

# ST. CHARLES PARISH ASSESSOR

Hahnville, Louisiana

## General Purpose Financial Statements and Independent Auditor's Report

As of and for the Year ended December 31, 2003

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

Release Date 7-28-04



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**ST. CHARLES PARISH ASSESSOR**  
Hahnville, Louisiana

**Financial Statements**  
**With Supplemental Information Schedules**  
**and Independent Auditor's Report**

As of and for the year ended December 31, 2003

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**INDEPENDENT AUDITOR'S REPORT**

Honorable Clyde A. Cloutier  
St. Charles Parish Assessor  
Hahnville, Louisiana

We have audited the accompanying general-purpose financial statements of the St. Charles Parish Assessor, as of and for the year ended December 31, 2003, 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. 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 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 statements 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, 2003, 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 our report dated June 25, 2004 on our consideration of the St. Charles Parish Assessor's internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, contracts and grants.

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

Thibodaux, Louisiana  
June 25, 2004

**ST. CHARLES PARISH ASSessor**  
**Hahnville, Louisiana**  
**ALL FUND TYPES AND ACCOUNT GROUPS**

**Balance Sheet**  
**December 31, 2000**

	<u>Account Group</u>		<u>Total</u> <u>(Memorandum</u> <u>Only)</u>
	<u>Governmental</u> <u>Fund - General</u>	<u>General</u> <u>Fund Totals</u>	
<b>ASSETS AND OTHER CREDITS</b>			
Investments	\$ 21,673.00		\$ 21,673.00
Receivables			
Ad valorem taxes (net)	1,000,000.00		1,000,000.00
State revenue sharing	50,100.00		50,100.00
Other	-		-
Security deposit	410.00		410.00
Fund assets		\$ 290,770.42	290,770.42
<b>TOTAL ASSETS AND OTHER CREDITS</b>	<b>\$ 1,069,243.00</b>	<b>\$ 290,770.42</b>	<b>\$ 1,069,243.42</b>
<b>LIABILITIES, FUND EQUITY, AND OTHER CREDITS</b>			
<b>LIABILITIES</b>			
Cash overpaid	\$ 710.10		\$ 710.10
Accounts payable	1,143.70		1,143.70
Deferred revenue - ad valorem taxes	24,500.00		24,500.00
<b>TOTAL LIABILITIES</b>	<b>\$ 27,873.80</b>	<b>\$ -</b>	<b>\$ 27,873.80</b>
<b>FUND EQUITY AND OTHER CREDITS</b>			
Investments in governmental assets		\$ 290,770.42	\$ 290,770.42
Unreserved - undesignated fund balance	\$ 1,039,864.72	-	1,039,864.72
<b>TOTAL FUND EQUITY AND OTHER CREDITS</b>	<b>\$ 1,039,864.72</b>	<b>\$ 290,770.42</b>	<b>\$ 1,069,243.10</b>
<b>TOTAL LIABILITIES, FUND EQUITY AND OTHER CREDITS</b>	<b>\$ 1,069,243.00</b>	<b>\$ 290,770.42</b>	<b>\$ 1,069,243.42</b>

The accompanying notes are an integral part of this statement.

**ST. CHARLES PARISH ASSESSOR**  
**Houma, Louisiana**  
**GOVERNMENTAL FUND - GENERAL FUND**

**Statement of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (BAP) and Actual**  
**For the Year Ended December 31, 2002**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE OR UNFAVORABLE</u>
<b>REVENUES</b>			
Ad valorem taxes	\$ 1,029,276.00	\$ 1,046,166.62	\$ 16,890.62
State revenue sharing	20,000.00	24,166.00	4,166.00
Computer service fees	4,000.00	4,000.00	-
Interest on investments	57,166.00	11,965.11	(45,199.89)
Appropriating fees	7,166.00	3,000.75	(4,165.25)
Proceeds from the sale	1,000.00	1,000.00	-
<b>Total revenues</b>	<b>\$ 1,098,407.00</b>	<b>\$ 1,114,437.52</b>	<b>\$ 16,030.52</b>
<b>EXPENDITURES</b>			
<b>General government - Assessor</b>			
<b>Salaries</b>			
Assessor	\$ 88,574.00	\$ 91,714.24	\$ 3,140.24
Deputies	740,200.00	640,200.40	(99,999.60)
Others	2,400.00	2,400.00	-
Office expenditures	26,000.00	27,766.10	(1,766.10)
Books and subscriptions	-	5,916.00	5,916.00
Equipment maintenance	5,617.00	5,488.68	128.32
Other insurance	4,200.00	4,200.00	-
Telephone	7,800.00	5,700.17	(2,099.83)
Travel and conventions	4,804.00	4,887.10	83.10
Payroll taxes	3,200.00	3,200.00	-
Automobile expenditures	441.00	958.75	517.75
Automobile lease	5,414.00	5,701.00	(287.00)
Employee's contribution to group	-	-	-
Insurance and retirement	206,004.00	206,004.40	0.40
Deferred Compensation	65,401.00	65,401.20	0.20
Contracted services	271.04	66,274.68	(66,003.64)
Utilities	6,081.00	7,288.76	(1,207.76)
Capital Outlay	-	-	-
Equipment	1,001.00	1,000.00	1.00
<b>Total expenditures</b>	<b>\$ 1,188,054.04</b>	<b>\$ 1,173,766.70</b>	<b>\$ 14,287.34</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 90,352.96</b>	<b>\$ 94,670.82</b>	<b>\$ 4,317.86</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Unions Reimbursed from Employees	\$ 604.00	\$ -	\$ 604.00
Reimbursement from parish for legal expenses	2,523.00	\$ 25,677.79	\$ 23,154.79
<b>Total other financing sources (uses)</b>	<b>\$ 3,127.00</b>	<b>\$ 25,677.79</b>	<b>\$ 22,550.79</b>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER</b>	<b>\$ 93,479.96</b>	<b>\$ 120,348.61</b>	<b>\$ 26,868.65</b>
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<b>\$ 1,375,014.00</b>	<b>\$ 1,375,173.00</b>	<b>\$ 159.00</b>
<b>FUND BALANCE AT END OF YEAR</b>	<b>\$ 1,468,493.96</b>	<b>\$ 1,495,521.61</b>	<b>\$ 26,027.65</b>

The accompanying notes are an integral part of the statement.

**ST. CHARLES PARISH ASSESSOR**  
Hahnville, Louisiana

**Notes to the Financial Statements**  
**For the Year Ended December 31, 2003**

**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 Hahnville, Louisiana. The assessor employs 12 employees, which includes the assessor, 10 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 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 assessment roll to the parish tax collector, who is responsible for the collection and distribution of taxes to the various taxing bodies.

At December 31, 2003, there are \$23,029 real property and movable property assessments totaling \$182,821,616 and \$415,675,666, respectively. Total exemption is \$91,302,746 and total taxable is \$717,494,628. This represents an increase from 2002 of 202 new assessments, an increase in assessed value of \$60,399,356 and an increase in taxable assessments of \$48,101,308.

**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**

Under Governmental Accounting and Financial Standards Section 2100, the financial reporting entity consists of the primary government and its component units. As the governing authority of the parish, the St. Charles Parish Council is the primary government for financial reporting purposes.

**ST. CHARLES PARISH ASSESSOR**  
Hahnville, Louisiana

**Notes to the Financial Statements**  
**For the Year Ended December 31, 2003**

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.

Based on this criteria management has determined that the St. Charles Assessor is not considered a component unit of the St. Charles Parish Council. The St. Charles Parish Assessor is a separate reporting entity because:

1. The Assessor is a separate legal entity, and not a part of the Parish Council or other governmental entities.
2. The Assessor is elected by the voters and is not appointed by the Parish Council.
3. The Parish Council does not have the ability to impose its will on the Assessor.
4. The Assessor is not fiscally dependent on the Parish Council, nor is the Assessor a significant financial burden to the Parish Council.

**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 certain governmental 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 net expendable available financial resources.

**ST. CHARLES PARISH ASSESSOR**  
Mahnville, Louisiana

**Notes to the Financial Statements**  
**For the Year Ended December 31 2003**

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

**General Fund** – the governmental fund (General Fund), as provided by Louisiana Revised Statute 47:1906, is the principal fund of the assessor and accounts for the operations of the assessor's office. Ad valorem tax revenue authorized by Act 292 of 1995 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 presents increases and decreases in net current assets. The General Fund uses the modified accrual basis of accounting. 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 tax collector generally collects the taxes 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 revenue.

State revenue sharing is recorded when it becomes receivable.

All other revenues 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. Because employees are not allowed to carryover vacation leave to future years, there is no long-term liability for compensated absences.



**ST. CHARLES PARISH ASSESSOR**  
**Hahnville, Louisiana**

**Notes to the Financial Statements**  
**For the Year Ended December 31, 2003**

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.

**E. Budgets**

The St. Charles Parish Assessor's adopts an annual budget for the General Fund on a modified accrual basis of accounting. The proposed budget for 2003 was published in the official journal and made available for public inspection. The public hearing for the proposed budget was held December 17, 2003, 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. The amended budget was published in the official journal and made available for public inspection. The amended budget was adopted at a public hearing on December 17, 2003.

The assessor reserves all authority to make changes to the budget. When actual revenues fail to meet budgeted revenues by five percent or more and/or actual expenditures exceed budgeted expenditures by five percent or more, a budget amendment to reflect such changes 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, cash equivalents, and investments**

Cash includes amounts in interest bearing demand deposits and money market accounts. Cash equivalents include amounts in certificates of deposits regardless of their maturities. Under state law, the assessor may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, 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 one year; however, if the original maturities are one year or less, they are classified as cash equivalents. Investments are stated at cost.

**ST. CHARLES PARISH ASSESSOR**  
Bahnville, Louisiana

**Notes to the Financial Statements**  
**For the Year Ended December, 31 2003**

**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 percent 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 27 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 60 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 contingencies such as medical appointments and funerals. There is no cost of leave privileges required to be reported on the financial statements.

**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. There are no long-term obligations.

**ST. CHARLES PARISH ASSESSOR**  
**Hahnville, Louisiana**

**Notes to the Financial Statements**  
**For the Year Ended December 31, 2003**

**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 represent financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

**NOTE 2. LEVIED TAXES**

The following is a summary of authorized and levied ad valorem taxes for the year ended December 31, 2003.

	<u>Authorized Millage</u>	<u>Levied Millage</u>
Assessor	1.5	1.47

The following are the principal taxpayers for the parish:

<u>TAXPAYER:</u>	<u>Total Acreage (Assessed)</u>	<u>Total Tax (Assessed)</u>	<u>Percentage of Total Acreage (Assessed)</u>
Texaco, Inc.	8,338	\$ 198,158	79.17%
Rivet, Huey J.	286	5,712	2.72%
Summers, Margaret D., et al	272	5,443	2.59%
Summers, Alvie C., Jr.	153	3,057	1.49%
Lammon, Mary Ann Val, et al	140	2,800	1.33%
Rivet, Huey Joseph	115	2,300	1.10%
Summers, Elizabeth K., et al	102	2,034	0.97%
Rivet, Huey Joseph	48	960	0.46%
Rivers, Luis Mathews	41	814	0.39%

**ST. CHARLES PARISH ASSESSOR**  
**Monroe, Louisiana**

**Notes to the Financial Statements**  
**For the Year Ended December, 31 2003**

Oceanic Fleet, Inc.	40	706	0.36%
<b>Total</b>	<b><u>\$ 9,204</u></b>	<b><u>\$ 1,600,092</u></b>	<b><u>0.02%</u></b>

**NOTE 3. CASH AND INVESTMENTS**

**Cash**

At December 31, 2003, the assessor has cash (book balance) of a \$735.10 overdraft, as follows:

Checking – First National	\$ (2,017.42)
Money funds – Paine Webber	<u>1,282.32</u>
<b>TOTAL</b>	<b><u>\$ (735.10)</u></b>

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, 2003, the assessor has \$35,641 in deposits (collected bank balance) at First National Bank USA. These deposits are secured from risk by \$100,000 federal deposit insurance. At December 31, 2003, the assessor has \$1,282.32 in deposits (collected balance) at Paine Webber.

**Investments**

The assessor receives approximately 50% of the taxes receivable in sixty days. The funds are invested in the Liquid Institutional Reserve Government Fund. Funds are transferred to the general fund each month as needed for operating expenses. The fund is fully secured by the federal government. The investment account earned \$3,625 of interest income in the year 2003. At December 31, 2003 the balance in the investment account was \$316,814.

**NOTE 4. RECEIVABLES**

Total ad valorem taxes assessed are \$1,054,718. Taxes receivable of \$1,050,883 is recorded net of an allowance for estimated uncollectibles of \$3,829.

**ST. CHARLES PARISH ASSESSOR**  
Bahnville, Louisiana

Notes to the Financial Statements  
For the Year Ended December, 31 2003

**NOTE 5. AD VALOREM TAX REVENUE**

Ad valorem tax revenue assessed of \$1,054,718 is reported net of deferred revenue of \$24,669. Also included in ad valorem tax revenue is \$49,227 of prior year deferred revenue.

**NOTE 6. CHANGES IN GENERAL FIXED ASSETS**

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

Balance January 1, 2002	\$202,929
Additions	1,057
Disposals	<u>(3,267)</u>
Balance December 31, 2003	<u>\$200,719</u>

**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, 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 60 with at least 30 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 2 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 35 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not draw their employee contributions may retire at or after age 55 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, which includes financial statements and required supplemental information for the System. That report may be obtained by writing to the Louisiana Assessor's Retirement System Post Office Box 1766, Shreveport, Louisiana 71166-1766, or by calling (318) 425-4448.

**ST. CHARLES PARISH ASSESSOR**  
Metairie, Louisiana

**Notes to the Financial Statements**  
**For the Year Ended December 31, 2003**

**Funding Policy:**

Plan members are required by state statute to contribute 8.0% of their annual covered salary and the St. Charles Parish Assessor is required to contribute at an actuarially determined rate. The current rate is 14.00% of annual covered payroll. Contributions to the System also include one-fourth of 1% of the taxes shown, which are 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 11:133, 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. Effective January 1, 2003, the assessor elected to also pay the employee portion of the retirement contribution. The St. Charles Parish Assessor's contributions to the System for the year ended December 31, 2003 were \$154,465 consisting of the employee portion of \$55,192 and the assessor's portion of \$99,299.

**NOTE 8. OTHER POST-EMPLOYMENT 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 expenditures when paid during the year. For the year 2003, the cost of retiree benefits for three retirees totaled \$20,750.

**NOTE 9. 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; therefore, the results of this lease agreement are not reflected in the assessor's account groups.

**NOTE 10. EXPENDITURE 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 33:473. The assessor's office is located in the

**ST. CHARLES PARISH ASSESSOR**  
Baton Rouge, Louisiana

**Notes to the Financial Statements**  
**For the Year Ended December 31 2003**

St. Charles Parish Courthouse. The St. Charles Parish Council pays the upkeep, maintenance, and insurance for the courthouse.

**NOTE 11. DEFERRED COMPENSATION PLAN**

The St. Charles Parish Assessor offers full-time employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan 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 (until paid or made available to the employee or other beneficiaries) solely the property and rights of the state. 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. The assessor matches the employee's deferral and in the year 2003 contributed \$65,401 to the deferred compensation plan.

**NOTE 12. LITIGATION AND CLAIMS**

At December 31, 2003, the Assessor had no litigation or claims pending.

## SUPPLEMENTAL INFORMATION SCHEDULES



**ST. CHARLES PARISH ASSESSOR**  
Bakerville, Louisiana

**Summary Schedule of Prior Audit Findings**  
**As of and for the Year Ended December 31, 2003**

Ref. No.

0013-02

Description of Finding

**Internal Control Material Weakness.** 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.

Corrective Action Taken (Yes, No, Partially)

Partially

Planned Corrective Action/Partial Corrective Action Taken

The assessor has retained the services of a CPA who inspects the accounting journal on a monthly basis.

Although the chief deputy has the authority to sign checks, all of the checks are signed by the assessor.

Additional Explanation

This is a common reportable condition noted in audits of small governmental entities. The assessor's office does not employ enough people in its accounting department to segregate duties such as approving purchase orders, approving invoices for payment, printing checks, recording checks, signing checks, mailing checks, and reconciling bank statements. This is one example of the circumstances that resulted in the reportable condition.

The reportable condition cannot be remedied in a cost effective manner.

**ST. CHARLES PARISH ASSESSOR**  
Hahnville, Louisiana

**Corrective Action Plan for Current Year Findings**  
**As of and for the Year Ended December 31, 2003**

Ref No.

0312-01

Description of Findings

**Internal Control Material Weakness.** 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.

Corrective Action Planned

The assessor has retained the services of a CPA who inspects the accounting journals on a monthly basis.

Although the chief deputy has the authority to sign checks, all of the checks are signed by the assessor.

Name of Contact Person

Clyde A. Gieslain, Assessor

Anticipated Completion Date

None

Additional Explanation

This is a common reportable condition noted in audits of small governmental entities. The assessor's office does not employ enough people in its accounting department to segregate duties such as approving purchase orders, approving invoices for payment, printing checks, recording checks, signing checks, mailing checks, and reconciling bank statements. This is one example of the circumstances that resulted in the reportable condition.

The reportable condition cannot be remedied in a cost effective manner.

**ST. CHARLES PARISH ASSESSOR**  
Baton Rouge, Louisiana

**Corrective Action Plan for Current Year Findings**  
**As of and for the Year Ended December 31, 2003**

Ref. No.

0013-02

Description of Findings

In July 2003, the Assessor sent a letter to the voters of St. Charles parish notifying them that he was seeking re-election. In this letter, he used his office telephone number, as well as his home number, as contact information.

Use of the Assessor's office and telephone system for political purposes is a violation of LRS 18:1485 and 42:1481 which state that the unpaid use of facilities paid with public funds for political purposes is a violation of state law.

Corrective Action Planned

The Assessor will not include any reference to his office on any literature nor will he use these facilities for any personal or political purpose.

Name of Contact Person

Clyde A. Gleclair, Assessor

Anticipated Completion Date

June 25, 2004

Additional Explanation

The person in charge of the advertising for the Assessor's re-election campaign was not aware that placing the Assessor's office phone number as contact information on literature was a violation of state law.

**OTHER REPORTS REQUIRED BY**  
**GOVERNMENT AUDITING STANDARDS**  
**Report on Compliance and on Internal Control**



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

Honorable Clyde A. Gladier  
St. Charles Parish Assessor  
Hahnville, Louisiana

We have audited the general-purpose financial statements of the St. Charles Parish Assessor, as of and for the year ended December 31, 2003, and have issued our report thereon dated June 25, 2004. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the St. Charles Assessor's general-purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our test disclosed one instance of noncompliance that are required to be reported under Government Auditing Standards. The reportable condition is described in the accompanying corrective action plan for the current year audit findings as item 0312-02.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the St. Charles Parish Assessor's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general-purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a single matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general-purpose financial statement. The reportable condition is described in the accompanying corrective action plan for the current year audit findings as item 0312-01.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements 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. Our considerations of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. We believe the reportable condition (Item 0312-02) described above is not a material weakness. We believe the reportable condition (Item 0312-01) described above is a material weakness.

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



Thibodaux, Louisiana  
June 28, 2004