

INTERNAL CONTROL  
AND  
COMPLIANCE REPORTS

GENERAL FIXED ASSETS ACCOUNT GROUP

To account for fixed assets not used in proprietary fund operations.

ST. MARY PARISH ASSessor  
Franklin, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Budget (GAAP Basis) and Actual - General Fund  
Year Ended December 31, 1996

	1996		Variance- Favorable Unfavorable	1995 Actual
	Budget	Actual		
<b>Revenues:</b>				
Taxes - ad valorem	\$ 555,414	\$ 540,852	\$ 14,562	\$ 555,500
Intergovernmental -				
State revenue sharing	44,697	43,690	(1,007)	21,140
Miscellaneous -				
Interest on deposits	1,389	4,628	3,239	2,799
Other	28,410	19,321	(9,089)	34,321
Total revenues	<u>629,910</u>	<u>608,491</u>	<u>(21,419)</u>	<u>613,560</u>
<b>Expenditures:</b>				
Current:				
General government:				
Taxation	460,083	515,600	(55,517)	487,247
Debt service -				
Principal retirement	14,785	14,889	(104)	23,357
Interest and fiscal charges	4,182	4,313	(131)	11,755
Capital outlay	<u>24,880</u>	<u>24,718</u>	<u>162</u>	<u>22,025</u>
Total expenditures	<u>503,930</u>	<u>559,520</u>	<u>(55,590)</u>	<u>543,384</u>
Excess (deficiency) of revenues over expenditures	109,880	79,153	(30,727)	70,176
Fund balance (deficit), beginning	<u>(144,329)</u>	<u>(144,329)</u>	<u>-</u>	<u>(222,992)</u>
Fund balance (deficit), ending	<u>\$ 174,551</u>	<u>\$ 165,186</u>	<u>\$ 9,365</u>	<u>\$ 144,329</u>

The accompanying notes are an integral part of this statement.

ST. MARY PARISH ASSessor  
Franklin, Louisiana

Notes to the Financial Statements

INTRODUCTION

As provided by Article VII, Section 34 of the Louisiana Constitution of 1874, 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 collection, operation of the office and 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. Mary Parish Courthouse in Franklin, Louisiana. The assessor employs 30 employees, including 10 deputies. 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 of the tax year 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 assessment roll to the parish tax collector who is responsible for collecting and distributing taxes to the various taxing bodies.

At December 31, 1998, there are 31,593 real property and movable property assessments totaling \$88,678,104 and \$158,748,888, respectively. This represents a decrease of 777 assessments totaling \$21,179,387 over the prior year.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying general purpose financial statements of the St. Mary 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. Mary Parish Council is the financial reporting entity for St. Mary Parish. The financial reporting entity consists of: (a) the primary government (parish council), (b) organization for which the primary government is financially accountable, and (c) other organizations for which 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.

ST. MARY PARISH ASSESSOR  
Franklin, Louisiana

(Notes to the Financial Statements (Continued))

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the St. Mary 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 police jury.
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 financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the St. Mary Parish Council provides space to the Assessor and the significance of the relationship between the Assessor and the St. Mary Parish Council, the Assessor was determined to be a component unit of the St. Mary 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 of the St. Mary 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 relating to certain government functions or activities.

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 nor expendable available financial resources.

ST. MARY PARISH ASSESSOR  
Franklin, Louisiana

(Notes to the Financial Statements (Continued))

Funds of the assessor are classified as governmental funds. Governmental funds account for the assessor's general activities, including the collection and disbursement of specific or legally restricted monies and the acquisition of general fixed assets.

The General Fund, as provided by Louisiana Revised Statute 47:1306, is the principal fund of the assessor and accounts for the operations of the assessor's office. Compensation received from the various taxing bodies, prescribed by formula in Louisiana Revised Statutes 47:1005-1008 and ad valorem tax revenue authorized by Act 392 of 1988 is accounted for in this fund. General operating expenditures are paid from this fund.

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 of the General fund 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 are recorded in the year the taxes are available to finance operations. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year and become delinquent on December 31. The taxes are generally collected in December, January, and February of each fiscal year. Interest earned on time deposits is considered susceptible to accrual and is recorded in the year in which it is earned. Substantially 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, except that accumulated unpaid vacation and sick pay are not accrued.

ST. MARY PARISH ASSessor  
Franklin, Louisiana

Notes to the Financial Statements (Continued)

**E. BUDGETS**

The assessor uses the following budget practices:

1. The assessor prepares a proposed budget for the fiscal year prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection.
3. A public hearing is held on the proposed budget after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
5. Budgetary amendments involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Assessor.
6. All budgetary appropriations lapse at the end of each fiscal year.

**F. ENCUMBRANCES**

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

**G. CASH AND CASH EQUIVALENTS**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. 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.

**H. 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. All fixed assets are valued at historical cost or estimated cost if historical cost is not available.

Totals  
1996                      1995

\$ 50,082                      \$ 1,489

489,529                      424,898

3,092                              259

2,044

696                                656

489,143                      464,427

45,382                              78,284

\$1,873,923                      \$ 263,921

19,429                              30,156

585,119                              8,107

45,393                              70,286

\$ 649,926                      \$ 643,881

469,143                              464,427

-                                        2,849

169,189                              1246,180

169,189                              1146,130

423,857                              328,092

\$1,973,893                      \$ 263,921



ST. MARY PARISH ASSessor  
Franklin, Louisiana

Notes to the Financial Statements (Continued)

I. DEFERRED REVENUE

Property taxes collected at December 31, 1994 that are not available to finance the operations of the current period are reported as deferred revenues and are recognized as operating revenues in the subsequent period.

J. COMPENSATED ABSENCES

Employees of the Assessor's office earn from ten to fifteen days of vacation leave each year based on length of service. Vacation leave must be used in the year earned. A maximum of six weeks of sick leave is allowed for maternity and/or surgery. Additional sick leave may be granted at the discretion of the Assessor. Sick leave is not accrued.

K. 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.

L. FUND EQUITY

Reserves

Reserves represent those portions of fund equity not appropriate for expenditure or legally segregated for a specific future use.

Designated Fund Balance

Designated fund balance represents tentative plans for future use of financial resources.

M. TOTAL COLUMN ON STATEMENTS

The total columns on the statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

ST. MARY PARISH ASSOCIATION  
Franklin, Louisiana

Comparative Statements of General Fixed Assets  
December 31, 1996 and 1995

	<u>1996</u>	<u>1995</u>
General fixed assets, at cost:		
Equipment	\$403,163	\$341,122
Investment in general fixed assets:		
Property acquired from -		
General Fund	\$403,163	\$341,122

ST. MARY PARISH ASSOCIATION

Combined Balance Sheet - Governmental Fund Type and Account Groups  
December 31, 1986

	Governmental Fund Type General	Account Groups	
		General Fixed Assets	General Long-Term Debt
<b>ASSETS AND OTHER DEBITS</b>			
Cash	50,882	-	-
Receivables:			
Taxes (net of allowance for uncollectible taxes)	488,423	-	-
Other	3,892	-	-
Prepaid expenditures			
Due from other governmental units	856		
Equipment		488,143	
Amount to be provided for retirement of general long-term debt			48,327
<b>Total assets and other debits</b>	<b>\$ 543,153</b>	<b>488,143</b>	<b>\$ 48,327</b>
<b>LIABILITIES AND FUND EQUITY</b>			
<b>Liabilities:</b>			
Bank overdraft	-	-	-
Accounts payable	18,409	-	-
Deferred revenue	585,110	-	-
Lease obligations payable			48,327
<b>Total liabilities</b>	<b>\$ 603,529</b>		<b>\$ 48,327</b>
<b>Fund equity:</b>			
Investment in general			
Fixed Assets		488,143	
Fund balance (deficit) -			
Reserved for prepaid expenditures			
Unreserved, undesignated	188,388		
Total fund balance (deficit)	188,388	488,143	
<b>Total fund equity</b>	<b>188,388</b>	<b>488,143</b>	
<b>Total liabilities and fund equity</b>	<b>\$ 603,529</b>	<b>488,143</b>	<b>\$ 48,327</b>

The accompanying notes are an integral part of this statement.

ST. BRAY PARISH ASSessor  
 Franklin, Louisiana

Comparative Statements of General Long-Term Debt  
 December 31, 1994 and 1995

	<u>1994</u>	<u>1995</u>
AMOUNT AVAILABLE AND TO BE PROVIDED FOR THE RETIREMENT OF GENERAL LONG-TERM DEBT		
Amount available for debt retirement:		
Amount to be provided from:	\$ -	\$ -
ad valorem taxes	<u>45,387</u>	<u>71,259</u>
Total available and to be provided	<u>\$ 45,387</u>	<u>\$ 71,259</u>
GENERAL LONG-TERM DEBT PAYABLE		
Lease obligation payable	<u>\$ 45,387</u>	<u>\$ 71,259</u>
Total general long-term debt payable	<u>\$ 45,387</u>	<u>\$ 71,259</u>

ST. MARY PARISH ASSOCIATE  
 Prichard, Louisiana  
 General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance -  
 Budget (GAAP Basis) and Actual  
 Year Ended December 31, 2004  
 With Comparative Actual Amounts for Year Ended December 31, 2003

	2004		Variance - Favorable (Unfavorable)	2003 Actual
	Budget	Actual		
<b>Revenues:</b>				
Taxes - ad valorem	\$ 550,414	\$ 540,880	\$ (9,534)	\$ 516,101
Intergovernmental - state revenue sharing	64,697	63,698	(9,997)	77,548
Miscellaneous -				
Interest on deposits	2,380	4,628	2,248	2,799
Other	25,410	28,321	2,911	24,311
Total revenues	642,901	637,527	(5,374)	623,767
<b>Expenditures:</b>				
General government -				
Tuition:				
Auto expense	16,215	17,143	928	12,833
Town and subscriptions	3,284	1,825	(1,459)	1,289
Expense allowance	5,078	5,078	-	4,453
Insurance - general	12,878	14,321	1,443	11,725
Insurance - group	12,748	12,748	-	12,534
Legal and professional fees	17,885	25,187	7,302	12,120
Miscellaneous	-	-	-	110
Office expense	9,078	12,161	3,083	7,139
Postage	1,661	1,676	15	889
Retirement	14,298	14,520	222	17,439
Repairs and maintenance	48,819	43,321	(5,498)	41,607
Salaries	313,528	313,079	(449)	310,449
Taxes	4,725	4,698	(27)	3,311
Telephone	5,353	5,098	(255)	4,828
Travel and seminars	5,102	5,811	709	4,888
Total general government	618,083	618,600	517	602,283
Debt service -				
Principal retirement	24,785	24,809	24	22,137
Interest	4,122	4,213	91	12,355
Total debt service	28,907	29,022	115	34,492

**GUDRY & CHALVIN**  
CERTIFIED PUBLIC ACCOUNTANTS  
A PROFESSIONAL CORPORATION  
1100 BROADWAY - 15TH FLOOR  
NEWARK, DELAWARE 19702

MEMORANDUM  
DATE: 12/21/88  
TO: THE COMPTROLLER GENERAL  
FROM: GUDRY & CHALVIN

128 - 888070  
444 2 4 - 888 0000

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
STRUCTURES BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

Honorable Sheryl A. Martin, Jr.  
St. Mary Parish Assessor  
Franklin, Louisiana

We have audited the general purpose financial statements of the St. Mary Parish Assessor as of and for the year ended December 31, 1986, and have issued our report thereon dated June 21, 1987.

We have 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 general purpose financial statements are free of material misstatement.

The management of the St. Mary 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 costs 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 financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in an internal control structure, errors or 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 procedures 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. Mary Parish Assessor for the year ended December 31, 1986, 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 general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

We noted one certain matter involving internal control structure and its operation that we consider to be a reportable condition 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 judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

Inadequate Segregation of Accounting Functions

Finding:

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

Recommendation:

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

Response:

No response is considered necessary.

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

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe the reportable condition described above is a material weakness.

This report is intended for the information of the St. Mary Parish Assessor. However, this report is a matter of public record and its distribution is not limited.

*Gaudin & Charbon*

Certified Public Accountants

ST. MARY PARISH ASSOCIATE  
Franklin, Louisiana  
General Fund

Comparative Balance Sheets  
December 31, 1996 and 1995

	<u>1996</u>	<u>1995</u>
<b>ASSETS</b>		
Cash	\$ 50,862	\$ 1,489
Receivables:		
Taxen Out of allowance for uncollectible taxes)	485,523	424,895
Other	3,892	750
Prepaid expenditures	-	2,148
Due from other governmental units	<u>626</u>	<u>626</u>
Total assets	<u>\$ 539,883</u>	<u>\$ 432,118</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Bank overdraft	\$ -	\$ 10,156
Accounts payable	19,429	9,107
Deferred revenue	<u>382,112</u>	<u>381,414</u>
Total liabilities	<u>399,539</u>	<u>399,677</u>
Fund balance (deficit):		
Reserved for prepaid expenditures	-	2,048
Unreserved, undesignated	<u>140,344</u>	<u>146,393</u>
Total Fund Balance (deficit)	<u>140,344</u>	<u>148,441</u>
Total liabilities and Fund Balance	<u>\$ 539,883</u>	<u>\$ 432,118</u>



GENERAL LONG-TERM DEBT ACCOUNT GROUP

To account for unmatured principal amounts on general long-term debt expected to be financed from governmental type funds.

ST. MARY PARISH ASSESSOR  
Franklin, Louisiana

Notes to the Financial Statements (Continued)

3. LEVIED TAXES

The following is a summary of authorized and levied ad valorem taxes:

Assessment district	Authorized Millage	Levied Millage
	<u>2.37</u>	<u>2.37</u>

The following are the principal taxpayers for the parish:

Taxpayer	Type of Business	Assessed Value/100	Percentage of Total Assessed Value/100
Taxaco, Inc. Central Louisiana	Oil & Gas	\$11,879,184	4.57 %
Electric Co.	Public Utility	10,963,010	4.10 %
South Central Bell	Telephone Co.	6,068,190	2.19 %
SPR Pipeline Co.	Gas Pipeline	5,628,690	2.22 %
Cabot Corporation	Spec. Chemical	4,819,548	1.80 %
Truckline Gas Co. Vastar Resources, Incorporated	Gas Pipeline Oil & Gas	4,683,510 2,903,943	1.74 % 1.11 %
		<u>\$46,886,165</u>	<u>18.26 %</u>

3. FUND DEFICITS

The General Fund of the St. Mary Parish Assessor had a fund balance deficit at December 31, 1994, of \$98,188. This deficit will be repaid by reducing expenditures and attempting to obtain funds from other governmental units.

4. CASH AND CASH EQUIVALENTS

As December 31, 1994, the assessor has cash and cash equivalents (book balances) totaling \$98,282 as follows:

Demand deposits	\$ 5,340
Interest-bearing demand deposits	44,842
Other	100
Total	<u>\$ 50,282</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal

Honorable Mheral A. Martin, Jr.  
Independent Auditor's Report  
Page Two

The financial information for the preceding year which is included for comparative purposes was audited by other auditors whose report dated April 23, 1996, expressed an unqualified opinion on the financial statements.

*Grainier & Chauvin*

Certified Public Accountants

Franklin, Louisiana  
June 23, 1997

**GUDRY & CHAUVIN**  
CERTIFIED PUBLIC ACCOUNTANTS  
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FRANKLIN, LOUISIANA 70501

MEMBER OF THE  
SERIES 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100

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**INDEPENDENT AUDITOR'S REPORT**

Honorable Sheryl A. Martin, Jr.  
St. Mary Parish Assessor  
Franklin, Louisiana

We have audited the accompanying general purpose financial statements of the St. Mary Parish Assessor, a component unit of the St. Mary Parish Council, as of and for the year ended December 31, 1984. These financial statements are the responsibility of the Assessor's management. 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the St. Mary Parish Assessor as of December 31, 1984, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying financial information listed as "Supplemental Information" in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the St. Mary Parish Assessor. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

**GRIERY & CHALVIN**  
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MEMBER OF  
THE INTERNATIONAL FEDERATION OF  
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INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

MEMBER OF THE  
FEDERAL BAR EXCHANGE

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

Honorable Sherel A. Martin, Jr.  
St. Mary Parish Assessor  
Franklin, Louisiana

We have audited the general purpose financial statements of the St. Mary Parish Assessor as of and for the year ended December 31, 1996, and have issued our report thereon dated June 23, 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 general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the St. Mary 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 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 St. Mary Parish Assessor. However, this report is a matter of public record and its distribution is not limited.

*Griery & Chalvin*  
Certified Public Accountants

Franklin, Louisiana  
June 23, 1997

ST. MARY PARISH ASSOCIATION  
 Franklin, Louisiana  
 General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance -  
 Budget (GAAP Basis) and Actual  
 Year ended December 31, 1996  
 With Comparative Actual Amounts for Year ended December 31, 1995  
 (Cont.)

Capital outlay -				
General government:				
Taxation:				
Equipment	24,880	24,716	(610)	21,078
Total	24,880	24,716	(610)	21,078
Excess (deficiency) of revenues over expenditures	109,814	98,153	(98,651)	78,860
Fund balance (deficit), beginning	(144,338)	(144,338)	-	(222,201)
Fund balance (deficit), ending	\$ (139,524)	\$ (160,185)	\$ (130,851)	\$ (144,338)



ST. MARY PARISH ASSOCIATION  
FINANCIAL REPORT

Year Ended December 31, 1990

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

Revised Date: 2-2-1991

1069

GENERAL FUND

To account for resources traditionally associated with governments which are not required to be accounted for in another fund.



FINANCIAL STATEMENTS OF INDIVIDUAL FUND  
AND  
ACCOUNT GROUPS

GENERAL PURPOSE FINANCIAL STATEMENTS  
(COMBINED STATEMENTS - CASSETTE)

SUPPLEMENTAL  
INFORMATION

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ST. MARY PARISH ASSESSOR  
MONROE, LOUISIANA

Notes to the Financial Statements (Continued)

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, 1996, the assessor has \$14,032 in deposits collected bank balances. These deposits are secured from risk by \$24,180 of federal deposit insurance.

Even though pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, Louisiana Revised Statute 39:1328 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 18 days of being notified by the assessor that the fiscal agent has failed to pay deposited funds upon demand.

5. CHANGES IN GENERAL FIXED ASSETS

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

Balance, January 1, 1996	\$ 464,427
Additions	24,716
Deductions	<u>-2</u>
Balance, December 31, 1996	<u>\$ 489,141</u>

6. PENSION PLAN

**Plan Description.** Substantially all employees of the St. Mary Parish Assessor's office are members of the Louisiana Assessor's Retirement 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 45 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 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 10 consecutive of joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee's contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

ST. MARY PARISH ASSESSOR  
Franklin, Louisiana

Notes to the Financial Statements (Continued)

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Assessor's Retirement System, Post Office Box 1796, Shreveport, Louisiana 71166-1796, or by calling (318) 425-4446.

**Funding Policy.** Plan members are required by state statute to contribute 7.0 percent of their annual covered salary and the St. Mary Parish Assessor is required to contribute at an actuarially determined rate. The current rate is 5.5 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (one percent for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each parish, plus revenue sharing funds appropriated by the legislature. The contribution requirements of plan members and the St. Mary Parish Assessor are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:1028, 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. Mary Parish Assessor's contributions to the System for the years ending December 31, 1995, 1996, and 1997, were \$14,622, \$17,226, and \$22,160, respectively, equal to the required contributions for each year.

9. LEASES

The assessor records items under capital leases as an asset and an obligation in the accompanying financial statements. At December 31, 1996, there was one equipment capital lease agreement with a remaining lease obligation of \$41,367.

The following is a schedule of future minimum lease payments under capital leases, together with the present value of the net minimum lease payments, as of December 31, 1996:

	<u>TOTAL</u>
Fiscal year:	
1997	\$28,338
1998	15,222
Total minimum lease payments	48,336
Less amount representing interest	(12,822)
Present value of net minimum lease payments	<u>\$41,367</u>

ST. MARY PARISH ASSESSOR  
Franklin, Louisiana

Notes to the Financial Statements (Continued)

8. CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions during the year ended December 31, 1996:

Long-term obligations payable at January 1, 1996	\$ 78,506
Additions	-0-
Deductions	<u>(28,809)</u>
Long-term obligations payable at December 31, 1996	<u>\$ 49,697</u>

9. EXPENSES OF THE ASSESSOR NOT INCLUDED IN THE FINANCIAL STATEMENTS

The Assessor's office is located in the St. Mary Parish Courthouse. The upkeep and maintenance of the courthouse is paid by the St. Mary Parish Council.