

DYER & VICKNAIR

(CERTIFIED PUBLIC ACCOUNTANTS)

GLYNN R. DYER, CPA (APC)
ERIC J. VICKNAIR, CPA (APC)

MAILING ADDRESS
POST OFFICE BOX 66007
BATON ROUGE, LOUISIANA 70896
FAX (504) 922-9300

INDEPENDENT AUDITORS' REPORT

Louisiana Cemetery Board
Department of Economic Development
State of Louisiana
Metairie, Louisiana

We have audited the accompanying general-purpose financial statements of

LOUISIANA CEMETERY BOARD
DEPARTMENT OF ECONOMIC DEVELOPMENT
STATE OF LOUISIANA
METAIRIE, LOUISIANA

a component unit of the State of Louisiana, as of and for the year ended December 31, 1996. These financial statements are the responsibility of Louisiana Cemetery Board, Metairie, Louisiana's management. Our responsibility is to express an opinion on these general-purpose 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of Louisiana Cemetery Board, Metairie, Louisiana at December 31, 1996, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

OFFICIAL
FILE COPY
DO NOT REMOVE
Xerox necessary
copies from the
copy and PLACE
BACK in FILE

LOUISIANA CEMETERY BOARD
DEPARTMENT OF ECONOMIC DEVELOPMENT
STATE OF LOUISIANA
METAIRIE, LOUISIANA

ANNUAL FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 1996

Under provisions of state law, this report is a public document. A copy of this report has been submitted to the auditor, or reviewed, and 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: ~~JUN 25 1997~~

07 JUN 23 1997 P 3: 20

DYER & VICKNAIR

(CERTIFIED PUBLIC ACCOUNTANTS)

In accordance with Government Auditing Standards, we have also issued a report dated June 9, 1997 on our consideration of Louisiana Cemetery Board, Metairie, Louisiana's internal control structure and a report dated June 9, 1997 on its compliance with laws and regulations.

Baton Rouge, Louisiana
June 9, 1997

Dyer & Vicknair

LOUISIANA CEMETERY BOARD
DEPARTMENT OF ECONOMIC DEVELOPMENT
STATE OF LOUISIANA
METAIRIE, LOUISIANA
ALL FUNDS AND ACCOUNT GROUPS
BALANCE SHEET
DECEMBER 31, 1996

	<u>GOVERNMENTAL</u> <u>FUND</u>	<u>ACCOUNT GROUPS</u>		<u>TOTAL</u> <u>(MEMORANDUM</u> <u>ONLY)</u>
	<u>GENERAL FUND</u>	<u>GENERAL</u> <u>FIXED</u> <u>ASSETS</u>	<u>GENERAL</u> <u>LONG-TERM</u> <u>OBLIGATIONS</u>	
<u>ASSETS AND OTHER DEBITS</u>				
Cash	\$ 45,428			\$ 45,428
Fixed assets		\$22,334		22,334
Amount to be provided for retirement of general long-term obligations			\$ 9,111	9,111
<u>Total assets and other debits</u>	<u>45,428</u>	<u>22,334</u>	<u>9,111</u>	<u>76,873</u>
<u>LIABILITIES AND FUND EQUITY</u>				
<u>Liabilities</u>				
Accrued expenses	\$ 686			\$ 686
Accrued compensated absences			\$ 9,111	9,111
<u>Total liabilities</u>	<u>686</u>	<u>\$ 0</u>	<u>9,111</u>	<u>9,797</u>
<u>Fund Equity</u>				
Investment in general fixed assets		22,334		22,334
Fund balance	44,742			44,742
<u>Total fund equity</u>	<u>44,742</u>	<u>22,334</u>		<u>67,076</u>
<u>Total liabilities and fund equity</u>	<u>45,428</u>	<u>22,334</u>	<u>9,111</u>	<u>76,873</u>

The accompanying notes are an integral part of this statement.

LOUISIANA CEMETERY BOARD
DEPARTMENT OF ECONOMIC DEVELOPMENT
STATE OF LOUISIANA
METAIRIE, LOUISIANA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED DECEMBER 31, 1996

	<u>YEAR ENDED DECEMBER 1996</u>		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE- FAVORABLE (UNFAVORABLE)</u>
<u>REVENUES</u>			
Annual license fees	\$ 130,475	\$ 136,923	\$ 6,448
Interest earnings	1,500	4,423	2,923
Miscellaneous	0	992	992
<u>Total revenues</u>	<u>131,975</u>	<u>142,338</u>	<u>10,363</u>
<u>EXPENDITURES</u>			
General government			
Personal services and related benefits	100,924	103,803	(2,879)
Operating services	36,340	36,801	(461)
Materials and supplies	4,400	5,287	(887)
Travel and other charges	8,000	11,933	(3,933)
Capital outlay	7,700	6,326	1,374
Other	800	1,203	(403)
<u>Total expenditures</u>	<u>158,164</u>	<u>165,353</u>	<u>(7,189)</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u>	<u>(26,189)</u>	<u>(23,015)</u>	<u>3,174</u>
<u>FUND BALANCE, beginning of year</u>	<u>67,757</u>	<u>67,757</u>	<u>0</u>
<u>FUND BALANCE, end of year</u>	<u>41,568</u>	<u>44,742</u>	<u>3,174</u>

The accompanying notes are an integral part of this statement.

LOUISIANA CEMETERY BOARD
DEPARTMENT OF ECONOMIC DEVELOPMENT
STATE OF LOUISIANA
METAIRIE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1996

INTRODUCTION

The Louisiana Cemetery Board, Metairie, Louisiana is a component unit of the State of Louisiana created within the Louisiana Department of Economic Development, as provided by Louisiana Revised Statutes (LSA-R.S.) 8:61. The board is composed of seven members, appointed by the governor, who serve four (4) years. The Board is charged with the responsibility of regulating the cemetery industry and monitoring all perpetual care and merchandise trust funds. The Board's operations are funded entirely through annual self-generated revenues.

Note #1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

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

B. Reporting Entity

Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. In accordance with GASB Codification Section 2100, the board is a component unit of the State of Louisiana because the state exercises oversight responsibility in that the governor appoints the board members and public service is rendered within the state's boundaries. The accompanying general-purpose financial statements present only the transactions of the Louisiana Cemetery Board, Metairie, Louisiana, a component unit of the State of Louisiana.

LOUISIANA CEMETERY BOARD
DEPARTMENT OF ECONOMIC DEVELOPMENT
STATE OF LOUISIANA
METAIRIE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1996
(Continued)

C. Fund Accounting

The Board 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 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 the net expendable available financial resources.

Funds of the board are classified as governmental funds. Governmental funds account for the board's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition of general fixed assets, and the servicing of general long-term obligations. Governmental funds of the Board include:

General Fund

The general fund is the general operating fund of the board. It is used to account for all financial resources except those required to be accounted for in other funds.

D. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds 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. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by the governmental funds. The governmental funds use the following practices in recording revenues and expenditures:

LOUISIANA CEMETERY BOARD
DEPARTMENT OF ECONOMIC DEVELOPMENT
STATE OF LOUISIANA
METAIRIE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1996
(Continued)

Licenses and fees are recorded in the year these revenues are earned.

Interest income is recorded when received.

Substantially all other revenues are recorded when they become available to the board.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for accumulated annual leave, which is recognized when paid.

E. Fixed Assets and Long-Term Obligations

Fixed assets used in governmental fund type operations are not capitalized in the funds used to acquire them. Instead, capital acquisition is reflected in governmental funds, and the related assets are reported in the general fixed assets account group. No depreciation has been provided on such fixed assets. All fixed assets are stated at historical cost.

Long-term obligations expected to be financed from the general fund are accounted for in the general long-term obligations account group, not in the governmental funds.

The two account groups are not "funds". They are concerned only with the measurement of financial position, not with measurement of results of operations.

F. Encumbrances

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the application appropriation, is not employed.

G. Budgets and Budgetary Accounting

An annual budget is adopted for the general fund on a basis consistent with generally accepted accounting principles.

LOUISIANA CEMETERY BOARD
DEPARTMENT OF ECONOMIC DEVELOPMENT
STATE OF LOUISIANA
METAIRIE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1996
(Continued)

H. Cash

Cash includes interest-bearing demand deposits. Under state law, the board may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law or national banks having their principal offices in Louisiana.

I. Compensated Absences

Vested or accumulated annual and sick leave that is not expected to be liquidated with expendable available resources of the general funds is reported in the general long-term obligation account group. No expenditure is reported for these amounts.

J. Memorandum Only - Total Column

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 #2: LEGAL COMPLIANCE - BUDGET

Annually, the board adopts a budget at its fall meeting for the succeeding calendar year.

Formal budget integration is employed as a management control device during the year.

Budgetary amendments require the approval of the board.

Budgeted amounts included in the accompanying financial statements reflect the original adopted budget and amendments.

LOUISIANA CEMETERY BOARD
DEPARTMENT OF ECONOMIC DEVELOPMENT
STATE OF LOUISIANA
METAIRIE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1996
 (Continued)

Note #3: CASH

At December 31, 1996, the carrying amounts of deposits is \$45,428. This total is comprised of interest-bearing demand deposits. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount of 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 Board has \$63,931 in deposits (collected bank balances). This entire balance is secured from risk by federal depository insurance.

Note #4: CHANGES IN GENERAL FIXED ASSETS

At December 31, 1996, the board has stewardship responsibility for \$22,334 in furniture and equipment.

The following is a summary of the changes in fixed assets during the year ended December 31, 1996:

Balance, January 1, 1996	\$ 17,301
Additions	6,326
Removals	<u>(1,293)</u>
Balance, December 31, 1996	<u>22,334</u>

Note #5: LONG-TERM OBLIGATIONS

Long-term obligations consist of compensated absences. The following is a summary of the changes in long-term obligation transactions during the year ended December 31, 1996:

Balance, January 1, 1996	\$ 9,970
Additions	6,368
Reductions	<u>(7,227)</u>
Balance, December 31, 1996	<u>9,111</u>

LOUISIANA CEMETERY BOARD
DEPARTMENT OF ECONOMIC DEVELOPMENT
STATE OF LOUISIANA
METAIRIE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1996
 (Continued)

Note #6: PENSION PLAN

All full time employees of the Board are members in the Louisiana State Employees Retirement System ("System"), a multiple-employer, public employee retirement system (PERS) controlled and administered by a separate board of trustees.

All full time employees are eligible to participate in the System. Benefits vest with ten years of service. At retirement age, employees are entitled to annual benefits equal to \$300 plus 25% of their highest consecutive 36 month average salary multiplied by their years of credited service. Vested employees may retire at (a) any age with thirty years of service, (b) age 55 with twenty-five years of service. The System also provides death and disability benefits. Benefits are established by state statute.

In addition to the employee contribution withheld at 7.5% of gross salary, the Board contributes an additional 12.4% of gross salary to the System. Contributions to the System during 1996 were funded through employee and employer contributions of \$6,037 and \$9,844, respectively. The total current year payroll of the agency was \$88,077 and its current year payroll covered by the system was \$80,934. Under present statutes, the agency does not guarantee any of the benefits granted by the system.

Note #7: LEASES

The board leases office space under an operating lease. Rent expenditure for 1996 totaled \$9,420.

Future minimum lease payments under this lease are as follows:

<u>Year Ending</u> <u>December 31,</u>	<u>Amount</u>
1997	\$9,420
1998	\$8,635

DYER & VICKNAIR

(CERTIFIED PUBLIC ACCOUNTANTS)

GLYNN R. DYER, CPA (APC)
ERIC J. VICKNAIR, CPA (APC)

MAILING ADDRESS
POST OFFICE BOX 86007
BATON ROUGE, LOUISIANA 70896
FAX (504) 922-9300

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE
BASED ON AN AUDIT OF GENERAL-PURPOSE FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Louisiana Cemetery Board
Department of Economic Development
State of Louisiana
Metairie, Louisiana

We have audited the general-purpose financial statements of Louisiana Cemetery Board, Metairie, Louisiana, as of and for the year ended December 31, 1996, and have issued our report thereon dated June 9, 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.

The management of Louisiana Cemetery Board, Metairie, Louisiana 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 general-purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any 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 the policies and procedures may deteriorate.

DYER & VICKNAIR

(CERTIFIED PUBLIC ACCOUNTANTS)

In planning and performing our audit of the general-purpose financial statements of Louisiana Cemetery Board, Metairie, Louisiana for the year ended December 31, 1996, we obtained an understanding of the internal control structure. Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a 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 amounts 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. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

This report is intended for the information of the Board management, the State of Louisiana and the Legislative Auditor for the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

There were no comments concerning the internal control structure in the audit for the year ended December 31, 1994.

Baton Rouge, Louisiana
June 9, 1997

Dyer & Vicknair

DYER & VICKNAIR

(CERTIFIED PUBLIC ACCOUNTANTS)

GLYNN R. DYER, CPA (APC)
ERIC J. VICKNAIR, CPA (APC)

MAILING ADDRESS
POST OFFICE BOX 66007
BATON ROUGE, LOUISIANA 70896
FAX (504) 922-9300

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
BASED ON AN AUDIT OF GENERAL-PURPOSE FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Louisiana Cemetery Board
Department of Economic Development
State of Louisiana
Metairie, Louisiana

We have audited the general-purpose financial statements of Louisiana Cemetery Board, Metairie, Louisiana as of and for the year ended December 31, 1996, and have issued our report thereon dated June 9, 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 and regulations applicable to Louisiana Cemetery Board, Metairie, Louisiana is the responsibility of the Board's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Louisiana Cemetery Board, Metairie, Louisiana's compliance with certain provisions of laws and regulations. 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 Board management, the State of Louisiana and the Legislative Auditor for the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

There were no instances of noncompliance noted in the audit for the year ended December 31, 1994.

Baton Rouge, Louisiana
June 9, 1997

Dyer & Vicknair

LOUISIANA CEMETERY BOARD
DEPARTMENT OF ECONOMIC DEVELOPMENT
STATE OF LOUISIANA
METAIRIE, LOUISIANA
YEAR ENDED DECEMBER 31, 1996

TABLE OF CONTENTS

	PAGE
Independent Auditors' Report	1 - 2
General-Purpose Financial Statements	
Balance Sheet - All Funds and Account Groups, December 31, 1996	3
Governmental Fund Types - General Fund	
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual, Year Ended December 31, 1996	4
Notes to the Financial Statement, December 31, 1996	5 - 11
Independent Auditors' Report on Internal Control Structure Based on an Audit of General-Purpose Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>	12 - 13
Independent Auditors' Report on Compliance Based on an Audit of General-Purpose Financial State- ments Performed in Accordance with <u>Government Auditing Standards</u>	14

LOUISIANA CEMETERY BOARD
DEPARTMENT OF ECONOMIC DEVELOPMENT
STATE OF LOUISIANA
METAIRIE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1996
(Continued)

Since the payment schedule is considered systematic and rational under GASB Statement 13, rental expenditure is based on the relevant lease agreement and not in accordance with lease terms as required by GASB Statement 13.

Note #8: LITIGATION

There were no judgments, claims or similar contingencies pending against the Board at December 31, 1996.

Note #9: BOARD MEMBERS' PER DIEM

The board members are not paid per diem or compensation.

Note #10: POSTRETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The Board has one retired employee receiving postretirement health care and life insurance benefits. For the year ended December 31, 1996, those costs totalled \$1,713.