LOUISIANA ASSESSORS' RETIREMENT FUND

FINANCIAL REPORT

September 30, 2003

Provost Salter Harper & Alford LLC
Certified Public Accountants
Business Advisors
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LOUISIANA ASSESSORS' RETIREMENT FUND

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Provost Salter Harper & Alford LLC
Certified Public Accountants
Business Advisors

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

To the Board of Trustees
Louisiana Assessors' Retirement Fund
Baton Rouge, Louisiana

We have audited the statement of plan net assets of the Louisiana Assessors' Retirement Fund as of September 30, 2003, and the related statement of changes in plan assets for the year then ended. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that 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 financial statements referred to above present fairly, in all material respects, the plan net assets of the Louisiana Assessors' Retirement Fund as of September 30, 2003, and the changes in plan net assets for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 26, 2003 on our consideration of the Louisiana Assessors' Retirement Fund's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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We have also previously audited, in accordance with generally accepted auditing standards, the financial statements of Louisiana Assessors' Retirement Fund as of September 30, 2002 and 2001 and we expressed an unqualified opinion on those statements. The years ended September 30, 2000 and prior were audited by other auditors, whose reports were unqualified. In our opinion, the information set forth in the required supplementary information for the years ended September 30, 2003, 2002 and 2001, appearing on pages 15 and 16, is fairly stated, in all material respects, in relation to the financial statements from which it has been derived. The years ended September 30, 2000 and prior was subjected to the auditing procedures applied in the audits of the basic financial statements by other auditors, whose reports on such information stated that is was fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Our audit was conducted for the purposes of forming an opinion on the financial statements taken as a whole. The accompanying supplemental information schedules on pages 17 and 18 are presented for purposes of additional analysis and are not a required part of the financial statements of the Louisiana Assessors' Retirement Fund. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

PROVOST, SALTER, HARPER & ALFORD, L.L.C.

Provost, Salter, Harper & Alford, L.L.C.

November 26, 2003

Exhibit A

LOUISIANA ASSESSORS' RETIREMENT FUND

Statement of Plan Net Assets — *September 30, 2003*

ASSETS	
Cash and Cash Equivalents	$ 4,464,886
Receivables	
Employer	279,659
Employee	159,806
Interest and dividends	248,749
Total receivables	688,214
Investments at Fair Value	
U. S. Government Securities	7,689,488
Corporate bonds	14,624,811
Foreign government securities	273,763
Bond mutual fund	29,132,464
Stock mutual funds	55,259,145
Total investments at fair value	106,979,671
8% notes receivable	97,448
Equipment and fixtures, net of accumulated depreciation of $61,554	34,172
Total Assets	112,264,391
Liabilities - Accounts Payable	59,016
Net assets held in trust for pension benefits (a schedule of funding progress is presented on page 15.)	$ 112,205,375

See Notes to Financial Statements.

Exhibit B

LOUISIANA ASSESSORS' RETIREMENT FUND

Statement of Changes In Plan Assets *Year Ended September 30, 2003*

Additions	
Contributions	
Employer	$ 3,803,335
Employee	2,174,126
Total contributions	5,977,461
Investment income	
Net appreciation in fair value of investments	11,678,107
Interest and dividends	3,251,379
	14,929,486
Less investment expenses	246,012
Net investment income	14,683,474
State revenue sharing	358,171
All parishes pension fund	5,748,157
Assets transferred from other systems	57,775
Total Additions	26,825,038
Deductions	
Annuity benefits	7,636,796
Drop benefits	632,222
Refunds to terminated employees	297,321
Transfers to other systems	10,222
Administrative expenses	284,091
Total Deductions	8,860,652
Net Increase	17,964,386
Net Assets Held In Trust For Pension Benefits	
Beginning of year	94,240,989
End of year	$ 112,205,375

See Notes to Financial Statements.

1. Description of Plan

The Louisiana Assessors' Retirement Fund was established and provided for by RS11:1401 of the Louisiana Revised Statutes. The Fund is administered by a board of trustees made up of fifteen members, the president, vice president, and secretary-treasurer of the Louisiana Assessors' Association and eight regular member representatives who shall be elected for a term of three years from the Association districts. Two of the members shall be retiree representatives nominated by the board and elected by the retirees and two members shall be assessor employee representatives nominated by the board and elected by the employees.

The following brief description of the Assessors' Retirement Fund Pension Plan (Plan) is provided for general information purposes only. Participants should refer to the Plan agreement for more complete information.

General. The Plan is a cost sharing, multiple-employer, qualified defined benefit pension plan covering assessors and their deputies employed by any parish of the State of Louisiana, under the provisions of Louisiana Revised Statutes 11:1401 through 1494, effective July 26, 1950. The plan is a qualified plan as defined by the Internal Revenue Code, effective January 1, 1998.

Plan Membership. Employer and employee membership data at September 30, 2003 is as follows:

Employer Members	
Louisiana Assessors' offices	71
Louisiana Assessors' Association	1
	72

Employee Members	
Current retirees and beneficiaries	408
Terminated vested participants	24
Terminated due a refund	24
Active plan participants	696
Total employee members	1,152

Plan Benefits.

Pension Benefits. Employees with 30 or more years of service who have attained age 50 or employees who have 12 years of service who have attained age 55 are entitled to annual pension benefits equal to $3^1/_3$ of their average final compensation based on the 36 consecutive months of highest pay multiplied by their total years of service, not to exceed 100%. Employees may elect to receive their pension benefits in the form of a joint and survivor annuity.

If employees terminate before rendering 12 years of service, they forfeit the right to receive the portion of their accumulated plan benefits attributable to their employer's contributions. Benefits are payable over the employees' lives in the form of a monthly annuity. Employees may elect an unreduced benefit or any of four options at retirement.

1. At death, their beneficiary will receive a lump sum payment based on the present value of the employee's annuity account balance.

2. At death, their beneficiary will receive a life annuity based on their reduced retirement allowance.

3. At death, their beneficiary will receive a life annuity equal to ½ of their reduced retirement allowance.

4. Any other benefit certified by the actuary and approved by the Board of Trustees that will be equivalent in value to their retirement allowance.

Death Benefits.

1. If a member of this fund dies in service with less than twelve years of creditable service, and leaves a surviving spouse, his accumulated contributions shall be paid to the surviving spouse.

2. If a member dies and has twelve or more years of creditable service and is not eligible for retirement, the surviving spouse shall receive an automatic optional benefit which is equal to the joint and survivorship amounts provided in Option 2 as provided in R.S. 11:1423, which shall cease upon a subsequent remarriage, or a refund of the member's accumulated contributions, whichever the spouse elects to receive.

3. If a member dies and is eligible for retirement, the surviving spouse shall receive an automatic optional benefit which is equal to the Option 2 benefits provided for in R.S. 11:1423, which shall not terminate upon a subsequent remarriage.

4. Benefits set forth in Number 2 shall cease upon remarriage and shall resume upon a subsequent divorce or death of a new spouse. The spouse shall be entitled to receive a monthly benefit equal to the amount being received prior to remarriage.

Disability Benefits. If an eligible member is officially certified as disabled by the State Medical Disability Board, he shall receive the lesser of (1) or (2) as set forth below:

1. A sum equal to three and one-third percent of final three year average compensation multiplied by the number of years of service or 45% of final average compensation, whichever is greater; or

2. Three and one-third percent of final compensation multiplied by years of service, to the earliest normal retirement age.

Upon approval for disability benefits, the member shall exercise an optional retirement allowance as provided in R.S. 11:1423 and no change in the option selected shall be permitted after it has been filed with the board. The retirement option factors shall be the same as those utilized for regular retirement based on the age of the retiree and that of the spouse, had the retiree continued in active service until the earliest normal retirement date.

Deferred Retirement Option Plan. Upon becoming eligible for a normal retirement allowance, a member may elect to participate in the deferred retirement option plan for up to 36 months. The monthly retirement benefit that would have been payable is paid into the deferred retirement option plan account.

Upon termination of employment, a participant in the program shall receive, at his option, a lump-sum payment from the account or an annuity based on the deferred retirement option plan account balance in addition to his regular retirement benefit.

If employment is not terminated at the end of the 36 months, the participant resumes active contributing membership in the system.

No payments may be made from the deferred retirement option plan account until the participant retires.

During the year ended September 30, 2003, $632,222 was paid from the deferred retirement option plan accounts on behalf of 9 participants.

Excess Benefit Plan. Under the provisions of this excess benefit plan a member may receive a benefit equal to the amount by which the member's monthly benefit from the fund has been reduced because of the limitations of Section 415 of the Internal Revenue Code.

2. Summary of Significant Accounting and Financial Reporting Policies

Governmental accounting principles and practices are promulgated and established by the Governmental Accounting Standards Board (GASB). The GASB has issued a *Codification of Governmental Accounting and Financial Reporting Standards.* This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such pronouncements.

In November of 1994, the Governmental Accounting Standards Board (GASB) issued Statement No. 25, "Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans". The statement was effective for years beginning after June 15, 1996. The System adopted Statement No. 25 effective October 1, 1996.

The Statement establishes a financial reporting framework for *defined benefit pension plans* that distinguishes between two categories of information: (a) current financial information about plan assets and financial activities and (b) actuarially determined information, from a long-term perspective, about the funded status of the plan and the progress being made in accumulating sufficient assets to pay benefits when due.

Plans are required to present two financial statements:

(a) *statement of plan net assets* that provides information about the fair value and composition of plan assets, plan liabilities, and plan net assets; and
(b) a *statement of changes in plan net assets* that provides information about the year to year changes in plan net assets.

The requirements for the notes to the financial statements include a brief plan description, a summary of significant accounting policies, and information about contributions, legally required reserves, and investment concentrations.

Information in the second category should be included, for a minimum of six years, in two schedules of historical trend information that should be presented as required supplementary information. The required schedules are (a) a *schedule of funding progress* that reports the actuarial value of assets, the actuarial accrued liability, and the relationship between the two over time and (b) a *schedule of employer contributions* that provides information about the annual required contributions of the employers (ARC) and the percentage of the ARC recognized by the plan as contributed. Note disclosures related to the required schedules should be presented and should include the actuarial methods and significant assumptions used for financial reporting.

Basis of Accounting. The Fund's financial statements are prepared using the accrual basis of accounting. Contributions are recognized in the period in which the employee is compensated for services. Benefits and refunds are recognized when due and payable.

Cash and Cash Equivalents. Cash and cash equivalents, includes demand deposits in banks and temporary cash investments in money market accounts with the trust department of the investment custodian bank. The money market balances consist of government backed pooled funds.

Valuation of Investments. All investments are fixed-income securities, common stock or mutual funds and are reported at fair market value based on quoted market prices.

Investment Income. Interest and dividend income is recognized on the accrual basis as earned.

Gains and losses on exchanges of fixed-income securities and common stocks are recognized using the trade date basis.

Estimates. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make significant estimates and assumptions that effect the reported amounts and plan net assets at the date of the financial statements and the actuarial information included in the required supplementary information as of the benefit information date, the changes in plan net assets during the reporting period and, when applicable, disclosures of the contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

3. Contributions and Reserves

Contributions. Contributions for all members are established by statute at 8.0% of earnable compensation. The contributions are deducted from the member's salary and remitted by the participating agency.

Administrative costs of the retirement fund are financed through employer contributions. According to state statute, contributions for all employers are actuarially determined each year. For the year ended September 30, 2003, employer contributions were 14% of member's earnings. The Fund also receives ¼ of 1% of the property taxes collected in each parish of the state. This income is used as additional employer contributions. Orleans Parish has not paid its contribution for several years and the Fund has sued to collect the amounts due. The case is in the courts and the outcome is unknown at this time.

Reserves. Use of the term "reserve" by the retirement Fund indicates that a portion of the fund balances is legally restricted for a specific future use. The nature and purpose of these reserves are explained below:

Expense. The Expense Fund Reserve provides for general and administrative expenses of the Fund and those expenses not funded through other specific legislative appropriations. Funding consists of transfers from the retirement funds and is made as needed.

Annuity Savings. The Annuity Savings is credited with contributions made by members of the Fund. When a member terminates his service, or upon his death before qualifying for a benefit, the refund of his contributions is made from this reserve. If a member dies and there is a survivor who is eligible for a benefit, the amount of the member's accumulated contributions is transferred from the Annuity Savings to the Annuity Reserve to provide part of the benefits. The Annuity Savings as of September 30, 2003 is $15,027,621. The Annuity Savings is fully funded.

Pension Accumulation Reserve. The Pension Accumulation Reserve consists of contributions paid by employers, interest earned on investments and any other income not covered by other accounts. This reserve account is charged annually with an amount, determined by the actuary, to be transferred to the Annuity Reserve to fund retirement benefits for existing recipients. It is also relieved when expenditures are not covered by other accounts. The Pension Accumulation Reserve as of September 30, 2003 is $29,226,844. The Pension Accumulation Reserve is 49.22% funded.

Annuity Reserve. The Annuity Reserve consists of the reserves for all pensions, excluding cost-of-living increases, granted to retired members and is the reserve account from which such pensions and annuities are paid. Survivors of deceased beneficiaries also receive benefits from this reserve account. The Annuity Reserve as of September 30, 2003 is $62,652,163. The Annuity Reserve is fully funded.

Deferred Retirement Option Account. The Deferred Retirement Option Account consists of the reserves for all members who, upon retirement eligibility, elect to deposit into this account an amount equal to the member's monthly benefit if he had retired. A member can only participate in the program for three years, and upon termination may receive his benefits in a lump sum payment or by a true annuity. The deferred retirement option as of September 30, 2003 is $5,298,746. The Deferred Retirement Option account is fully funded.

4. Required Contributions

The "Frozen Attained Age Normal" cost method was used to calculate the funding requirements of the Fund. Funding of pension plans under this method consists of two components. The first of these components is the Employer Normal Cost of the plan. In addition, amortization payments on the Fund's unfounded liability must be made. The actuarial present value of future normal cost is called the actuarial accrued liability. Act 81 of the 1988 legislative session requires that the unfunded accrued liability be amortized over a forty-year period beginning on July 1, 1989 with payments increasing at 3.5% per year.

Contributions totaling $10,937,576 ($8,763,450 employer and $2,174,126 employee) were made in accordance with actuarially determined contribution requirements determined through an actuarial valuation performed at September 30, 2002. These contributions consisted of (a) normal cost of $6,542,231 and (b) amortization of the unfunded actuarial liability of $2,221,219.

Significant actuarial assumptions used to compute contributions requirements are: (1) a rate of return on the investment of present and future assets of 8% per year compounded annually; (2) projected salary increases of 6%; (3) pre- and post-mortality life expectancies of participants based on the 1983 Group Annuity Mortality Basic Table; (4) rates of withdrawal and termination from active service before retirement for reasons other than death (based on a table in the actuarial report which is based on the Fund's experience); and (5) rates of disability of .03%. The foregoing actuarial assumptions are based on the presumptions that the plan will continue. Basic valuation assumptions are the same as those utilized for the prior year.

5. Cash and Cash Equivalents

At September 30, 2003, the fund has cash and cash equivalents (book balances) consists of the following:

Demand deposits	$	12,022
Bank Trust Department		3,157,461
Repurchase agreements		319,055
Louisiana Asset Management Pool (LAMP)		976,348
	$	4,464,886

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 pledge securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At September 30, 2003, the fund has $4,177,864 in deposits (collected bank balances). These deposits are secured from risk by $343,055 of federal deposit insurance and $3,145,483 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Fund that the fiscal agent has failed to pay deposited funds upon demand.

In accordance with GASB Codification Section I50.126, the investment in LAMP at September 30, 2003 ($976,348) is not categorized in the three risk categories provided by GASB Codification Section I50.125 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities who have contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA – R.S. 33:2955. Accordingly, LAMP

investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchased agreements collateralized by those securities.

Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA-R.S. 33:2955(A)(1)(h) which allows all municipalities, parishes, school boards, and any other political subdivisions of the State to invest in "Investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated are fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

6. Investments

Statutes authorize the Fund to invest in a prudent manner and limit investments in common stocks to 55% of the total portfolio. All of the Plan's investments are insured or registered and held by a bank-administered trust fund or a Securities and Exchange Commission registered broker-dealer (GASB category 1). Investments at cost and fair value as determined by quoted market prices at September 30, 2003, were:

	Amortized Cost	Fair Values
U. S. Government Securities	$ 7,451,377	$ 7,689,488
Corporate bonds	13,606,237	14,624,811
Foreign government securities	273,762	273,763
Bond mutual fund	27,541,308	29,132,464
Stock mutual funds	54,053,667	55,259,145
	$ 102,926,351	$ 106,979,671

7. Equipment and Fixtures

The following is a summary of changes in the equipment and fixtures during the fiscal year:

	Balance October 1, 2002	Additions	Retirements	Balance September 30, 2003
Furniture	$ 52,941	$ -	$ -	$ 52,941
Computer software	25,000	-	-	25,000
Web site	17,785	-	-	17,785
	95,726	-	-	95,726
Accumulated depreciation	54,242	$ 7,312	$ -	61,554
Net equipment and fixtures	$ 41,484			$ 34,172

Depreciation expense for the year ended September 30, 2003 was $7,312.

8. Related Party Transactions

The Fund shares an office building, equipment and other office expenses with the Louisiana Assessors' Association and Insurance Fund, two related parties. Most of the expenses, including the salaries of employees of all three funds, are paid out of the Association. The Fund reimbursed the Association for shared expenses for the year ended September 30, 2003 in the amount of $112,500.

9. Concentrations of Credit Risks

As noted in Note 5, the Assessors' Retirement Fund has concentrations of investments in U.S. government and agency securities as well as bonds and stocks of U. S. corporations. The value and collectibility of these investments is dependent on the normal market conditions that impact these types of investments as well as the continued existence and solvency of those entities.

10. Risk Management

The Assessors' Retirement Fund is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Fund carries insurance through the State of Louisiana, Office of Risk Management at levels which management believes are adequate to protect the Fund. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

11. Contingencies

As of September 30, 2003, the Fund has approximately $200,000 due from relatives of deceased members. These amounts result from benefits and refunds paid in error in years prior to September 30, 2001. The Fund's attorney is pursuing collection of these amounts. During the year ended September 30, 2002, the Board decided to cease pursuit of approximately $92,000 of this total because they were of the opinion that the amounts would be uncollectible. Because of the uncertainty surrounding the collection of these amounts, no receivable has been recorded in the financial statements.

Also as explained in Note 3, the Fund is involved in litigation with Orleans Parish relative to contributions due to the Fund. The outcome of the suit is unknown at this time.

At September 30, 2003, there was another suit pending against the Fund. Although the outcome is not presently determinable, in the opinion of counsel, the resolution of the matter will not have a material adverse effect on the financial position of the Fund.

LOUISIANA ASSESSORS' RETIREMENT FUND

Supplementary Information *September 30, 2003*

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows.

Valuation date	September 30, 2003
Actuarial cost method	Frozen attained age normal
Amortization method	Level percent of payroll - closed
Remaining amortization period	25 years
Asset valuation method	Market value adjusted to defer $^{2}/_{3}$ of all realized and unrealized capital gains and losses accrued during the fiscal year and $^{1}/_{3}$ of such gain accrued in the prior year
Actuarial assumptions:	
Investment rate of return*	8%
Projected salary increase*	6%
Cost of living adjustments	The present value of future retirement benefits is based on benefits currently being paid by the system and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

*Includes inflation at 3.25%

LOUISIANA ASSESSORS' RETIREMENT FUND

Schedule of Funding Progress *September 30, 2003*

Actuarial Valuation Date	Actuarial Value of Assets (a)	Frozen Unfunded AAL (UAAL) (b)	Actuarial Accrued Liability (AAL) (a+b)	Funded Ratio (a/a+b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b/c)
09/30/03	$ 107,179,684	$ 35,184,693	$ 142,364,377	75.29%	$ 26,991,176	130.36%
09/30/02	104,687,539	35,298,399	139,985,938	74.78%	26,360,649	133.91%
09/30/01	107,017,014	34,829,808	141,846,822	75.45%	26,101,442	133.44%
09/30/00	108,118,518	34,323,354	142,441,872	75.90%	25,658,208	133.77%
09/30/99	99,540,025	33,878,583	133,418,608	74.61%	23,906,982	141.71%
09/30/98	91,984,065	34,037,823	126,021,888	72.99%	22,345,856	152.32%
09/30/97	81,784,208	33,386,709	115,170,917	71.01%	21,190,419	157.56%
09/30/96	71,271,364	32,720,583	103,991,947	68.54%	19,437,383	168.34%
09/30/95	65,628,670	32,042,694	97,671,364	67.19%	18,040,940	177.61%
09/30/94	58,749,097	31,355,981	90,105,078	65.20%	17,805,316	176.10%

LOUISIANA ASSESSORS' RETIREMENT FUND

Schedule of Employer Contributions And Other Contributing Entities September 30, 2003

Year Ended September 30	Employer Contributions: Annual Required Contribution	Employer Contributions: Percentage Contributed
2003	$ 9,355,104	93.68%
2002	7,804,354	91.95%
2001	6,052,372	95.63%
2000	5,016,788	105.59%
1999	4,370,273	118.31%
1998	4,321,032	115.51%
1997	4,324,954	105.49%
1996	4,142,132	97.44%
1995	3,876,080	105.16%
1994	3,872,701	103.75%

Schedule 3

LOUISIANA ASSESSORS' RETIREMENT FUND

Trustees' Per Diem *Year Ended September 30, 2003*

	Number of Meetings	Per Diem
Tom Arnold	11	$ 825
Jimmy Dean	1	75
Jimmy Dupont	4	300
Rhyn Duplechain	10	750
Emeric Dupuy	3	225
M.L. Graham	13	975
Pam Jones	7	525
Leroy Martin	8	600
Sherel Martin, Jr.	8	600
Stephanie Smith	7	525
Emile Spano	4	300
Erroll G. Willliams	5	375
Mike Wooden	11	825
		$ 6,900

Schedule 4

LOUISIANA ASSESSORS' RETIREMENT FUND

Administrative Expenses *Year Ended September 30, 2003*

Shared expenses including salaries and benefits and other office expenses	$ 112,500
Other professional fees	65,182
Legal fees	49,114
Bank service charges	10,465
Miscellaneous administrative expense	8,432
Audit and accounting	7,500
Depreciation	7,311
Postage	1,019
Board per diem	6,900
Travel	5,780
Seminars	3,881
Computer supplies	4,191
Other	1,816
	$ 284,091

Provost Salter Harper & Alford LLC
Certified Public Accountants
Business Advisors

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

To the Board of Trustees
Louisiana Assessors' Retirement Fund
Baton Rouge, Louisiana

We have audited the financial statements of the Louisiana Assessors' Retirement Fund, State of Louisiana, as of and for the year ended September 30, 2003, and have issued our report thereon dated November 26, 2003. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Louisiana Assessors' Retirement Fund, State of Louisiana's 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 tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards.*

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Louisiana Assessors' Retirement Fund, State of Louisiana's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting.

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Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. 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 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 over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the Audit Committee, the Board of Trustees, management of the Louisiana Assessors' Retirement Fund and the State of Louisiana Legislative Auditors' office and is not intended to be and should not be used by anyone other than those specified parties. Under Louisianan Revised Statutes 24:513, this report is distributed by the Legislative Auditor as a public document.

PROVOST, SALTER, HARPER & ALFORD, L.L.C.

Provost, Salter, Harper & Alford, L.L.C.

November 26, 2003

Independent Auditor's Comment on Resolution Of Prior Audit Findings *Year Ended September 30, 2003*

There are no prior year audit findings for which the Louisiana Assessors' Retirement Fund has not implemented the corrective action recommended.

Provost Salter Harper & Alford LLC
Certified Public Accountants
Business Advisors

To The Board of Trustees
Louisiana Assessors' Retirement Fund
Baton Rouge, Louisiana

We have audited the financial statements of Louisiana Assessors' Retirement Fund for the year ended September 30, 2003, and have issued our report thereon dated November 26, 2003. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards and Government Auditing Standards

As stated in our engagement letter dated October 6, 2003, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement and are fairly presented in accordance with U.S. generally accepted accounting principles. Because an audit is designed to provided reasonable, but not absolute, assurance and because we did not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us.

As part of our audit, we considered the internal control of Louisiana Assessors' Retirement Fund. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of Louisiana Assessors' Retirement Fund's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our tests was not to provide an opinion on compliance with such provisions.

Other Information in Documents Containing Audited Financial Statements

We have not been informed of any documents that contain your audited financial statements. If there were such documents, we have a responsibility to determine that financial information included in those documents is not materially inconsistent with the audited financial statements of the Fund.

Significant Accounting Policies

Management has the responsibility for selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by Louisiana Assessors' Retirement Fund are described in Note 1 to the

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financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended September 30, 2003. We noted no transactions entered into by the Fund during the year that were both significant and unusual, and of which, under professional standards, we are required to inform you, or transactions for which there is a lack of authoritative guidance or consensus.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the financial statements was: the estimated actuarial accrued liability and other actuarial calculations described in the financial statements.

Management's estimate of the actuarial accrued liability is based on the Frozen Attained Age Normal Cost Method. We evaluated the key factors and assumptions used to develop the actuarial accrued liability in determining that it is reasonable in relation to the financial statements taken as a whole.

Audit Adjustments

For purposes of this letter, professional standards define an audit adjustment as a proposed correction of the financial statements that, in our judgment, may not have been detected except through our auditing procedures. An audit adjustment may or may not indicate matters that could have a significant effect on the Fund's financial reporting process (that is, cause future financial statements to be materially misstated). In our judgment, none of the adjustments we proposed, whether recorded or unrecorded by the Fund, either individually or in the aggregate, indicate matters that could have a significant effect on the Fund's financial reporting process.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Fund's financial statements or a determination of the type of auditor's opinion that may be expressed on

those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Issues Discussed Prior to Retention of Independent Auditors

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Fund's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

This information is intended solely for the use of the Audit Committee, The Board of Trustees, management of Louisiana Assessors' Retirement Fund and the State of Louisiana Legislative Auditor's office and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statutes 24:513, this report is distributed by The Legislative Auditor as a public document.

PROVOST, SALTER, HARPER & ALFORD, L.L.C.

Provost, Salter, Harper & Alford, L.L.C.

November 26, 2003

Provost Salter Harper & Alford LLC
Certified Public Accountants
Business Advisors

To the Management and the Board of Trustees
Louisiana Assessors' Retirement Fund
Baton Rouge, Louisiana

In planning and performing our audit of the financial statements of Louisiana Assessors' Retirement Fund for the year ended September 30, 2003, we considered the Fund's internal control structure to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control.

However, during our audit we became aware of the following matters that are opportunities for strengthening internal controls and operating efficiency. This letter does not affect our report dated November 26, 2003, on the financial statements of Louisiana Assessors' Retirement Fund.

We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with various Fund personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations. Our comments are summarized as follows:

Ethics and Communication. The business environment that exists today requires that Boards of any organization adopt an ethics statement. The statement should set forth the values of the Fund and it should be communicated to employees. Signed copies should be in employees' personnel files and an annual review should be done to remind employees of the Fund's policy. There should also be a method for violations to be reported anonymously through a lock box or designated individual such as the Fund's attorney.

GASB Statement No. 34. In October 1999, the Governmental Accounting Standards Board issued Statement Number 34, "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments". You will be required to adopt this statement next year. The most significant change will require you to include a management discussion and analysis (MDA) with the financial statements. The MDA will give a brief discussion of the basic financial statements including reasons for changes and economic factors that significantly affect operations.

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This report is intended solely for the information and use of the Audit Committee, Board of Trustees, management of the Louisiana Assessors' Retirement Fund and the State of Louisiana Legislative Auditor's office and is not intended to be and should not be used by anyone other than those specified parties. Under Louisiana Revised Statutes 24:513, this report is distributed by the Legislative Auditors as a public document.

PROVOST, SALTER, HARPER & ALFORD, L.L.C.

Provost, Salter, Harper & Alford, L.L.C.

November 26, 2003

LOUISIANA ASSESSORS' RETIREMENT FUND

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February 16, 2004

Provost, Salter, Harper & Alford, LLC
8550 United Plaza Blvd., Suite 600
Baton Rouge, Louisiana 70809

Gentlemen:

In response to your management letter comments regarding an ethics policy and GASB 34 implementation, be advised that we will take the ethics policy under advisement and take appropriate action, and we will implement GASB 34 next year. I appreciate you bringing these matters to our attention.

Sincerely,

Russel L. Benoit

Russel L. Benoit
President, Louisiana Assessors' Retirement Fund

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