prior year. \$286,535 of the total expenditures were for salaries and employee benefits.

The Assessor had total revenues of \$436,076 in 2008. \$430,039 of the revenues were from ad valorem taxes.

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the Assessor's basic financial statements. The annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the financial activities as a whole and illustrate a longer-term view of the Assessor's finances. The Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Fund tell how these services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the operations in more detail than the Government-Wide Financial Statements by providing information about the most significant funds. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the Madison Parish Assessor's finances, in a manner similar to a private-sector business. The government-wide financial statements provide short- and long-term information about the Assessor's financial status as a whole.

The Madison Parish Assessor's government-wide financial statements include a Statement of Net Assets (page 9) and Statement of Activities (page 10), which are prepared using accounting principles that are similar to commercial enterprises. The purpose of the Statement of Net Assets is to report all of the assets held and liabilities owed by the Assessor using the full accrual basis of accounting. The Assessor reports all of its assets when it acquires ownership over the assets and reports all of its liabilities when they are incurred.

The difference between the Assessor's total assets and total liabilities is reported as net assets and this difference is similar to the total owner's equity presented by a commercial enterprise. Over time, increases or decreases in the Assessor's net assets are one indicator of whether its financial health is improving or deteriorating. However, the Assessor's goal is to provide services to the citizens of Madison Parish, not to generate profits as commercial enterprises do. Therefore, not only financial factors must be considered to assess the overall health of the Assessor.

The purpose of the Statement of Activities is to present the revenues and expenses of the Madison Parish Assessor. Again, the items presented on the Statement of Activities are measured in a manner similar to the approach used by a commercial enterprise in that revenues are recognized when earned or established criteria are satisfied and expenses are reported when incurred by the Assessor. Thus, revenues are reported even though they may not be collected for several months after the end of the accounting period and expenses are recorded even though they may not have used cash during the current period.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Madison Parish Assessor, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Madison Parish Assessor are governmental funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the Governmental Fund Balance Sheet and Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Madison Parish Assessor adopts an annual appropriated budget for the general fund. A budgetary comparison statement is provided for the major fund to demonstrate compliance with this budget.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Madison Parish Assessor's performance.

REPORTING ON THE MADISON PARISH ASSESSOR AS A WHOLE

The following table reflects the condensed Statement of Net Assets:

CONDENSED STATEMENT OF NET ASSETS Years Ended December 31, 2008, and 2007

	2008	2007
Assets		
Current and other assets	\$ 428,237	\$ 319,300
Capital assets, net of accumulated depreciation	20,485	34,370
Total Assets	<u>448,722</u>	<u>353,670</u>
Liabilities		
Current and other liabilities	12,321	5,672
Net Assets		
Invested in capital assets, net of related debt	20,485	28,698
Unrestricted	415,916	319,300
Total Net Assets	<u>\$ 436,401</u>	<u>\$ 347,998</u>

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the Madison Parish Tax Assessor, assets exceed liabilities at the close of the fiscal year, by \$436,401 in 2008 and \$347,998 in 2007. Of these amounts \$20,485 or 4.7%, and \$28,698, or 8.2% of the total net assets represents the investment of the Assessor in capital assets, net of related debt. Net assets of \$415,916 for 2008 and \$319,300 for 2007, which are technically unrestricted, need to be viewed in light of information in the fund financial statements.

The following table reflects the condensed Statement of Activities:

CONDENSED STATEMENT OF ACTIVITIES Years Ended December 31, 2008, and 2007

	2008	2007
Revenues		
Taxes - ad valorem	\$ 435,070	\$ 292,762
Preparation of tax rolls	4,275	4,092
Interest and other income	1,762	20,823
Total Revenues	<u>441,107</u>	<u>317,677</u>
Expenses		
Salaries and benefits	286,535	280,062
Material and supplies	41,929	22,080
Other	24,240	22,938
Total Expenses	<u>352,704</u>	<u>305,080</u>
Change in Net Assets	88,403	12,597
Net Assets-beginning	347,998	335,401
Net Assets - ending	<u>\$ 436,401</u>	<u>\$ 347,998</u>

As reported in the Statement of Activities, the cost of governmental activities for 2008 and 2007 was \$352,704 and \$305,080 respectively.

Financial Analysis of the Government's Funds

As noted earlier, the Madison Parish Assessor uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of December 31, 2008, the general fund's governmental balances of \$383,394 showed an increase of \$91,585 when compared to December 31, 2007.

Capital Asset and Debt Administration

Capital assets. The Madison Parish Assessor's investment in capital assets for its governmental activities as of December 31, 2008, amounts to \$20,485. This investment includes furniture, equipment, and an automobile. This value is net of accumulated depreciation.

General Fund Budgetary Highlights

The Assessor's budget is prepared according to Louisiana law.

A budgetary comparison schedule showing the Madison Parish Assessor's originally adopted budget compared with actual operating results is provided in the report that follows.

Economic Factors and Next Year's Budgets

The Assessor considered many factors when setting the Assessor's 2009 budget.

Revenues and expenditures of the Assessor's funds are expected to remain fairly consistent with the 2009 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the Madison Parish Assessor's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Madison Parish Assessor, P.O. Box 423, Tallulah, LA 71284.

BASIC FINANCIAL STATEMENTS

MADISON PARISH ASSESSOR
TALLULAH, LOUISIANA
STATEMENT OF NET ASSETS
AS OF DECEMBER 31, 2008

Assets

Cash and cash equivalents	\$	5,097
Receivables		423,140
Capital assets, net of accumulated depreciation		<u>20,485</u>
Total Assets		<u>448,722</u>

Liabilities and Net Assets

Liabilities		
Accounts payable		<u>12,321</u>
Net Assets		
Invested in capital assets		20,485
Unrestricted		<u>415,916</u>
Total Net Assets	\$	<u>436,401</u>

The accompanying notes are an integral part of this financial statement.

MADISON PARISH ASSESSOR
TALLULAH, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008

<u>Function/Program</u>	<u>Expenses</u>	<u>Program Revenue Charge for Services</u>	<u>Net Revenue (Expense) Government Activities</u>
Government Activities:			
General government - taxation	\$ 352,704	\$ 4,275	\$ (348,429)
Total government activities	<u>\$ 352,704</u>	<u>\$ 4,275</u>	<u>(348,429)</u>
General Revenues:			
Taxes - ad valorem			435,070
Use of money			560
Other income			<u>1,202</u>
Total general revenues			<u>436,832</u>
Change in Net Assets			88,403
Net Assets - January 1, 2008			<u>347,998</u>
Net Assets - December 31, 2008			<u>\$ 436,401</u>

The accompanying notes are an integral part of this financial statement.

MADISON PARISH ASSESSOR
TALLULAH, LOUISIANA
BALANCE SHEET
AS OF DECEMBER 31, 2008

	<u>General Fund</u>
Assets	
Cash	\$ 5,097
Receivables	<u>390,618</u>
Total Assets	<u><u>395,715</u></u>
Liabilities	
Accounts Payable	<u>12,321</u>
Fund Equity	
Fund balance - unreserved - undesignated	<u>383,394</u>
Total Liabilities and Fund Equity	<u><u>\$ 395,715</u></u>

The accompanying notes are an integral part of this financial statement.

**MADISON PARISH ASSESSOR
TALLULAH, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
AS OF DECEMBER 31, 2008**

Total fund balance - Governmental Funds (Exhibit C)	\$383,394
Capital assets used in governmental activities are not financial resources- and are not reported in the governmental funds-net of related debt.	20,485
Receivables collected more than 60 days from the balance sheet date are not recorded on governmental funds.	<u>32,522</u>
Net Assets of Governmental Activities (Exhibit A)	<u>\$436,401</u>

The accompanying notes are an integral part of this financial statement.

MADISON PARISH ASSESSOR
TALLULAH, LOUISIANA
GOVERNMENTAL FUND TYPES - GENERAL FUND (SALARY FUND)
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2008

Revenues

Taxes - ad valorem	\$ 430,039
Preparing tax rolls for municipalities	4,275
Use of money	560
Other income	<u>1,202</u>
Total Revenues	<u>436,076</u>

Expenditures

General Governmental:	
Salaries:	
Assessor	82,390
Deputies	83,697
Others	42,061
Employee benefits	78,387
Travel:	
Assessor's expense allowance	8,239
Other	1,985
Materials & Supplies:	
Office	17,314
Other - supplies	24,615
Capital Outlay:	
Note payments	<u>5,803</u>
Total Expenditures	<u>344,491</u>

Excess of Revenues Over Expenditures	91,585
Fund Balance at Beginning of year	<u>291,809</u>
Fund Balance at End of year	<u>\$ 383,394</u>

The accompanying notes are an integral part of this financial statement.

MADISON PARISH ASSESSOR
TALLULAH, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008

Net Change in Fund Balance, Total Governmental Fund (Exhibit E)	\$ 91,585
Receivables collected more than 60 days from the Balance Sheet date are not recorded as income on governmental funds financial statements, but are on the Statement of Activities. Net change in amount.	5,030
Governmental funds report note payments as expenditures. However, in the Statement of Activities only the interest is recorded as an expense. This is the amount by which the note payments exceeded the interest expense.	5,672
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.	<u>(13,884)</u>
Change in Net Assets of Governmental Activities (Exhibit B)	<u>\$ 88,403</u>

The accompanying notes are an integral part of this financial statement.

**MADISON PARISH ASSESSOR
TALLULAH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS**

INTRODUCTION

As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, the Assessor is elected by the voters of the parish and serves a four-year term. The Assessor assesses all real and moveable property in the parish, subject to ad valorem taxation. The Assessor is authorized to appoint as many deputies as may be necessary for the efficient operation of the office and 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 pecuniary responsible for the actions of the deputies.

The Assessor's office is located in the Madison Parish Courthouse in Tallulah, Louisiana. The Assessor employs five employees, including two deputies. In accordance with Louisiana law, the Assessor bases real and moveable property assessments on conditions existing on January 1 of the tax year. The Assessor completes an assessment listing by May 1 of the tax year and submits the list to the parish governing authority and the Louisiana Tax Commission as prescribed by the law. Once the assessment listing is approved, the Assessor submits the assessment roll to the parish tax collector who is responsible for collecting and distributing taxes to the various taxing bodies.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying basic financial statements of the Madison Parish Assessor have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, issued in June 1999.

B. REPORTING ENTITY

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

The accompanying financial statements present information only on the funds maintained by the Assessor and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

MADISON PARISH ASSESSOR
TALLULAH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

C. FUND ACCOUNTING

The Assessor uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain tax assessment functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

Governmental Funds

Governmental funds account for all or most of the Assessor's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the assessor. The following is the Assessor's governmental fund:

General Fund - The primary operating fund of the Assessor which accounts for all financial resources, *except those required to be accounted for in other funds.* The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to the Assessor's policy.

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Fund Financial Statements (FFS)

The amounts reflected in the General Fund of Exhibits C and E are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the Balance Sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balance reports on the sources of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the Assessor's operations.

The amounts reflected in the General Fund of Exhibits C and E use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual. Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Assessor considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred. The governmental funds use the following practices in recording revenues and expenditures:

MADISON PARISH ASSESSOR
TALLULAH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING (cont.)

Fund Financial Statements (FFS) (cont.)

Revenues

Ad valorem taxes are recorded in the year the taxes are assessed.

Revenues from preparing tax rolls for municipalities are recorded in the year in which the tax rolls are prepared.

All other revenues are recorded when received.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Government-Wide Financial Statements

The columns labeled Statement of Net Assets (Exhibit A) and Statement of Activities (Exhibit B) display information about the Assessor as a whole. These statements include all the financial activities of the Assessor. Information contained in these columns reflect the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs, regardless of when cash is received or disbursed. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program Revenues - Program revenues included in the Statement of Activities (Exhibit B) are derived directly from users as a fee for services; program revenues reduce the cost of the function to be financed from the Assessor's general revenues.

E. BUDGETARY ACCOUNTING

The Assessor prepares an annual operating budget within the first ninety days of each year. He does not hold any public hearings or publish the budget in the local newspaper. However, the Assessor's books are open for public inspection.

F. CASH AND CASH EQUIVALENTS

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

MADISON PARISH ASSESSOR
TALLULAH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

G. INVESTMENTS

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 and the Assessor's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

H. CAPITAL ASSETS

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 \$500.00 or more for capitalizing capital assets. All assets are valued at historical cost.

Capital assets are recorded in the Statement of Net Assets and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage is taken into consideration for depreciation purposes. All capital assets are depreciated using the straight line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Furniture, fixtures, and office equipment	5-15 years
Vehicles	5 years

I. COMPENSATED ABSENCES

The Assessor allows two weeks per year in paid vacation and sick leave, however, this leave does not accrue. Since this leave policy does not provide for the accumulation and vesting of leave, no liability has been recorded in the financial statements.

J. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require 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, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

MADISON PARISH ASSESSOR
TALLULAH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

2. CASH AND CASH EQUIVALENTS

At December 31, 2008, the Assessor has cash and cash equivalents (book balances) totaling \$5,097 as follows:

Interest-bearing demand deposits	\$ 5,097
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These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposits insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At December 31, 2008, the Assessor had \$9,986 in deposits. These deposits are secured from risk by federal deposit insurance.

3. RECEIVABLES

The receivables at December 31, 2008 consisted of the following:

	Statement of Net Assets	Governmental Balance Sheet
Taxes:		
Ad Valorem	\$ 397,912	\$ 379,749
State Revenue Sharing	21,539	7,180
Preparation of tax rolls	3,689	3,689
Total	\$ 423,140	\$ 390,618

4. CHANGES IN CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2008 is as follows:

	Balance January 1, 2008	Addition	Deduction	Balance December 31, 2008
Government Activities				
Furniture and Equipment	\$ 80,357	-	-	\$ 80,357
Automobiles	30,850	-	-	30,850
Total-Governmental Activities	111,207	-	-	111,207
Less accumulated depreciation				
Furniture and Equipment	57,299	7,714	-	65,013
Automobiles	19,539	6,170	-	25,709
Total	76,838	13,884	-	90,722
Capital assets - net	\$ 34,369	\$ (13,884)	-	\$ 20,485

MADISON PARISH ASSESSOR
TALLULAH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

5. PENSION PLAN

Substantially all employees of the Madison Parish Assessor's office are members of the Louisiana Assessors Retirement System, a multiple-employer (cost-sharing), a Public Employee Retirement System (PERS), controlled and administered by a separate board of trustees.

All full-time employees who are under the age of 55 at the time of original employment and are not drawing retirement benefits from any other public retirement system in Louisiana are required to participate in the System. Employees who retire at or after age 55 with at least 12 years of credited service or after age 50 with at least 30 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each year of credited service, not to exceed 100 percent of their final-average salary.

Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

Contributions to the System include one-fourth of one percent of the taxes shown to be collected by the tax rolls of each parish. State statute requires covered employees to contribute a percentage of their salaries to the System. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. In the current year, the employer's contribution rate was 13.5% of salaries, and the employee's contribution rate is 8%.

The Legislator of Louisiana enacted a bill that was approved by the Governor on July 2, 1999, that gave the Assessor the authority to elect to pay the employee's share of the contribution. The Madison Parish Assessor has made this election, therefore 100% of the 2008 contributions were paid by the Assessor. Because of this election, the Assessor was paying 21.5% of qualified salaries to the retirement system in 2008.

The Madison Parish Assessor's contributions to the system for the years ending December 31, 2008, 2007, and 2006 were \$38,212, \$37,954, and \$38,141 respectively, equal to the required contribution for each year.

6. DEFERRED COMPENSATION PLAN

Certain employees of the Assessor participate in the Louisiana Public Employees Deferred Compensation Plan adopted under the provisions of the Internal Revenue code (IRC) Section 457. Complete disclosures relating to the Plan are included in the separately issued audit report for the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397.

**MADISON PARISH ASSESSOR
TALLULAH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS**

7. OTHER POST EMPLOYMENT BENEFITS

The Madison Parish Assessor provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the Assessor's employees become eligible for these benefits if they reach normal retirement age while working for the Assessor. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee and the Assessor. The Assessor recognizes the cost of providing these benefits as an expenditure when the monthly premiums are paid. For the year ended December 31, 2008, the total amount of premiums paid was \$36,575. All of this was for current employees, because at December 31, 2008, the Assessor did not have any retired employees participating in the plan.

8. RISK MANAGEMENT

The Assessor is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. To handle such risk of loss, the Assessor maintains commercial insurance policies covering his automobile, professional liability, and surety bond coverage. No claims were paid on any of the policies during the past three years. There were no reductions in insurance coverage during the year ended December 31, 2008.

9. EXPENDITURES OF THE ASSESSOR'S OFFICE PAID BY THE POLICE JURY

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

REQUIRED SUPPLEMENTAL INFORMATION
PART II

MADISON PARISH ASSESSOR
TALLULAH, LOUISIANA
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
DECEMBER 31, 2008

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Ad valorem taxes	\$ 400,000	\$ 410,418	\$ 10,418
Preparing tax rolls	4,200	4,275	75
Interest income	500	560	60
Other income	20,500	20,823	323
Total Revenues	<u>425,200</u>	<u>436,076</u>	<u>10,876</u>
Expenditures			
General Governmental			
Salaries:			
Assessor	82,390	82,390	-
Deputies	82,502	83,697	(1,195)
Others	42,000	42,061	(61)
Assessor's expense	8,240	8,239	1
Dues	1,800	1,716	84
Insurance	2,000	426	1,574
Medical insurance	41,000	36,575	4,425
Retirement	39,000	38,212	788
Accounting	3,000	3,000	-
Office expense	9,000	15,598	(6,598)
Equipment rental	7,800	5,803	1,997
Repairs & maintenance	1,000	-	1,000
Payroll taxes	3,100	5,153	(2,053)
Telephone	3,400	3,906	(506)
Travel	800	1,559	(759)
Tax mileage renewed election	13,000	12,146	854
Other	-	4,010	(4,010)
Total Expenditures	<u>340,032</u>	<u>344,491</u>	<u>(4,459)</u>
Excess of Revenues Over Expenditures	85,168	91,585	6,417
Fund Balance - Beginning	<u>291,809</u>	<u>291,809</u>	-
Fund Balance - Ending	<u>\$ 376,977</u>	<u>\$ 383,394</u>	<u>\$ 6,417</u>

OTHER REPORTS REQUIRED BY GOVERNMENTAL AUDITING STANDARDS

David Q. Richardson

Certified Public Accountant

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Tallulah, Louisiana 71284

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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**

Mr. Jim Sevier
Madison Parish Assessor
Tallulah, Louisiana

I have audited the financial statements of Madison Parish Assessor, a component unit of the Madison Parish Police Jury as of and for the year ended December 31, 2008, and have issued my report thereon dated April 24, 2009. I conducted my 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 my audit, I considered Madison Parish Assessor's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Assessor's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Assessor's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Mr. Jim Sevier
Madison Parish Assessor

Page Two

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Madison Parish Assessor's financial statements are free of material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my 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 the Assessor, management, others within the organization, and applicable State Auditors and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Tallulah, Louisiana
April 24, 2009



**MADISON PARISH ASSESSOR
TALLULAH, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR YEAR ENDED DECEMBER 31, 2008**

There were no prior audit findings and no management letter comments.