

**ST. HELENA PARISH ASSESSOR
GREENSBURG, LOUISIANA**

ANNUAL FINANCIAL STATEMENTS

AS OF AND FOR THE TWO YEARS ENDED DECEMBER 31, 2003

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

Release Date 6-30-04

St. Helena Parish Assessor
Greensburg, Louisiana

Annual Financial Statements

As of and for the Two Years Ended December 31, 2003
With Supplementary Information Schedules

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Durnin & James

CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL CORPORATION
HAMMOND, LA - AMITE, LA

John N. Durnin, CPA
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June 23, 2004

Independent Auditor's Report

The Honorable Wesley Blades
St. Helena Parish Assessor
Greensburg, LA

We have audited the accompanying financial statements of the governmental activities and the general fund of the St. Helena Parish Assessor, a component unit of the St. Helena Parish Police Jury, as of and for the two years ended December 31, 2003, which collectively comprises the St. Helena Parish Assessor's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of the St. Helena Parish Assessor. Our responsibility is to express an opinion on these financial statements based on our audit.

We have 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 basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and the general fund of the St. Helena Parish Assessor, as of December 31, 2003, and the respective changes in financial position for the two years 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 June 23, 2004, on our consideration of the St. Helena Parish Assessor's internal control over financial reporting and our tests of its compliance with certain provisions of law, 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.

Management's Discussion and Analysis on pages 4 through 8 and the budgetary comparison schedules identified as Schedule 1 are not required parts of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consist primarily 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.

Respectfully submitted,



Durnin & James, CPAs
(A Professional Corporation)

Management's Discussion and Analysis

St. Helena Parish Assessor
Greensburg, Louisiana

Management's Discussion and Analysis

December 31, 2003

As management of the St. Helena Parish Assessor, Greensburg, Louisiana (the "Assessor"), we offer readers of the Assessor's financial statements this narrative overview and analysis of the financial activities of the Assessor for the fiscal years ended December 31, 2002 and December 31, 2003. This management discussion and analysis ("MD&A") is designed to provide an objective and easy to read analysis of the Assessor's financial activities based on currently known facts, decisions, or conditions. It is intended to provide readers with a broad overview of the Assessor's finances. It is also intended to provide readers with an analysis of the Assessor's short-term and long-term activities based on information presented in the financial report and fiscal policies that have been adopted by the Assessor. Specifically, this section is designed to assist the reader in focusing on significant financial issues, provide an overview of the Assessor's financial activity, identify changes in the Assessor's financial position (its ability to address the next and subsequent year challenges), identify any material deviations from the financial plan (the approved budget), and identify individual fund issues or concerns.

This is the first year that the Assessor has presented its financial statements under the new reporting model required by the Governmental Accounting Standards Board Statement Number 34. Because this new reporting model changes significantly not only the presentation of financial data, but also the manner in which the information is recorded, prior year comparative information for this reporting period's MD&A has not been included. The omission of their comparative information is unavoidable and unfortunately puts the reader in a less than desirable position. In preparing the information summarized below, we have tried to keep in mind this disadvantage by expanding on the narrative with our opinion of the changes from one year to the next.

As with other sections of this financial report, the information contained within this MD&A should be considered only a part of a greater whole. The readers of this statement should take time to read and evaluate all sections of this report, including the footnotes and the other Required Supplemental Information ("RSI") that is provided in addition to this MD&A.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Assessor's financial statements. The Assessor's basic financial statements consist of the following components:

1. Government-Wide Financial Statements
2. Fund Financial Statements
3. Notes to the Financial Statements
4. Other Supplementary Information, which is in addition to the basic financial statements themselves.

St. Helena Parish Assessor
Greensburg, Louisiana

Management's Discussion and Analysis (Continued)

December 31, 2003

1. Government-Wide Financial Statements

Government-wide financial statements are designed by GASB Statement No. 34 to change the way in which government financial statements are presented. It now provides readers for the first time a concise "entity-wide" Statement of Net Assets and Statement of Activities, seeking to give the user of the financial statements a broad overview of the Assessor's financial position and results of operations in a manner similar to a private-sector business.

- A. The *statement of net assets* presents information on all of the Assessor's assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. The difference between the assets and liabilities is reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Assessor is improving or weakening.
- B. The *statement of activities* presents information showing how the Assessor's net assets change during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected fees).

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The Assessor's assets exceeded its liabilities at the close of the most recent fiscal year by \$381,612 (net assets). Of this amount, \$381,612 are unrestricted net assets.

A portion of the Assessor's net assets (2.62 percent) reflects its investment in capital assets (e.g., equipment, furniture, etc.), less any related debt used to acquire those assets that is still outstanding. The Assessor uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

The remaining balance of unrestricted net assets (\$371,617) may be used to meet the Assessor's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Assessor is able to report positive balances in both categories of net assets. The same situation held true for the prior fiscal year.

Governmental Activities

The Governmental Activities of the Assessor include General Government. Ad valorem taxes fund these governmental activities.

St. Helena Parish Assessor
Greensburg, Louisiana

Management's Discussion and Analysis (Continued)

December 31, 2003

Here we show the Assessor's major expenditures related to those functions typically associated with governments. In the chart below, General Government includes the following major expenditures:

Governmental Activities Expenditures	Amount	Percent
Salaries & Related Benefits	\$ 208,316	90.74%
Materials and Supplies	13,295	5.79%
Operating Supplies	150	0.07%
Travel and Other Charges	3,757	1.64%
Depreciation	4,060	1.77%
Total Expenditures	<u>\$ 229,578</u>	<u>100.00%</u>

General revenues are those available for the Assessor to use to pay for the governmental activities described above.

2. Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Assessor, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund of the Assessor consists of one category: governmental funds.

A. Governmental funds are used to account for most of the Assessor's basic services as reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Assessor's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Assessor's programs.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for government funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund

St. Helena Parish Assessor
Greensburg, Louisiana

Management's Discussion and Analysis (Continued)

December 31, 2003

balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. These reconciliations are located on Exhibits A, B and C.

The Assessor maintains one governmental fund, the General Fund. Information is presented for this fund on Exhibits A, B and C of this report.

Financial Analysis of the Governmental Fund

The Assessor retains a reasonable surplus in the General Fund for unforeseen future emergencies such as natural disasters, decrease in economic conditions, emergency capital outlay requirements, and other similar conditions.

3. Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statement can be found on pages 13 through 25 of this report.

4. Other Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Required supplementary information can be found beginning on page 27 of this report.

A. Budgetary Comparison Schedule – The Assessor adopts an annual appropriated budget for the General Fund. A budgetary comparison statement has been provided for this fund to demonstrate compliance with the budget, beginning on Schedule 1.

B. Analysis of Significant Budget Variances in the Assessor's Salary and Expense Fund:

1. Revenues:

a. The amount budgeted for Ad Valorem revenue was under-budgeted. This was the result of various changes in the tax base during the year.

St. Helena Parish Assessor
Greensburg, Louisiana

Management's Discussion and Analysis (Continued)

December 31, 2003

Capital Assets

The Assessor's investment in capital assets for its governmental activities as of December 31, 2003 amounts to \$9,995 (net of accumulated depreciation). This investment in capital assets includes vehicles, equipment and furniture. The total decrease in the Assessor's investment in capital assets for the current fiscal year was \$1,939, due primarily to depreciation in the amount of \$4,060.

Capital asset additions during the current fiscal year amounted to \$2,121.

Additional information on the Assessor's capital assets can be found in Note 5 of this report.

Economic Factors and Next Year's Budget and Rates

The following factors were considered in preparing the Assessor's budget for the 2004 fiscal year:

For fiscal year ending December 31, 2004, there is no budgeted revenue increase in costs over the December 31, 2003 fiscal year.

There is no surplus or deficit budgeted for the fiscal year ending December 31, 2004.

Requests for Information

This financial report is designed to provide a general overview of the Assessor's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to The Honorable Wesley Blades, Assessor, Post Office Box 607, Greensburg, Louisiana, 70441.

Basic Financial Statements

St. Helena Parish Assessor
Greensburg, Louisiana

Exhibit A

Governmental Fund Balance Sheet / Statement of Net Assets

December 31, 2003

	<u>General Fund</u>	<u>Adjustments - Note 1</u>	<u>Statement of Net Assets</u>
Assets			
Cash and Cash Equivalents	\$ 150,592	\$ -	\$ 150,592
Investments	-	-	-
Receivables, Net of Allowances for Uncollectibles	233,371	-	233,371
Capital Assets, Net of Accumulated Depreciation (Note 5)	-	9,995	9,995
Total Assets	<u>\$ 383,963</u>	<u>\$ 9,995</u>	<u>\$ 393,958</u>
Liabilities			
Accounts Payable	\$ 1,631	\$ -	\$ 1,631
Claims Payable	10,715	-	10,715
Total Liabilities	<u>\$ 12,346</u>	<u>\$ -</u>	<u>\$ 12,346</u>
Net Assets			
Investments in Capital Assets, Net of Related Debt	\$ -	\$ 9,995	\$ 9,995
Unreserved, Undesignated	371,617	-	371,617
Total Fund Equity	<u>\$ 371,617</u>	<u>\$ 9,995</u>	<u>\$ 381,612</u>

The accompanying notes are an integral part of this statement.

St. Helena Parish Assessor
Greensburg, Louisiana

Exhibit B

Statement of Governmental Fund Revenues, Expenditures, and Changes
In Fund Balance / Statement of Activities

For the Year Ended December 31, 2003

	<u>General Fund</u>	<u>Adjustments - Note 1</u>	<u>Statement of Activities</u>
Expenditures / Expenses:			
Personal Services and Related Benefits	\$ (208,316)	\$ -	\$ (208,316)
Materials and Supplies	(13,295)	-	(13,295)
Operating Supplies	(150)	-	(150)
Travel and Other Charges	(3,757)	-	(3,757)
Capital Outlay	(2,121)	2,121	-
Depreciation	-	(4,060)	(4,060)
Total Expenditures	<u>\$ (227,639)</u>	<u>\$ (1,939)</u>	<u>\$ (229,578)</u>
General Revenues:			
Ad Valorem Taxes	\$ 237,340	\$ -	\$ 237,340
State Revenue Sharing	20,271	-	20,271
Interest Earnings	5,926	-	5,926
Other Revenues	6,008	-	6,008
Total General Revenues	<u>\$ 269,545</u>	<u>\$ -</u>	<u>\$ 269,545</u>
Excess of Revenues over Expenditures	\$ 41,906	\$ (1,939)	\$ 39,967
Fund Balance - Beginning of the Year	<u>\$ 329,711</u>	<u>\$ 11,934</u>	<u>\$ 341,645</u>
Fund Balance - End of the Year	<u>\$ 371,617</u>	<u>\$ 9,995</u>	<u>\$ 381,612</u>

The accompanying notes are an integral part of this statement.

St. Helena Parish Assessor
Greensburg, Louisiana

Exhibit C

Statement of Governmental Fund Revenues, Expenditures, and Changes
In Fund Balance / Statement of Activities

For the Year Ended December 31, 2002

	<u>General Fund</u>	<u>Adjustments - Note 1</u>	<u>Statement of Activities</u>
Expenditures / Expenses:			
Personal Services and Related Benefits	\$ (202,914)	\$ -	\$ (202,914)
Materials and Supplies	(19,884)	-	(19,884)
Operating Supplies	-	-	-
Travel and Other Charges	(1,669)	-	(1,669)
Capital Outlay	(5,400)	5,400	-
Depreciation	-	(3,496)	(3,496)
Total Expenditures	<u>\$ (229,867)</u>	<u>\$ 1,904</u>	<u>\$ (227,963)</u>
General Revenues:			
Ad Valorem Taxes	\$ 223,193	\$ -	\$ 223,193
State Revenue Sharing	20,318	-	20,318
Interest Earnings	7,027	-	7,027
Other Revenues	26,595	-	26,595
Total General Revenues	<u>\$ 277,133</u>	<u>\$ -</u>	<u>\$ 277,133</u>
Excess of Revenues over Expenditures	\$ 47,266	\$ 1,904	\$ 49,170
Fund Balance - Beginning of the Year	<u>\$ 282,445</u>	<u>\$ 10,030</u>	<u>\$ 292,475</u>
Fund Balance - End of the Year	<u>\$ 329,711</u>	<u>\$ 11,934</u>	<u>\$ 341,645</u>

The accompanying notes are an integral part of this statement.

St. Helena Parish Assessor
Greensburg, Louisiana

Notes to Financial Statements

As of and for the Two Years Ended December 31, 2003

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St. Helena Parish Assessor
Greensburg, Louisiana

Notes to Financial Statements

As of and for the Two Years Ended December 31, 2003

Introduction

As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, the St. Helena Parish Assessor (hereafter referred to as the "Assessor") is elected by the voters of the parish and serves a four-year term. The Assessor assesses all real and movable property in the parish subject to ad valorem taxation. The Assessor is authorized to appoint as many deputies as may be necessary for the efficient operation of the office and provide assistance to the taxpayers of the parish. The deputies are authorized to perform all functions of the office, but the Assessor is officially and pecuniarily responsible for the actions of the deputies.

1. Summary Of Significant Accounting Policies

A. Basis of Presentation

The accompanying financial statements of the St. Helena Parish Assessor have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments: Omnibus*; and Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*, as of July 1, 2001.

B. Reporting Entity

As the governing authority of the parish, for reporting purposes, the St. Helena Parish Police Jury is the financial reporting entity for St. Helena Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the St. Helena Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

St. Helena Parish Assessor
Greensburg, Louisiana

Notes to Financial Statements (Continued)

As of and for the Two Years Ended December 31, 2003

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the police jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury provides for office space, the assessor is fiscally dependent on the police jury. Therefore, the assessor was determined to be a component unit of the St. Helena Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the assessor and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. Fund Accounting

The Assessor uses a fund to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts.

The fund of the Assessor is classified as a governmental fund. The Governmental fund accounts for the Assessor's general activities, including the collection and disbursement of specific or legally restricted monies and the acquisition of capital assets. Governmental funds of the Assessor include:

General Fund

The General Fund, as provided by Louisiana Revised Statute 47:1906, is the principal fund of the Assessor and accounts for the operation of the Assessor's office. Compensation received from the various taxing bodies, prescribed by formula in Louisiana Revised Statute 47:1907-1908, and ad valorem tax revenue

St. Helena Parish Assessor
Greensburg, Louisiana

Notes to Financial Statements (Continued)

As of and for the Two Years Ended December 31, 2003

authorized by Act 564 of 1989, are accounted for in this fund. General operating expenditures are paid from this fund.

D. Basis of Accounting

Fund Financial Statements (FFS)

The amounts reflected in the Governmental Fund of Exhibits A, B and C, are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of Assessor operations.

The amounts reflected in the Governmental Fund of Exhibits A, B and C used the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurement means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Assessor considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes and related state revenue sharing are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. They are recorded when assessed.

Compensation for taxing bodies for preparation of tax rolls and notices is recorded in the year ad valorem taxes are assessed. The compensation is generally received in January and February of the ensuing year.

State Revenue Sharing authorized by Act 37 of 1994, is disbursed by the State Treasurer to the parish Sheriff for distribution to the eligible taxing authorities. The Sheriff disburses the monies in three annual payments to the Assessor and

St. Helena Parish Assessor
Greensburg, Louisiana

Notes to Financial Statements (Continued)

As of and for the Two Years Ended December 31, 2003

because no due date exists for receipt of these payments from the Sheriff, they are recorded when received.

Interest income on time deposits are recorded when the time deposits have matured and the income is available.

Expenditures

Expenditures, including all salaries, office supplies, and capital outlay are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

E. Government-Wide Financial Statements (GWFS)

The column labeled Statement of Net Assets (Exhibit A) and the column labeled Statement of Activities (Exhibit B) display information about the Assessor as a whole. These statements include all the financial activities of the Assessor. Information contained in these columns reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program Revenues – Program revenues included in the column labeled Statement of Activities (Exhibits B and C) are derived directly from the Assessor's users as a fee for services; program revenues reduce the cost of the function to be financed from the Assessor's general revenues.

Reconciliation:

The reconciliation of the items reflected in the funds columns to the Statements of Activities (Exhibits B and C) and the Statement of Net Assets (Exhibit A) for the year ended December 31, 2003, are as follows:

St. Helena Parish Assessor
Greensburg, Louisiana

Notes to Financial Statements (Continued)

As of and for the Two Years Ended December 31, 2003

Exhibit B

Capitalization of Capital Assets	\$	2,121
Recording of Depreciation Expense		<u>(4,060)</u>
	\$	(1,939)
Adjustment to Beginning Fund Balance for Prior Years:		
Capital Assets	\$	<u>11,934</u>
Net Effect of Changes	\$	<u>9,995</u>

Exhibit A

Recording Net Capital Assets	\$	<u>9,995</u>
Net Effect of Changes	\$	<u>9,995</u>

The reconciliation of the items reflected in the funds column to the Statement of Activities (Exhibit C) for the year ended December 31, 2002, is as follows:

Exhibit C

Capitalization of Capital Assets	\$	5,400
Recording of Depreciation Expense		<u>(3,496)</u>
	\$	1,904
Adjustment to Beginning Fund Balance for Prior Years:		
Capital Assets	\$	<u>10,030</u>
Net Effect of Changes	\$	<u>11,934</u>

F. Budget

The Assessor prepares a budget at the beginning of each calendar / fiscal year based upon prior year expenditures and anticipated revenues for the budget year. The proposed budget was prepared on the modified accrual basis (GAAP) of accounting and was made available for public inspection. The Assessor formally adopted the budget for 2003 on November 30, 2002. The budget was amended on October 30, 2003. All appropriations lapse at year-end.

St. Helena Parish Assessor
Greensburg, Louisiana

Notes to Financial Statements (Continued)

As of and for the Two Years Ended December 31, 2003

Formal budget integration (within the accounting system) is not employed as a management control device. During the fiscal year, the Assessor compares actual revenues and expenditures to budgeted revenues and expenditures. If actual revenues are falling short of budgeted revenues by five percent or more or if actual expenditures to date plus projected expenditures for the remainder of the year exceed the budgeted expenditures by five percent or more, the original budget is amended by the Assessor. Budgeted amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

G. Encumbrances

There is no encumbrance accounting procedure used in this office.

H. Cash Equivalents and Investments

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

Under state law, the Assessor may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost.

I. Inventory

The St. Helena Parish Assessor utilizes the "purchase method" of accounting for supplies in the governmental funds whereby expendable operating supplies are recognized as expenditures when purchased. As a result, the St. Helena Parish Assessor did not record any inventory at December 31, 2003.

J. Prepaid Items

None

K. Capital Assets

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 market value at the date of donation.

St. Helena Parish Assessor
Greensburg, Louisiana

Notes to Financial Statements (Continued)

As of and for the Two Years Ended December 31, 2003

Capital assets are recorded in the Statement of Net Assets and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Description	Estimated Lives
Furniture	7
Equipment	5
Vehicles	5

L. Compensated Absences

The Assessor has the following policy relating to vacation and sick leave:

All full-time employees earn annual leave based on years of service. Employees with three years or less of service earn ten days of annual leave each year. Employees with over three years of service earn fifteen days of annual leave each year. An employee can accumulate and carry over up to ten days of annual leave.

Should an employee leave the employ of the Assessor's office prior to the completion of a year, that employee will be paid for a maximum of twenty-five annual leave days based on time of service.

Each full-time employee of the St. Helena Parish Assessor's office shall accumulate one day of sick leave for each month that they remain in the employ of the Assessor's office but not to exceed a cumulative total of sixty days. Employees will not be paid for accumulated sick leave, and leave must be used for actual illness.

The Assessor's recognition and measurement criterion for compensated absences follows:

GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

- i. The employees rights to receive compensation are attributable to services already rendered.

St. Helena Parish Assessor
Greensburg, Louisiana

Notes to Financial Statements (Continued)

As of and for the Two Years Ended December 31, 2003

- ii. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

GASB Statement No. 16 provides that a liability for sick leave should be accrued using one of the following termination approaches:

- i. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.
- ii. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to received termination payments as well as other employees who are expected to become eligible in the future to receive such payments.

Only the current portion of the liability for compensated absences should be reported in the fund. The current portion is the amount left unpaid at the end of the reporting period that normally would be liquidated with expendable available financial resources.

No provision for accrued compensated absences is required at December 31, 2003, as the amount is not material.

M. Long-Term Obligations

The St. Helena Parish Assessor has no long-term obligations as of December 31, 2003.

N. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

St. Helena Parish Assessor
Greensburg, Louisiana

Notes to Financial Statements (Continued)

As of and for the Two Years Ended December 31, 2003

2. Stewardship, Compliance, and Accountability

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles. All annual appropriations lapse at year-end. See Note 1 regarding operating budgets. The Assessor complied with the local budget act.

B. Deposits and Investment Laws and Regulations

In accordance with state law, all uninsured deposits of funds in financial institutions must be secured with acceptable collateral valued at the lower of market or par. As reflected in Note 4 regarding cash and cash equivalents, the Assessor complied with the deposits and investments laws and regulations.

C. Deficit Fund Equity

As of December 31, 2003, the Assessor did not have a deficit in fund equity.

3. Cash Equivalents And Investments

At December 31, 2003, the Assessor has cash and cash equivalents (book balances) totaling \$150,592 as follows:

Demand Deposits	\$	150,592
Interest-Bearing Demand Deposits		<u>-</u>
Total	\$	<u>150,592</u>

The demand deposits are stated at cost, which approximates market. Under state law, these deposits (or 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 pledged 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 December 31, 2003, the Assessor had \$160,995 in collected bank balances, and \$-0- in a certificate of deposit, totaling \$160,995. These deposits were secured from risk by \$100,000 of Federal deposit insurance, and pledged securities of \$241,345 held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

St. Helena Parish Assessor
Greensburg, Louisiana

Notes to Financial Statements (Continued)

As of and for the Two Years Ended December 31, 2003

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 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 Assessor that the fiscal agent has failed to pay deposited funds upon demand.

4. Taxable Properties And Levied Taxes

Total taxable property valuation was \$31,921,420 for the year ended December 31, 2003, an increase of \$1,038,370 of property value from 2002. This increase is due to an increase in the total assessed value in the parish, primarily attributable to new businesses and business consolidations. The authorized millage of 7.46 was levied in 2003, the same millage as levied in 2002. The following are the principal taxpayers for the parish:

<u>Taxpayer</u>	<u>Business Type</u>	<u>2003 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Transcontinental Gas Pipeline	Public Utility	\$ 3,607,260	8.01%
Dixie Electric Membership Corp.	Public Utility	2,341,060	5.20%
Entergy Gulf States, Inc.	Public Utility	1,532,850	3.40%
Florida Gas Pipeline	Public Utility	1,728,250	3.84%
Soterra, LLC	Timber Company	1,567,430	3.48%
Amerchol	Manufacturing	1,250,030	2.77%
Century Tel of East LA	Public Utility	1,394,230	3.09%
Capline System	Public Utility	969,130	2.15%
Weyerhaeuser	Timber Company	876,750	1.95%
Bank of Greensburg	Banking	1,003,880	2.23%
		<u>\$ 16,270,870</u>	<u>36.11%</u>

St. Helena Parish Assessor
Greensburg, Louisiana

Notes to Financial Statements (Continued)

As of and for the Two Years Ended December 31, 2003

5. Capital Assets

A summary of changes in capital assets for 2003 and 2002 follows:

	<u>Balance 01/01/03</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/03</u>
Capital Assets				
Vehicles	\$ 5,400	\$ -	\$ -	\$ 5,400
Office Furniture & Equipment	<u>59,002</u>	<u>2,121</u>	<u>-</u>	<u>61,123</u>
Total Capital Assets	\$ 64,402	\$ 2,121	\$ -	\$ 66,523
Less: Accumulated Depreciation	<u>52,468</u>	<u>4,060</u>	<u>-</u>	<u>56,528</u>
Total	<u>\$ 11,934</u>	<u>\$ (1,939)</u>	<u>\$ -</u>	<u>\$ 9,995</u>

	<u>Balance 01/01/02</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/02</u>
Capital Assets				
Vehicles	\$ 4,839	\$ 5,400	\$ 4,839	\$ 5,400
Office Furniture & Equipment	<u>59,611</u>	<u>-</u>	<u>609</u>	<u>59,002</u>
Total Capital Assets	\$ 64,450	\$ 5,400	\$ 5,448	\$ 64,402
Less: Accumulated Depreciation	<u>54,420</u>	<u>3,496</u>	<u>5,448</u>	<u>52,468</u>
Total	<u>\$ 10,030</u>	<u>\$ 1,904</u>	<u>\$ -</u>	<u>\$ 11,934</u>

St. Helena Parish Assessor
Greensburg, Louisiana

Notes to Financial Statements (Continued)

As of and for the Two Years Ended December 31, 2003

6. Pension Plan

Plan Description. Substantially all employees of the St. Helena Parish Assessor's office are members of the Louisiana Assessor's Retirement Fund System (System), a multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees.

All full-time employees who are under the age of 60 at the time of original employment and are not drawing retirement benefits from any other public retirement system in Louisiana are required to participate in the System. Employees who retire at or after age 55 with at least 12 years of credited service or at or after age 50 with at least 30 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each year of credited service, not to exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

Trend Information. The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Assessor's Retirement System, Post Office Box 14699, Baton Rouge, Louisiana 70898, or by calling (225) 928-8886.

Plan members are required by state statute to contribute 8.0 percent of their annual covered salary and the St. Helena Parish Assessor is required to contribute at an actuarially determined rate. The current rate, at December 31, 2003, is 14.0 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish, plus revenue sharing funds appropriated by the legislature. The contribution requirements of plan members and the St. Helena Parish Assessor are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The St. Helena Parish Assessor's contributions to the System for the years ended December 31, 2003, 2002, and 2001 were \$21,855, \$17,574, and \$11,573, respectively, equal to the required contributions for each year.

7. Related-Party Transactions

There were no related party transactions during the audit period.

St. Helena Parish Assessor
Greensburg, Louisiana

Notes to Financial Statements (Continued)

As of and for the Two Years Ended December 31, 2003

8. Expenditures Of The Assessor Not Included In The Financial Statements

The St. Helena Parish Police Jury pays all utility expenses for the Assessor's office and these expenses are not included in the accompanying financial statements. The St. Helena Parish Assessor has determined this amount to be immaterial to the operation of the Assessor's office.

9. Litigation And Claims

The former St. Helena Parish Assessor, Chaney L. Phillips has filed a petition for additional compensation and wages in proceedings entitled *Chaney L. Phillips vs. Wesley Blades in his capacity as Assessor for St. Helena Parish*, bearing number 16,393 on the docket of the 21st Judicial District Court in and for the Parish of St. Helena. Chaney L. Phillips is seeking \$7,266 plus legal interest from the date of the filing of this petition on January 25, 1999 and all costs associated with the filing of this petition. In opinion number 97-368, the Louisiana Attorney General's Office has stated that these wages are not due Chaney L. Phillips. However, the district court has rendered reasons for judgment in favor of Chaney L. Phillips. The St. Helena Parish Assessor has accrued claims payable in the amount of \$10,715, including accrued interest. Because of the relatively small amount of the judgment, no appeal of the court's decision is anticipated. The funds recovered would be used to offset a portion of the restitution that is due the Assessor's office by Chaney L. Phillips, in the amount of \$33,223, as determined by the United States District Court in *United States v. Emerson C. Newman and Chaney L. Phillips*, on April 21, 1998.

10. Subsequent Events

There are no subsequent events as of the date of this report that would alter or materially affect the financial data disclosed in this report.

Required Supplemental Information

St. Helena Parish Assessor
Greensburg, Louisiana

Schedule 1

Budgetary Comparison Schedule –
General Fund

For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts - Budgetary Basis</u>	<u>Variance with Final Budget Favorable / (Unfavorable)</u>
Revenues:				
Ad Valorem Taxes	\$ 230,388	\$ 201,878	\$ 237,340	\$ 35,462
State Revenue Sharing	18,000	13,550	20,271	6,721
Interest Earnings	6,500	5,600	5,926	326
Other Revenues	500	5,500	6,008	508
Total General Revenues	<u>\$ 255,388</u>	<u>\$ 226,528</u>	<u>\$ 269,545</u>	<u>\$ 43,017</u>
Expenditures:				
Salaries and Related Benefits	\$ (206,654)	\$ (207,777)	\$ (208,316)	\$ 539
Materials and Supplies	(10,599)	(2,660)	(150)	(2,510)
Operating Supplies	(14,500)	(9,000)	(13,295)	4,295
Travel and Other Charges	(3,512)	(3,020)	(3,757)	737
Capital Outlay	-	-	(2,121)	2,121
Depreciation	-	-	-	-
Total Expenditures	<u>\$ (235,265)</u>	<u>\$ (222,457)</u>	<u>\$ (227,639)</u>	<u>\$ 5,182</u>
Excess of Revenues over Expenditures	\$ 20,123	\$ 4,071	\$ 41,906	\$ 37,835
Fund Balance - Beginning of the Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 329,711</u>	<u>\$ 329,711</u>
Fund Balance - End of the Year	<u><u>\$ 20,123</u></u>	<u><u>\$ 4,071</u></u>	<u><u>\$ 371,617</u></u>	<u><u>\$ 367,546</u></u>

St. Helena Parish Assessor
Greensburg, Louisiana

Schedule 2

Budgetary Comparison Schedule --
General Fund

For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts - Budgetary Basis</u>	<u>Variance with Final Budget Favorable / (Unfavorable)</u>
Revenues:				
Ad Valorem Taxes	210,662	\$ 210,662	\$ 223,193	\$ 12,531
State Revenue Sharing	18,000	18,000	20,318	2,318
Interest Earnings	4,500	7,000	7,027	27
Other Revenues	500	24,214	26,595	2,381
Total General Revenues	<u>\$ 233,662</u>	<u>\$ 259,876</u>	<u>\$ 277,133</u>	<u>\$ 17,257</u>
Expenditures:				
Salaries and Related Benefits	(210,568)	\$ (202,949)	\$ (202,914)	\$ (35)
Materials and Supplies	(9,474)	(9,009)	-	(9,009)
Operating Supplies	(14,195)	(13,195)	(19,884)	6,689
Travel and Other Charges	(975)	(1,112)	(1,669)	557
Capital Outlay	-	(6,000)	(5,400)	(600)
Depreciation	-	-	-	-
Total Expenditures	<u>\$ (235,212)</u>	<u>\$ (232,265)</u>	<u>\$ (229,867)</u>	<u>\$ (2,398)</u>
Excess of Revenues over Expenditures	\$ (1,550)	\$ 27,611	\$ 47,266	\$ 19,655
Fund Balance - Beginning of the Year	<u>\$ 95,566</u>	<u>\$ -</u>	<u>\$ 282,445</u>	<u>\$ 282,445</u>
Fund Balance - End of the Year	<u>\$ 94,016</u>	<u>\$ 27,611</u>	<u>\$ 329,711</u>	<u>\$ 302,100</u>

**Other Independent Auditor's Reports and
Findings and Recommendations**

**Independent Auditor's Report on Compliance and on
Internal Control over Financial Reporting
Based on an Audit of Financial Statements Performed
In Accordance with *Government Auditing Standards***

Durnin & James

CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL CORPORATION
HAMMOND, LA • AMITE, LA

John N. Durnin, CPA
Dennis E. James, CPA

Member
American Institute of CPA's
Society of Louisiana CPA's

June 23, 2004

Independent Auditor's Report on Compliance and on
Internal Control over Financial Reporting Based on an
Audit of Financial Statements Performed in Accordance with
Government Auditing Standards

The Honorable Wesley Blades
St. Helena Parish Assessor
Greensburg, Louisiana

We have audited the basic financial statements of the St. Helena Parish Assessor, Greensburg, Louisiana, a component unit of the St. Helena Parish Police Jury, as of and for the two years ended December 31, 2003, and have issued our report thereon dated June 23, 2004. We have 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 St. Helena Parish Assessor's basic 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 St. Helena Parish Assessor's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide assurance on the internal control over financial reporting. 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 might 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.

St. Helena Parish Assessor
Greensburg, Louisiana

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

Respectfully submitted,

Durnin & James, CPAs

Durnin & James, CPAs
(A Professional Corporation)

Findings and Recommendations

St. Helena Parish Assessor
Greensburg, Louisiana

Current Year Audit Findings

For the Two Years Ended December 31, 2003

Findings and Recommendations

Compliance:

None

Internal Control:

None

Corrective Action Plan for Current Year Audit Findings

St. Helena Parish Assessor
Greensburg, Louisiana

Corrective Action Plan for Current Year Audit Findings

For the Two Years Ended December 31, 2003

<u>Ref.#</u>	<u>Description of Findings</u>	<u>Corrective Action Plan</u>	<u>Name of Contact Person</u>	<u>Anticipated Completion Date</u>
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None

Note: This schedule prepared by the St. Helena Parish Assessor.

Summary Schedule of Prior Audit Findings

St. Helena Parish Assessor
Greensburg, Louisiana

Summary Schedule of Prior Audit Findings

For the Two Years Ended December 31, 2003

Ref.#	Fiscal Year Findings Initially Occurred	Description of Findings	Corrective Action Taken	Plan Corrective Action/Partial Corrective Action Taken	Additional Explanation
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None

Note: This schedule prepared by the St. Helena Parish Assessor.