

ST. CHARLES PARISH ASSessor
Baton Rouge, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 1988

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

The funds presented in the financial statements are described as follows:

General Fund - The governmental fund (General Fund), as provided by Louisiana Revised Statute 87:1986, is the principal fund of the assessor and accounts for the operations of the assessor's office. Ad valorem tax revenue authorized by Act 202 of 1985 is accounted for in this fund. General operating expenditures are paid from this fund.

Agency Fund - The fiduciary fund (Deferred Compensation Program Agency Fund) accounts for assets held on behalf of others as their agent. The Deferred Compensation Program Agency Fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. This fund accounts for the portion of the participating employee's salaries that have been deferred until future years, as described in note 13.

D. Basis of accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The General Fund is 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 operating statement presents increases and decreases in net current assets. The modified accrual basis of accounting is used by the General Fund. The General Fund uses the following practices in recording revenues and expenditures:

Revenues -

Ad valorem taxes assessed are recorded, net of deferred taxes and net of an allowance for uncollectible receivables, in the year the taxes are assessed. Deferred revenue is recorded for the amount of assessed taxes that are expected to be collected after the end of the year but are not expected to be collected in time to pay current liabilities. Ad valorem taxes are assessed for the calendar year, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected by the tax collector in December of the current year and January and February of the ensuing year. Ad valorem tax revenue also includes prior year taxes received that were previously written off. Prior year net receivables written off are deducted from ad valorem tax revenues.

judgement, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the component unit financial statements.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the component unit financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we noted the following matter involving the internal control structure and its operation that we consider to be a material weakness as defined above. This condition was considered in determining the nature, timing, and extent of the procedures to be performed in our audit of the financial statements of the St. Charles Parish Assessor for the year ended December 31, 1996.

As a material weakness (and reportable condition), the size of the St. Charles Parish Assessor's operations and its limited staff preclude an adequate segregation of duties and other features of an adequate system of internal control, although to employ such controls may not be cost beneficial.

This report is intended for the information of the Assessor and those governments for which reporting is required. However, this report is a matter of public record, and its distribution is not limited.



May 14, 1997

TIMOTHY S. KEARNS
 MASTER OF BUSINESS ADMINISTRATION
 CERTIFIED PUBLIC ACCOUNTANT

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE BASED ON AN AUDIT OF
 GENERAL PURPOSE OR BASIC FINANCIAL STATEMENTS PERFORMED IN
 ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

HONORABLE CLYDE A. GISCIAIR
ST. CHARLES PARISH ASSESSOR
 Baton Rouge, Louisiana

We have audited the general purpose financial statements of the St. Charles Parish Assessor, a component unit of the St. Charles Parish Council, as of and for the year ended December 31, 1996, and have issued our report thereon dated May 14, 1997.

We conducted our audit in accordance with generally accepted auditing standards and *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.

Compliance with laws, regulations, contracts, and grants applicable to the St. Charles Parish Assessor is the responsibility of the Assessor's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the St. Charles Parish Assessor's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. 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 for the information of the Assessor and those governments for which reporting is required. However, this report is a matter of public record and its distribution is not limited.

May 14, 1997

ST. CHARLES PARISH ASSessor
Baton Rouge, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 1996

The following is a schedule by years of future minimum rental payments required under this operating lease which has an initial or remaining noncancelable lease term in excess of one year as of December 31, 1996:

Year Ending December 31	Amount
1997	\$ 5,730
1998	470

	\$ 6,200

NOTE 11. CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligations transactions during the year:

	Compared to Balance

Long-term obligations payable at January 1, 1996	\$57,043
Prior period adjustment for direct and incremental Salary-Related Payments at December 31, 1995.	28,685

Long-term obligations payable at January 1, 1996 reclassified	\$72,720
Additions	12,732
Retirements (paid at retirement)	-0-

Long-term obligations payable at December 31, 1996	\$85,400

**NOTE 12. EXPENDITURES OF THE ASSESSOR NOT INCLUDED IN THE
FINANCIAL STATEMENT**

Certain operating expenditures of the assessor's office are paid by the parish council as required by Louisiana Revised Statute 33:4713. The assessor's office is located in the St. Charles Parish Courthouse. The upkeep, maintenance and insurance for the courthouse is paid by the St. Charles Parish Council.

NOTE 13. DEFERRED COMPENSATION PLAN

The St. Charles Parish Assessor offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, which is available to all employees,

ST. CHARLES PARISH ASSESSOR
Batonville, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 1996

writing to The Louisiana Assessors' Retirement System, Post Office Box 1798, Shreveport, Louisiana 71166-1798, or by calling (318)425-4486.

Funding Policy. Plan members are required by state statute to contribute 3.0 percent of their annual covered salary and the St. Charles Parish Assessor is required to contribute at an actuarially determined rate. The rate was 8.0 percent of covered payroll from January 1, 1994 to September 30, 1996, and 5.5 percent of covered payroll from October 01, 1996 to December 31, 1996. Contributions to the System also include one-fourth of one percent of the taxes shown to be collected by the tax rolls of each parish, plus revenue sharing funds appropriated by the legislature. The contribution requirements of plan members and the St. Charles Parish Assessor are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:1602, 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. The St. Charles Parish Assessor's contributions to the System for the years ended December 31, 1994, 1995 and 1996, were \$22,822, \$23,426, and \$23,494, respectively, equal to the required contributions for each year.

NOTE 6. OTHER POSTEMPLOYMENT BENEFITS

The St. Charles 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 (assessor's portion of premium) as an expenditure when paid during the year. For 1996 the cost of retiree benefits for three retirees totaled \$9,829.

NOTE 7. COMPENSATED ABSENCE

At December 31, 1996, employees of the assessor have accumulated and vested \$85,417 of employee leave benefits, which was computed in accordance with GASB Codification Section 640. This amount is recorded within the general long-term obligations account group.

NOTE 10. LEASES

The assessor is obligated under a vehicle lease agreement accounted for as an operating lease. The lease does not satisfy any one of the four capitalization criteria required by FAS-13. Operating leases do not give rise to property rights or lease obligations, and therefore the results of this lease agreement is not reflected in the assessor's account groups.

TIMOTHY S. KEARNS
 MASTER OF BUSINESS ADMINISTRATION
 CERTIFIED PUBLIC ACCOUNTANT

**INDEPENDENT AUDITORS REPORT ON INTERNAL CONTROL
 STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE OR
 BASIC FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
 WITH GAAS (INDEPENDENT AUDITING STANDARDS)**

HONORABLE CLYDE A. GOSCLAIR
ST. CHARLES PARISH ASSESSOR
 Hahnville, Louisiana

We have audited the general purpose financial statements of the St. Charles Parish Assessor, a component unit of the St. Charles Parish Council, as of and for the year ended December 31, 1996, and have issued our report thereon dated May 14, 1997.

We conducted our audit in accordance with generally accepted auditing standards and 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 component unit financial statements are free of material misstatement.

The management of the St. Charles Parish Assessor is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related cost of internal control-structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors and irregularities may, nevertheless, occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that circumstances may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the general purpose financial statements of the St. Charles Parish Assessor as of and for the year ended December 31, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the component unit financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our

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ST. CHARLES PARISH ASSESSOR
Hahnville, Louisiana

*General Purpose Financial Statements and
Independent Auditor's Reports
As of and for the Year Ended December 31, 1989*

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

Release Date 199

TIMOTHY S. KUAKON
Auditor of Accounts and Clerk of Court
CRENSHAW PUBLIC ACCOUNTANTS

11111 Highway 101
Baton Rouge, Louisiana 70802

ST. CHARLES PARISH ASSOCIATION
Baton Rouge, Louisiana

General Purpose Financial Statements and
Independent Auditor's Report
As of and for the Year Ended December 31, 1990

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TIMOTHY S. KEARNS
STATE OF MISSISSIPPI
BOARD OF BUSINESS ADMINISTRATION
CERTIFIED PUBLIC ACCOUNTANT

RECEIVED
LEGISLATIVE AUDITOR
MAY 27 1997

INDEPENDENT AUDITORS REPORT

HONORABLE CLYDE A. GISCLAIR
ST. CHARLES PARISH ASSESSOR
Hahnville, Louisiana

We have audited the accompanying general purpose financial statements of the St. Charles Parish Assessor, a component unit of the St. Charles Parish Council, as of and for the year ended December 31, 1996, as listed in the foregoing table of contents. These financial statements are the responsibility of the management of the St. Charles Parish Assessor. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. These 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 general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the St. Charles Parish Assessor as of December 31, 1996, and the results of operations for the year then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated May 14, 1997 on our consideration of the St. Charles Parish Assessor's internal control structure and a report dated May 14, 1997 on its compliance with laws and regulations.

May 14, 1997

**Receipt Acknowledged
Legislative Auditor**

By _____

ST. CHARLES PARISH ASSOCIATION
 Metairie, Louisiana
 ALL FUND TYPES & ACCOUNT GROUPS

STATEMENT A

Balance Sheet
 December 31, 1990

	1990				
	FUND- GENERAL		FUND- SPECIAL		
	AMOUNT	PERCENTAGE	AMOUNT	PERCENTAGE	AMOUNT
ASSETS AND OTHER DEBITS					
ASSETS					
Cash and cash equivalents	\$	48,000			\$ 48,000
Receivables					
- all related items		10,000			10,000
- State revenue sharing		10,000			10,000
- Other		10,000			10,000
Office furniture, equip. and vehicles			\$	24,712	\$4,712
Deposits w/ St. Louisville School					
- Compensation Plan	\$	100,000			100,000
Other debits - amount to be provided for retirement of general long-term obligations				\$	85,000
TOTAL ASSETS AND OTHER DEBITS	\$	1,400,000	\$	109,712	\$ 1,409,712
LIABILITIES, DEFERRED AND OTHER CREDITS					
LIABILITIES					
Accounts payable	\$	1,000			\$ 1,000
Payroll taxes payable		0			0
Payroll deductions payable		900			900
Unexpended advances payable			\$	70,000	\$7,000
Grants and investments					
- salary related payments				10,000	11,000
Due to prior years periods	\$	100,000			100,000
Total Liabilities	\$	1,001	\$	80,000	\$11,000
Deferred revenue - all related items	\$	37,337			\$ 37,337
Grants and other credits					
Investment in general fixed assets			\$	201,712	\$4,712
Due to others					
- Government funds liquidated	1,398,000				1,398,000
Total equity and other credits	1,398,000		201,712		1,400,000
TOTAL LIABILITIES, DEFERRED AND OTHER CREDITS	\$	1,401,000	\$	101,712	\$ 1,409,712

The accompanying notes are an integral part of this statement.

ST. CHARLES PARISH ASSessor
Maksville, Louisiana
GOVERNMENTAL FUND - GENERAL FUND

STATEMENT B

Statement of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended December 31, 1994

	BUDGET	ACTUAL	VARIANCE (FAVORABLE UNFAVORABLE)
REVENUES			
Ad valorem taxes	\$ 483,751	\$ 724,825	\$ 41,874
State revenue sharing	34,176	29,652	(4,524)
Computer services fund	4,360	4,360	0
Interest on investments	44,347	40,979	(3,368)
Duplicating fees	321	88	(233)
Preparation of tax roll	1,250	750	(500)
Total revenue	767,805	800,492	32,687
EXPENDITURES			
General government - location:			
Salaries:			
Assessor	55,835	55,835	0
Deputies	361,746	361,746	0
Others	1,800	1,800	0
Office expenditures	38,543	37,382	1,161
Office uniforms	481	0	481
Equipment maintenance	5,343	6,267	(724)
Telephone	6,748	7,406	(658)
Travel and conventions	3,950	4,256	(306)
Payroll taxes	1,432	1,432	0
Automobile expenditures	8,547	4,385	4,162
Automobile leases	7,432	7,432	0
Employer's contribution to group insurance and retirement	92,882	92,352	(530)
Contracted services	29,434	28,221	1,213
Miscellaneous	85	85	0
Capital outlay: Equipment	10,182	20,686	(10,504)
Total expenditures	848,820	883,847	(35,027)
EXCESS OF REVENUES OVER EXPENDITURES	119,345	116,645	27,300
OTHER FINANCING SOURCES (USES)			
Reimbursement of contracted services expenditures	31,269	31,269	0
Reimbursement of uniform expenditures	1,443	26	(1,417)
Loss on investments redeemed	(8,322)	(8,322)	0
Total other financing sources(uses)	24,390	22,973	(1,417)
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	143,735	139,618	24,117
FUND BALANCE AT BEGINNING OF YEAR	1,329,615	1,329,615	0
FUND BALANCE AT END OF YEAR	\$1,473,350	\$1,469,233	\$ 4,117

The accompanying notes are an integral part of this statement.

ST. CHARLES PARISH ASSESSOR
Mossbluff, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 1996

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 movable 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 to provide 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.

The assessor's office is located in the St. Charles Parish Courthouse in Mossbluff, Louisiana. The assessor employs 14 employees which includes the assessor, 12 deputies and 1 part-time janitor. In accordance with Louisiana law, the assessor bases real and movable property assessments on conditions existing on January 1 of the tax year. The assessor completes an assessment listing by May 1 and submits the list to the parish governing authority and the Louisiana Tax Commission, as prescribed by law. Once the assessment listing is approved, the assessor submits the assessors roll to the parish tax collector, who is responsible for the collection and distribution of taxes to the various taxing bodies.

At December 31, 1996 there are 21,443 real property and movable property assessments totaling \$194,247,288 and \$688,137,288 respectively. Total exemption is \$68,830,884 and the total taxable is \$628,573,599. This represents an increase from 1995 of 252 new assessments, \$188,322,274 of assessed value, and \$170,384,529 of taxable assessments. This increase is caused primarily by the Louisiana Power & Light Co. nuclear plant becoming taxable after a ten year tax exemption.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of presentation

The accompanying general purpose financial statements of the St. Charles Parish Assessor have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. Reporting entity

As the governing authority of the parish, for reporting purposes, the St. Charles Parish Council is the financial reporting entity for St. Charles Parish. The financial reporting entity consist of (a) the primary government (parish council), (b) organizations for which the primary government is financially accountable, and (c)

ST. CHARLES PARISH ASSessor
Bakerville, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 1996

other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the St. Charles Parish Council for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the parish council to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the parish council.
2. Organizations for which the parish council does not appoint a voting majority but are fiscally dependent on the parish council.
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the parish council's financial statements would be misleading if data of the assessor were not included, the St. Charles Parish Assessor was determined to be a component unit of the St. Charles Parish Council, 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 parish council, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. Fund accounting

The assessor uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

ST. CHARLES PARISH ASSessor
Baton Rouge, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 1996

NOTE 5. AD VALOREM TAX REVENUE

Ad valorem tax revenue assessed of \$779,217 is reported net of an allowance for uncollectibles of \$47,889 and deferred revenues of \$21,327. Also included in ad valorem tax revenue are \$15,670 of prior year deferred revenue and \$21,737 of prior year taxes collected in excess of amount reported as revenue. Deducted from the current years revenue is \$43 of prior year receivables not collected.

NOTE 6. CHANGES IN GENERAL FIXED ASSETS

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

Balance, January 1, 1996	\$221,420
Additions	38,088
Deductions	(8,491)
Balance, December 31, 1996	\$251,017

NOTE 7. PENSION PLAN

Plan Description. Substantially all employees of the St. Charles Parish Assessor's office are members of the Louisiana Assessors Retirement System (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All full-time employees who are under the age of 60 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 at or after age 58 with at least 10 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 8 per cent of their final-average salary for each year of credited service, not to exceed 120 per cent of their final-average salary. Final-average salary is the employee's average salary over the 10 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 58 and receive the benefits accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplemental information for the System. That report may be obtained by

ST. CHARLES PARISH Assessors
Baton Rouge, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 1996

L. long-term obligations

Long-term obligations expected to be financed from the General Fund are reported in the general long-term obligations account group. Expenditures for principal and interest payments for long-term obligations are recognized in the General Fund when due.

M. Total column on balance sheet

The total column on the balance sheet is captioned Memorandum Only to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

NOTE 3. LEVIED TAXES

The following is a summary of authorized and levied ad valorem taxes for the year ended December 31, 1996:

Assessor	Authorized Millage	Levied Millage
	-----	-----
Assessor	0.5	1.20

The following are the principal taxpayers for the parish:

Taxpayer	Type of Business	1996 Assessed Valuation	Percentage of Total Assessed Valuation
-----	-----	-----	-----
Louisiana Power and Light	utility	\$228,374,980	32.4%
Shell Refining and Mktg. Co.	Oil Refinery	68,897,492	12.4%
Union Carbide Corporation	Chemical	58,832,434	8.2%
Transamerica Refining	Oil Refinery	37,438,499	4.8%
Monsanto	Chemical	18,548,228	2.6%
Shell Chemical	chemical	11,637,166	1.7%
ADM/Arrowmark	Grain Elevator	12,056,193	1.6%
Archer-Daniels-Midland Co.	Grain Elevator	10,231,983	1.5%

**OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

The following pages contain reports on internal control structure and compliance with laws and regulations required by Government Auditing Standards, issued by the Comptroller General of the United States. The report on internal control structure is based solely on the audit of the financial statements and includes, where appropriate, any reportable conditions and/or material weaknesses. The report on compliance with laws and regulations is, likewise, based solely on the audit of the presented financial statements and presents, where applicable, compliance matters that would be material to the presented financial statements.

ST. CHARLES WATER ASSOCIATION
Baton Rouge, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 1984

or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the assessor may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost, except for investments in the deferred compensation agency fund which are reported at market.

H. Inventories

Physical inventories consist of expendable supplies held for consumption. Because inventories are expended within one operating cycle they are recorded as expenditures when paid for and are not recorded as an inventory asset.

I. Prepaid items

The assessor does not account for prepaid items.

J. Fixed assets

Fixed assets are recorded as expenditures at the time purchased, and the related assets are capitalized in the general fixed assets account group. No depreciation has been provided on general fixed assets. Approximately 90 percent of fixed assets are valued at actual costs, while the remaining 10 per cent are valued at cost estimated by the American Appraisal Associates, based on estimated cost of similar items.

K. Compensated absences

Employees of the assessor's office earn from 12 to 20 days of vacation leave each year, depending on their length of service. Unused vacation leave may not be accumulated. Employees earn from 5 to 25 days of sick leave each year, depending on their length of service. A maximum of 30 days of sick leave may be accumulated. Upon retirement or death, unused accumulated sick leave is paid to the employee or to the employee's estate at the employee's current rate of pay.

In accordance with GASB Statement No. 16, the cost of sick leave is accrued only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other circumstances, such as medical appointments and funerals. The cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group.

ST. CHARLES PARISH ASSessor
Mahnville, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 1998

State revenue sharing is recorded when it becomes receivable.

All other revenue are recorded when measurable and available.

Expenditures -

Compensated absences are recognized as expenditures when leave is actually taken or when employees (or their heirs) are paid for accrued leave upon retirement or death, while the cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group.

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

Other Financing Sources -

Other financing sources are recorded when received.

K. Budgets

The St. Charles Parish Assessor adopts an annual budget for the General Fund on a modified accrual basis of accounting. The proposed budget for 1998 was published in the official journal and made available for public inspection on December 14, 1998 and December 17, 1998. The public hearing for the proposed budget was held December 18, 1998, and the budget was adopted on that date. Unexpended appropriations lapse at year end and must be reappropriated in the next year's budget to be expended. Formal budget integration was employed as a management control device during the year. The budget was amended December 17, 1998.

The assessor reserves all authority to make changes to the budget. When actual revenues fail to meet budgeted revenues by five per cent or more and/or actual expenditures exceed budgeted expenditures by five per cent or more, a budget amendment to reflect such change is adopted by the Assessor. Budgeted amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

F. Encumbrances

The assessor does not use encumbrance accounting.

G. Cash and cash equivalents, and investments

Cash includes amounts in interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits with original maturities of 90 days or less. Investments include amounts in obligations of the United States of America. Under state law, the assessor may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts,

ST. CHARLES PARISH ASSessor
Monroeville, Louisiana

Notes to the Financial Statements
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Coca-Cola Bottling Co., Inc.	Beverages	\$ 419,783	1.9%
Dallas/Scott Telecomm., Inc.	Telephones	5,932,311	.9%
		-----	-----
Total		\$652,094	.8%

NOTE 3. CASH

At December 31, 1996, the assessor has cash (book balances) totaling \$470,499, as follows:

Interest-bearing demand deposits	\$ 18,204
Money market	188,998
Certificates of deposit	223,297

Total	\$ 470,499

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities must be 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, 1996, the assessor has \$488,298 in deposits (collected bank balances) at First National Bank. These deposits are secured from risk by \$188,000 federal deposit insurance and \$300,298 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GAAP Category 3). At December 31, 1996, the assessor has \$214,298 in deposits (collected balances) at Fidelity Bank. These deposits are secured from risk by \$214,288 of insurance by the Securities Investor Protection Corporation (SIPC category 1).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 19:1229 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 failed to pay deposited funds upon demand.

NOTE 4. RECEIVABLES

Total ad valorem taxes assessed are \$778,237. This gross receivable is recorded net of an allowance for estimated uncollectability of \$47,999.

ST. CHARLES PARISH ASSessor
Baton Rouge, Louisiana

Notes to the Financial Statements
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permits employees to defer a portion of their salaries until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. 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 (not) paid or made available to the employee or other beneficiary solely the property and rights of the state (without being restricted to the provisions of benefits under the plan), subject only to the claims of the assessor's general creditors. Participants' rights under the plan are equal to those of general creditors of the state in an amount equal to the fair market value of the deferred account for each participant. Deposits with the Louisiana Deferred Compensation Plan are stated at fair market value. Deposits total \$18,878 at December 31, 1996, as reflected on Statement A.

NOTE 14. LITIGATION AND CLAIMS

At December 31, 1996 the St. Charles Parish Assessor is not involved in any litigation or aware of any claims.

NOTE 15. REIMBURSEMENT OF CONTRACTED SERVICES EXPENDITURES

In accordance with state law the Assessor is entitled, under certain circumstances, to receive reimbursement for litigation expenditures used to defend tax assessments that are protested by taxpayers. The reimbursements is to come from those governmental entities that receive tax revenues from the assessments. These reimbursements are reported as other financing sources on Statement B.