

ST. MARTIN PARISH ASSESSOR
St. Martinville, Louisiana

Financial Report

Year Ended December 31, 2009

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 Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 6/9/10

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The Honorable Lawrence Patin
St. Martin Parish Assessor
St. Martinville, Louisiana

We have audited the accompanying financial statements of the governmental activities and the major fund of the St. Martin Parish Assessor, as of and for the year ended December 31, 2009, which collectively comprise the St. Martin Parish Assessor's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the St. Martin Parish Assessor's management. Our responsibility is to express opinions 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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the St. Martin Parish Assessor, as of December 31, 2009, and the respective changes in financial position thereof 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 April 2, 2010, on our consideration of the St. Martin Parish Assessor's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The required supplementary information on pages 26 - 27 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The St. Martin Parish Assessor has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the St. Martin Parish Assessor's basic financial statements. The other supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Breaux Bridge, Louisiana
April 2, 2010

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

ST. MARTIN PARISH ASSESSOR
St. Martinville, Louisiana

Statement of Net Assets
December 31, 2009

	Governmental Activities
ASSETS	
Current Assets:	
Cash and interest-bearing deposits	\$ 1,088,149
Receivables:	
Ad valorem taxes	839,280
Allowance for uncollectibles	(134,626)
Accrued interest	3,740
Total current assets	1,796,543
Noncurrent assets:	
Capital assets, net	90,138
Total assets	1,886,681
LIABILITIES	
Current Liabilities:	
Accounts payable	1,237
OPEB obligation	15,082
Total current liabilities	16,319
Noncurrent liabilities:	
OPEB obligation	71,048
Total noncurrent liabilities	71,048
Total liabilities	87,367
NET ASSETS	
Invested in capital assets	90,138
Unrestricted	1,709,176
Total net assets	\$ 1,799,314

The accompanying notes are an integral part of the basic financial statements.

ST. MARTIN PARISH ASSESSOR
St. Martinville, Louisiana

Statement of Activities
For the Year Ended December 31, 2009

Expenses:	
General government:	
Personnel services and related benefits	\$ 694,590
Operating services	39,632
Operations and maintenance	<u>96,807</u>
Total expenses	<u>831,029</u>
Program revenues:	
Charges for services	<u>6,923</u>
Net program expense	<u>(824,106)</u>
General revenues:	
Property taxes	793,157
State revenue sharing	64,805
Interest and investment earnings	16,961
Other	<u>5,596</u>
Total general revenues	<u>880,519</u>
Change in net assets	56,413
Beginning net assets	<u>1,742,901</u>
Ending net assets	<u>\$ 1,799,314</u>

The accompanying notes are an integral part of the basic financial statements.

FUND FINANCIAL STATEMENTS (FFS)

ST. MARTIN PARISH ASSESSOR
St. Martinville, Louisiana

Balance Sheet - Governmental Fund
December 31, 2009

	<u>General Fund</u>
ASSETS	
Cash and interest-bearing deposits	\$ 1,088,149
Receivables:	
Ad valorem taxes	839,280
Allowance for uncollectibles	(134,626)
Accrued interest	<u>3,740</u>
 Total assets	 <u>\$ 1,796,543</u>
LIABILITIES AND FUND BALANCE	
Accounts payable	\$ 1,237
Fund balance:	
Unreserved, undesignated	<u>1,795,306</u>
 Total liabilities and fund balance	 <u>\$ 1,796,543</u>

The accompanying notes are an integral part of the basic financial statements.

ST. MARTIN PARISH ASSESSOR
St. Martinville, Louisiana

Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Assets
December 31, 2009

Total fund balance for the governmental fund at December 31, 2009	\$1,795,306
Total net assets reported for governmental activities in the statement of net assets is different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:	
Equipment and vehicles, net of \$368,082 accumulated depreciation	90,138
General long-term debt of governmental activities is not payable from current resources and, therefore, not reported in the funds. This debt is:	
Net OPEB obligation payable	<u>(86,130)</u>
Total net assets of governmental activities at December 31, 2009	<u>\$1,799,314</u>

The accompanying notes are an integral part of the basic financial statements.

ST. MARTIN PARISH ASSESSOR
St. Martinville, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Fund
For the Year Ended December 31, 2009

Revenues:	
Intergovernmental revenues -	
Ad valorem taxes	\$ 793,157
Preparation of tax roll	6,923
State revenue sharing	64,805
Interest	16,961
Other	<u>5,596</u>
Total revenues	<u>887,442</u>
Expenditures:	
Current -	
Personnel services and related benefits	608,147
Operating services	39,632
Operations and maintenance	75,219
Capital outlay	<u>64,101</u>
Total expenditures	<u>787,099</u>
Excess of revenues over expenditures	100,343
Fund balance, beginning of year	<u>1,694,963</u>
Fund balance, end of year	<u>\$1,795,306</u>

The accompanying notes are an integral part of the basic financial statements.

ST. MARTIN PARISH ASSESSOR
St. Martinville, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balance of Governmental Fund
to the Statement of Activities
For the Year Ended December 31, 2009

Total net change in fund balance for the year ended December 31, 2009 per Statement of Revenues, Expenditures and Changes in Fund Balance		\$100,343
The change in net assets reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 64,101	
Depreciation expense for the year ended December 31, 2009	<u>(21,588)</u>	42,513
Because governmental funds do not record fixed assets and accumulated depreciation, any assets disposed of with no selling price does not affect the statement of revenues, expenditures, and changes in fund balances. However, in the statement of activities, a gain or loss is shown on assets that are not fully depreciated.		(313)
Net OPEB obligation at December 31, 2009		<u>(86,130)</u>
Total change in net assets at December 31, 2009 per Statement of Activities		<u>\$ 56,413</u>

The accompanying notes are an integral part of the basic financial statements.

ST. MARTIN PARISH ASSESSOR
St. Martinville, Louisiana

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

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 term of four years. The Assessor assesses property, prepares tax rolls and submits the rolls to the Louisiana Tax Commission as prescribed by law.

The accompanying financial statements of the St. Martin Parish Assessor (Assessor) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

Such accounting and reporting procedures also conform to the industry audit guide, Audits of State and Local Governmental Units.

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

For financial reporting purposes, the Assessor includes all funds that are controlled by the Assessor as an independently elected parish official. The activities of the parish government, parish school board, other independently elected parish officials, and municipal level government are not included within the accompanying financial statements as they are considered autonomous governments. These units of government issue financial statements separate from that of the Parish Assessor.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net assets and statement of activities display information about the reporting government as a whole. They include the fund of the reporting entity, which is considered to be a governmental activity. The statement of activities presents a comparison between direct expenses and program revenues for each function of the Assessor's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

ST. MARTIN PARISH ASSESSOR
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

Fund Financial Statements (FFS)

The accounts of the Assessor are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The fund of the Assessor is classified as a governmental fund. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The major fund of the Assessor is described below:

Governmental Fund -

General Fund

The General Fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the Assessor and is used to account for the operations of the Assessor's office. The various fees and charges due to the Assessor's office are accounted for in this fund. General operating expenditures are paid from this fund.

C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net assets and the statement of activities, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery) and financial position. All assets and liabilities (whether current or noncurrent)

ST. MARTIN PARISH ASSESSOR
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

associated with its activities are reported. Government-wide fund equity is classified as net assets. In the fund financial statements, the "current financial resources" measurement focus is used. Only current financial assets and liabilities are generally included on its balance sheet. Their operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of the period.

Basis of Accounting

In the government-wide statement of net assets and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues are classified by source and expenditures are classified by function and character. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

When both restricted and unrestricted resources are available for use, it is the Assessor's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities and Equity

Cash and interest-bearing deposits

For purposes of the statement of net assets, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the Assessor.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair

ST. MARTIN PARISH ASSESSOR
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

market value at the date of donation. The Assessor maintains a threshold level of \$500 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Furniture, fixtures and equipment	5-7 years
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Equity Classifications

In the government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

E. Budgetary and Budgetary Accounting

The Assessor follows these procedures in establishing the budgetary data reflected in the financial statements:

1. A proposed budget is prepared for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.

ST. MARTIN PARISH ASSESSOR
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

2. A summary of the proposed budget is published and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for a hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the Assessor. Such amendments were not material in relation to the original appropriations.

F. Vacation and Sick Leave

Employees of the Assessor's office earn from 5 to 15 days of vacation leave each year (depending on length of service) and 10 days of sick leave each year. Vacation leave remaining at the end of the calendar year is converted into sick leave. Sick leave earned by employees can be accumulated but is not payable upon termination or retirement.

At December 31, 2009, there are no accumulated or vested benefits relating to vacation or sick leave that are required to be accrued or reported.

G. Cash and Interest-Bearing Deposits

Cash and interest-bearing deposits include amounts in demand deposits, time deposits, and interest-bearing securities invested with the Louisiana Asset Management Pool (LAMP) which is stated at cost. An investment in the amount of \$404,865 at December 31, 2009 is deposited in LAMP, a local government investment pool. In accordance with GASB Codification Section 150.165, the investment in LAMP is not categorized into the three risk categories provided by GASB Codification Section 150.164 because the investment is in the pool of funds and thereby 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, and is

ST. MARTIN PARISH ASSESSOR
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

governed by a board of directors comprised of representatives from various local governments and state wide professional organizations. Only local governments having 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. 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 repurchase agreements collateralized by those securities. 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.

(2) Cash and Interest-Bearing Deposits

Under state law, the Assessor may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Assessor may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2009, the Assessor has cash and interest-bearing deposits (book balances) totaling as follows:

Demand deposits	\$ 154,764
Time deposits	<u>933,385</u>
Total	<u>\$ 1,088,149</u>

These deposits are stated at cost, which approximates market. Custodial credit risk is the risk that in the event of a bank failure, the Assessor's deposits may not be returned to it. The Assessor's policy, by state law, is that all 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 on deposit with the fiscal agent bank. 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. Deposit balances (bank balances) at December 31, 2009, are secured as follows:

ST. MARTIN PARISH ASSESSOR
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

Bank balances \$ 933,385

At December 31, 2009, the deposits are secured as follows:

Insured	684,584
Uninsured and collateral held by pledging bank not in Assessor's name	<u>248,801</u>
Total	<u>\$ 933,385</u>

The Assessor had only one investment on which GASB Statement No. 31 applied. This investment was an investment in LAMP. GASB Statement No. 31 requires that investments, that fall within the definitions of said statement, be recorded at fair value. However, Statement No. 31 also states that investments in an external investment pool can be reported at amortized cost if the external investment pool operates in a manner consistent with the Security Exchange Assessor's (SEC's) Rule 2a7. LAMP is an external investment pool that operates in a manner consistent with SEC Rule 2a7. LAMP is also regulated by the Treasury of the State of Louisiana and fair value of the position in the pool is the same as the value of pool shares.

At December 31, 2009 the Assessor's investment, at cost, is \$404,865. The amortized cost of this investment at December 31, 2009 is \$404,885. Because cost approximates amortized cost, the carrying value was not adjusted.

(3) Capital Assets

Capital asset balances and activity for the year ended December 31, 2009 are as follows:

	Balance 1/1/2009	Additions	Deletions	Balance 12/31/2009
Maps	\$ 283,250	\$ 7,750	-	\$ 291,000
Office equipment	33,137	3,529	(18,093)	18,573
Computer equipment	69,099	52,822	(648)	121,273
Vehicles	<u>27,374</u>	<u>-</u>	<u>-</u>	<u>27,374</u>
Totals	412,860	64,101	(18,741)	458,220
Less: Accumulated depreciation	<u>(364,922)</u>	<u>(21,588)</u>	<u>18,428</u>	<u>(368,082)</u>
Net capital assets	<u>\$ 47,938</u>	<u>\$ 42,513</u>	<u>\$ (313)</u>	<u>\$ 90,138</u>

Depreciation expense of \$21,588 was charged to the general government function.

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St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

(4) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. During the current fiscal year, taxes were levied in June and billed to the taxpayers by the St. Martin Parish Sheriff in November. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. An allowance is established for delinquent taxes to the extent that collection has not occurred in the two months following the close of the calendar year.

The taxes are based on assessed values determined by the St. Martin Parish Tax Assessor and are collected by the Sheriff. The taxes are remitted to the Tax Assessor net of deductions for pension fund contributions.

Ad valorem taxes are budgeted and recorded in the year levied and billed. For the year ended December 31, 2009, special assessment district taxes were levied at the rate of 3.63 mills on property with assessed valuations totaling \$230,823,287.

Total special assessment district taxes levied during 2009 were \$837,889. Taxes receivable at December 31, 2009, was \$839,280 and the allowance for uncollectible receivables was \$134,626.

(5) Pension Plan

Plan Description: The St. Martin Parish Assessor contributes to the Louisiana Assessors' Retirement Fund, a cost-sharing multiple employer defined benefit pension plan administered by a separate board of trustees. Provisions of the plan are set forth in the Louisiana Revised Statutes 11:1401 through 11:1483 to provide retirement, disability and survivor benefits for the assessors and their permanent, full-time employees. The Board of Trustees of the Louisiana Assessors' Retirement Fund issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Board of Trustees, Louisiana Assessors' Retirement Fund, P.O. Box 14699, Baton Rouge, Louisiana, 70898.

Funding Policy: In 2009, plan members were required to contribute 8 percent of their annual covered salary, and the assessor was required to make contributions of 13.5 percent of the salaries. In addition, the System receives one forth of one percent of the taxes shown to be collected on the tax rolls of each parish and revenue sharing funds as appropriated each year by legislature. The employer's net actuarially required contribution for the year ended September 30, 2009 was 8.45 percent of covered payroll. The St. Martin Parish Assessor's contributions to the Retirement System for the years ended December 31, 2009, 2008 and 2007 were \$91,510, \$81,142, and \$72,669, respectively.

(6) Litigation

The Assessor's office has been named in one lawsuit. Management and legal counsel for the Assessor are of the opinion that this lawsuit will not result in any significant monetary losses. Therefore, there has been no accrual on the balance sheet at December 31, 2009.

(7) Risk Management

The Assessor is exposed to risks of loss in the areas of general and auto liability and workers'

ST. MARTIN PARISH ASSESSOR
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Notes to Basic Financial Statements (continued)

compensation. Those risks are handled by purchasing commercial insurance. There have been no significant reductions in insurance coverage during the current year nor have settlements exceeded coverage for the past three years.

(8) Expenditures of the Assessor Paid by the Parish Government

The Assessor's office is located in the St. Martin Parish Courthouse. The upkeep and maintenance of the courthouse is paid by the St. Martin Parish Government. In addition, the Parish Government also pays some of the Assessor's operating expenditures. These expenditures are not reflected in the accompanying financial statements.

(9) Deferred Compensation Plan

Certain employees of the Assessor participate in the Louisiana Public Employees Deferred Compensation Plan adopted under the provisions of the Internal Revenue Code (IRC) Section 457. Complete disclosures relating to the Plan are included in the separately issued audit report for the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397.

(10) Operating Leases

The Assessor is obligated under certain leases accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations, therefore the results of these agreements are not reflected in property and equipment. The Assessor currently has three operating leases requiring disclosure. One lease is for a color copier, one is for a postage machine, and the other one is for a vehicle. The monthly payment on the copier lease is \$361, and the lease expires in August 2012. The monthly payment on the postage machine is \$242, and the lease expires in July 2010. The monthly payment on the vehicle lease is \$244, and the lease expires in October 2010.

Lease expense at December 31, 2009 was \$8,105. The following schedule, by years, of future minimum lease payments required under operating leases that have initial or remaining noncancelable lease terms in excess of one year as of December 31, 2009 is as follows:

<u>Year Ending December 31,</u>	<u>Amounts</u>
2010	\$ 8,951
2011	4,332
2012	<u>2,524</u>
Total minimum payments required	<u>\$ 15,807</u>

ST. MARTIN PARISH ASSESSOR
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

(11) Post-Retirement Health Care and Life Insurance Benefits

From an accrual accounting perspective, the cost of postemployment healthcare and life insurance benefits should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. In adopting the requirements of GASB Statement No. 45 during the year ended December 31, 2009, the Assessor recognizes the cost of postemployment healthcare in the year when employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the Assessor's future cash flows. Because the Assessor is adopting the requirements of GASB Statement No. 45 prospectively, recognition of the liability accumulated from prior years will be phased in over 30 years, commencing with the 2009 liability.

Plan Description: In accordance with the Employer Health and Welfare Benefit Plan established in November 1986, the Assessor provides certain continuing health care benefits for its retired employees. The plan is a single-employer defined benefit health care plan administered by the Assessor. The Assessor has the authority to establish and amend the benefit provisions of the plan. The plan does not issue a publicly available financial report.

Funding Policy: The Assessor contributes 100% of the cost of current year premiums for eligible retired employees and their spouses. The Assessor recognizes the cost of providing these benefits (the Assessor's portion of premiums) as an expenditure when the monthly premiums are due. The benefits are financed on a pay-as-you-go basis.

Annual OPEB Cost: The Assessor's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The Assessor utilizes the level-dollar amortization method to amortize the unfunded actuarial accrued liability.

ST. MARTIN PARISH ASSESSOR
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

The following table shows the components of the Assessor's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the sheriff's net OPEB obligation:

Annual required contribution	\$ 101,212
Interest on net OPEB obligation	-
Adjustment to annual required contribution	<u>-</u>
Annual OPEB cost (expense)	101,212
Contributions made	<u>(15,082)</u>
Increase in net OPEB obligation	86,130
Net OPEB obligation - beginning of year	<u>-</u>
Net OPEB obligation - end of year	<u>\$ 86,130</u>

The Assessor's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2009 is as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2009	\$ 101,212	14.9%	\$ 86,130

Fiscal year 2009 was the year of implementation of GASB Statement No. 45 and the Assessor has elected to implement prospectively. Therefore, prior year comparative data is not available. In future years, three-year trend information will be presented.

Funded Status and Funding Progress: The funded status of the plan as of December 31, 2009, was as follows:

Actuarial accrued liability (AAL)	\$ 963,908
Actuarial valuation of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 963,908</u>
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	\$ 370,328
UAAL as a percentage of covered payroll	260%

ST. MARTIN PARISH ASSESSOR
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

Actuarial valuations for an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to continuous revision as actual results are compared to past expectations and new estimates about the future are formulated. Although the valuation results are based on values which the Assessor's actuarial consultant believes are reasonable assumptions, the valuation results reflect a long-term perspective and, as such, are merely an estimate of what future costs may actually be. Deviations in any of several factors, such as future interest rates, medical cost inflation, Medicare coverage, and changes in marital status, could result in actual costs being less or greater than estimated.

The schedule of funding progress presented as required supplementary information following the notes to the financial statements, will present multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Because 2009 was the year of implementation of GASB Statement No. 45 and the Assessor elected to apply the statement prospectively, only one year is presented in the schedule at this time. In future years, required trend data will be presented.

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2009 actuarial valuation the unit credit actuarial cost method was used. The significant actuarial assumptions used in the valuation of the plan are as follows:

1. Investment return of 4% per annum, compounded annually.
2. Retirement Rates

<u>Age</u>	<u>Male</u>	<u>Female</u>
46-49	22.0%	22.0%
50-54	44.0%	44.0%
55-57	4.0%	4.0%
58-62	18.0%	18.0%
63+	28.0%	28.0%

3. 100% of employees who elect coverage while in active employment and who are eligible for retiree benefits are assumed to elect continued medical coverage in retirement.

ST. MARTIN PARISH ASSESSOR
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

4. 55% of members electing coverage are assumed to also elect coverage for a spouse.
5. The inflation rate is 6.5%.

**REQUIRED
SUPPLEMENTARY INFORMATION**

ST. MARTIN PARISH ASSESSOR
St. Martinville, Louisiana

Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
Revenues:				
Intergovernmental revenues -				
Ad valorem taxes	\$ 712,334	\$ 762,934	\$ 793,157	\$ 30,223
Preparation of tax roll	7,400	7,000	6,923	(77)
State revenue sharing	85,000	97,000	64,805	(32,195)
Interest	32,000	15,000	16,961	1,961
Other	8,000	5,200	5,596	396
Total revenues	<u>844,734</u>	<u>887,134</u>	<u>887,442</u>	<u>308</u>
Expenditures:				
Current -				
Personnel services and related benefits	615,107	613,947	608,147	5,800
Operating services	81,000	59,800	39,632	20,168
Operations and maintenance	71,650	74,450	75,219	(769)
Capital outlay	65,000	65,000	64,101	899
Total expenditures	<u>832,757</u>	<u>813,197</u>	<u>787,099</u>	<u>26,098</u>
Excess of revenues over expenditures	11,977	73,937	100,343	26,406
Fund balance, beginning of year	<u>1,694,963</u>	<u>1,694,963</u>	<u>1,694,963</u>	<u>-</u>
Fund balance, end of year	<u>\$1,706,940</u>	<u>\$1,768,900</u>	<u>\$1,795,306</u>	<u>\$ 26,406</u>

ST. MARTIN PARISH ASSESSOR
St. Martinville, Louisiana

Schedule of Funding Progress
For the Year Ended December 31, 2009

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities (AAL)	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
January 1, 2007	N/A	N/A	N/A	N/A	N/A	N/A
January 1, 2008	N/A	N/A	N/A	N/A	N/A	N/A
January 1, 2009	-	\$ 963,908	\$ 963,908	0%	\$ 370,328	260%

OTHER SUPPLEMENTARY INFORMATION

ST. MARTIN PARISH ASSESSOR
St. Martinville, Louisiana

Statement of Expenditures Compared to Budget (GAAP Basis) -
General Fund
Year Ended December 31, 2009

	Original Budget	Final Budget	Actual	Variance - Favorable (Unfavorable)
Current:				
Personnel services and related benefits -				
Salaries:				
Assessor	\$ 123,360	\$ 123,360	\$ 123,360	\$ -
Deputies	256,631	256,631	234,631	22,000
Other	13,500	13,500	30,566	(17,066)
Allowance	14,836	14,836	13,712	1,124
Group insurance	73,820	75,110	75,902	(792)
Pension	91,510	91,510	91,510	-
Payroll tax	4,150	4,150	3,797	353
Workman's compensation insurance	4,000	1,550	1,369	181
Deferred compensation	33,300	33,300	33,300	-
	<u>615,107</u>	<u>613,947</u>	<u>608,147</u>	<u>5,800</u>
Total personnel services and related benefits				
Operating services:				
Professional fees	81,000	59,800	39,632	20,168
Operations and maintenance:				
Office supplies and expense	24,450	29,100	33,963	(4,863)
Telephone	9,000	9,000	8,425	575
Postage	6,500	5,000	3,709	1,291
Dues & subscriptions	3,500	3,500	3,524	(24)
Training - school and tuition	4,000	3,500	3,128	372
Equipment maintenance	2,500	4,500	4,308	192
Uniforms	500	150	105	45
Automobile supplies and maintenance	21,200	19,700	18,057	1,643
	<u>71,650</u>	<u>74,450</u>	<u>75,219</u>	<u>(769)</u>
Total materials and supplies				
Capital outlay:				
Equipment	65,000	65,000	64,101	899
	<u>65,000</u>	<u>65,000</u>	<u>64,101</u>	<u>899</u>
Total expenditures				
	<u>\$ 832,757</u>	<u>\$ 813,197</u>	<u>\$ 787,099</u>	<u>\$ 26,098</u>

**INTERNAL CONTROL,
COMPLIANCE, AND
OTHER MATTERS**

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

The Honorable Lawrence Patin
 St. Martin Parish Assessor
 St. Martinville, Louisiana

We have audited the accompanying financial statements of the governmental activities and the major fund of the St. Martin Parish Assessor as of and for the year ended December 31, 2009, which collectively comprise the Assessor's basic financial statements and have issued our report thereon dated April 2, 2010. 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.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements of the governmental activities and the major fund of the St. Martin Parish Assessor's Office as of and for the year ended December 31, 2009, in accordance with auditing standards generally accepted in the United States of America, we considered the St. Martin Parish Assessor's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Assessor's internal control. Accordingly, we do not express an opinion on the effectiveness of the Assessor's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore there can be no assurance that all such deficiencies have been identified. However, as discussed below, we identified deficiencies in internal control that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect

and correct misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the following deficiencies described in the accompanying schedule of prior and current audit findings and management's corrective action plan as items 09-1 and 09-2 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Assessor's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, 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 or other matters that are required to be reported under Government Auditing Standards.

The Assessor's response to the findings identified in our audit is described in the accompanying schedule of prior and current audit findings and management's corrective action plan. We did not audit the Assessor's response and, accordingly, we express no opinion of it.

This report is intended solely for the information and use of management and others within the organization and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Breaux Bridge, Louisiana
April 2, 2010

ST. MARTIN PARISH ASSESSOR
St. Martinville, Louisiana

Schedule of Prior and Current Audit Findings and
Management's Corrective Action Plan
Year Ended December 31, 2009

I. Prior Year Findings:

Compliance

There were no findings that were required to be reported under the above.

Internal Control Over Financial Reporting

Item 08-1 - Inadequate Segregation of Accounting Functions

Finding:

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

Status:

Unresolved. See item 09-1.

Item 08-2 – Inadequate Controls over Financial Statement Preparation

Finding:

The Assessor's office does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including the related notes.

Management's Corrective Action Plan:

Mr. Lawrence Patin, Assessor, has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interest of the government to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.

Status:

Unresolved. See item 09-2.

Management Letter Items

There were no management letter items at December 31, 2008.

ST. MARTIN PARISH ASSESSOR
St. Martinville, Louisiana

Schedule of Prior and Current Audit Findings and
Management's Corrective Action Plan (Continued)
Year Ended December 31, 2009

II. Current Year Findings and Management's Corrective Action Plan:

Compliance

There are no findings that are required to be reported under the above.

Internal Control Over Financial Reporting

Item 09-1 - Inadequate Segregation of Accounting Functions

Finding:

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

Management's Corrective Action Plan:

Lawrence L. Patin, Assessor, has determined that it is not cost effective to achieve complete segregation of duties within the accounting department. No plan is considered necessary.

Item 09-2 – Inadequate Controls over Financial Statement Preparation

Finding:

The Assessor's office does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including the related notes.

Management's Corrective Action Plan:

Mr. Lawrence Patin, Assessor, has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interest of the government to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.

Management Letter Items

There are no management letter items at December 31, 2009.