

ST. TAMMANY PARISH ASSESSOR

Annual Financial Report

As of and for the 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 8/11/10

KEITH J. ROVIRA
Certified Public Accountant

**ST. TAMMANY PARISH ASSESSOR
Covington, Louisiana**

**Basic Financial Statements
and Independent Auditor's Report
As of and for the Year Ended
December 31, 2009**

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INDEPENDENT AUDITOR'S REPORT

Honorable Patricia Schwarz Core
St. Tammany Parish Assessor
Covington, Louisiana

I have audited the accompanying financial statements of the St. Tammany Parish Assessor as of and for the year ended December 31, 2009, which collectively comprise the assessor's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the St. Tammany Parish Assessor. My responsibility is to express an opinion on these basic financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the St. Tammany Parish Assessor as of December 31, 2009, and the results of operations for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, I have also issued a report dated May 21, 2010, on my consideration of the St. Tammany Parish Assessor's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations and contracts. 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 my audit.

The management's discussion and analysis and budgetary comparison information as listed in the table of contents are not a required part of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, I did not audit the information, and express no opinion on it.

My audit was prepared for the purpose of forming opinions on the financial statements that collectively comprise the assessor's basic financial statements. The supplementary information schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of the St. Tammany Parish Assessor. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in my opinion is fairly stated in all material respects, in relation to the basic financial statements taken as whole.



Keith J. Rovira
Certified Public Accountant

May 21, 2010

MANAGEMENT'S DISCUSSION AND ANALYSIS

ST. TAMMANY PARISH ASSESSOR
Covington, Louisiana
Management's Discussion and Analysis
As of and for the Year Ended December 31, 2009

The Management's Discussion and Analysis (MD&A) of the St. Tammany Parish Assessor's financial performance presents a narrative overview and analysis of the assessor's financial activities for the year ended December 31, 2009. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with the additional information contained in the basic financial statements. The MD&A is an element of the new reporting model adopted by the Government Accounting Standards Board (GASB) in their Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments" issued June, 1999. Certain comparative information between the current year and prior year has been presented in the MD&A.

FINANCIAL HIGHLIGHTS

The minimum requirements for financial reporting on the St. Tammany Parish Assessor's office that was established by GASB No. 34 are divided into the following sections:

- (a) Management's Discussion and Analysis
- (b) Basic Financial Statements
- (c) Required Supplementary Information (other than MD&A)

Basic Financial Statements:

The basic financial statements present information for the assessor as a whole, in a format designed to make the statements easier for the reader to understand. The financial statements in this section are divided into the two following types:

- (1) Government-Wide Financial Statements, which include a Statement of Net Assets and a Statement of Activities. These statements present financial information for all activities of the assessor from an economic resources measurement focus using the accrual basis of accounting and providing both short-term and long-term information about the assessor's overall financial status.

ST. TAMMANY PARISH ASSESSOR
Covington, Louisiana
Management's Discussion and Analysis
(Continued)

As of and for the Year Ended December 31, 2009

(2) Fund Financial Statements, which include a Balance Sheet and a Statement of Revenues, Expenses, and Changes in Fund Balance for the General Fund (a governmental fund). These financial statements present information on the individual fund of the assessor allowing for more detail. The current financial resources measurement focus and the accrual basis of accounting used to prepare these statements is dependent on the fund type. The assessor's only governmental fund is the General Fund. The statements in this section represent the short-term financing of general government.

FINANCIAL ANALYSIS OF THE ENTITY

Statement of Net Assets
As of December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Current assets	\$4,899,873	\$4,712,862
Capital assets	<u>138,502</u>	<u>172,468</u>
Total Assets	<u>5,038,375</u>	<u>4,885,330</u>
Current liabilities	48,080	17,182
Noncurrent liabilities	<u>453,023</u>	<u>-</u>
Total Liabilities	<u>501,103</u>	<u>17,182</u>
Net Assets:		
Invested in capital assets, net of related debt	138,502	172,468
Unrestricted	<u>4,398,770</u>	<u>4,695,680</u>
Total Net Assets	<u>\$4,537,272</u>	<u>\$4,868,148</u>

The assessor does not have any "restricted" net assets. It does have "unrestricted" net assets, and those are net assets that do not have any limitations on what these amounts may be used for.

Net assets of the assessor's office decreased by \$330,876 or 6.8% from the prior year. This decrease is due primarily to the required implementation of GASB Statement 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions by the assessor's office for the first time.

ST. TAMMANY PARISH ASSESSOR
Covington, Louisiana
Management's Discussion and Analysis
(Continued)
As of and for the Year Ended December 31, 2009.

In this regard a long-term liability titled "net other postemployment benefit obligations (OPEB)" was recorded on the Statement of Net Assets and totaled \$453,023 at year-end.

Statement of Revenues, Expenditures and
Changes in Fund Balance
For the years ended December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Revenues	\$4,005,144	\$4,225,013
Expenditures	<u>(3,849,031)</u>	<u>(3,819,519)</u>
Net Change in Fund Balance	<u>\$156,113</u>	<u>\$405,494</u>

The assessor's total revenues decreased by \$219,869, or 5.2%, which was principally due to reimbursements received from the parish for mapping and other reassessment related expenses incurred by the assessor's office in 2008, that were not repeated in 2009. Total expenditures increased only by \$29,512, or .8%.

CAPITAL ASSET AND DEBT ADMINISTRATION

At December 31, 2009, the assessor had \$138,502 invested in capital assets, including office furniture and equipment and autos. This amount represents the total original cost of the capital assets less accumulated depreciation on those assets. The table below lists capital assets and accumulated depreciation:

Capital Assets		
December 31, 2009 and 2008		
	<u>2009</u>	<u>2008</u>
Office furniture and equipment	\$349,582	\$340,969
Autos	<u>183,453</u>	<u>159,415</u>
Less: Accumulated depreciation	533,035 <u>(394,533)</u>	500,384 <u>(327,916)</u>
Total capital assets, net of accumulated depreciation	<u>\$138,502</u>	<u>\$172,468</u>

ST. TAMMANY PARISH ASSESSOR
Covington, Louisiana
Management's Discussion and Analysis
(Continued)
As of and for the Year Ended December 31, 2009

Debt Administration:
The assessor had no debt outstanding at year end.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET (2010)

The assessor considered the following factors and indicators when setting up next year's (2010) budget. These factors and indicators include: (1) the consistency of revenues to be received from the collection of ad valorem taxes and state revenue sharing; (2) additional salaries and related costs due to increases in health care, retirement contributions and other salary related benefits and costs; (3) operating expenses of the office incurred in the process of providing services to the public. The assessor expects that next year's revenues, plus existing available net assets carried forward from the previous year, will be sufficient to cover the office's expenses throughout the year.

CONTACTING THE ASSESSOR

This financial report is designed to provide the citizens, taxpayers, customers, investors and creditors with a general overview of the assessor's finances, and to show the assessor's accountability for the money it receives. If you have any questions about this report or need additional financial information, please contact , or Ms. Patricia S. Core, St. Tammany Parish Assessor, St. Tammany Parish Courthouse, 701 North Columbia Street, Covington, Louisiana 70433, or call the office at 985-809-8180.

BASIC FINANCIAL STATEMENTS
(GOVERNMENT-WIDE FINANCIAL STATEMENTS)

ST. TAMMANY PARISH ASSESSOR
Covington, Louisiana
Statement of Net Assets
As of December 31, 2009

ASSETSCurrent Assets

Cash and cash equivalents (Note C)	\$591,147
Investments (Note D)	303,389
Revenues receivable:	
Ad valorem taxes	3,896,650
State revenue sharing	74,770
Other	<u>33,917</u>
Total Current Assets	<u>4,899,873</u>

Noncurrent Assets

Capital assets, net of depreciation (Note E)	<u>138,502</u>
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Total Noncurrent Assets	<u>138,502</u>
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TOTAL ASSETS	<u>5,038,375</u>
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LIABILITIESCurrent Liabilities

Accounts payable	8,200
Payroll deductions payable	<u>39,880</u>

Total Current Liabilities	<u>48,080</u>
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Long-Term Liabilities (Note G)

Net other postemployment benefit obligation (OPEB)	<u>453,023</u>
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Total Long-Term Liabilities	<u>453,023</u>
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TOTAL LIABILITIES	<u>501,103</u>
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NET ASSETS

Invested in capital assets, net of related debt	138,502
Unrestricted	<u>4,398,770</u>

TOTAL NET ASSETS	<u>\$4,537,272</u>
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The accompanying notes are an integral part of this statement.

ST. TAMMANY PARISH ASSESSOR
Covington, Louisiana
Statement of Activities
For the Year Ended December 31, 2009

EXPENSES

Governmental Activities:	
Salaries and related expenses	\$3,270,605
Net other postemployment benefit obligation (OPEB)	453,023
Operating services	270,981
Education	21,079
Office materials and supplies	48,366
Professional services	197,402
Travel and other related expenditures	16,560
Capital outlay	-
Depreciation expense	<u>66,617</u>
Total Expenses	<u>4,344,633</u>

GENERAL REVENUES

Ad valorem taxes	3,879,949
State revenue sharing	76,957
Interest earnings	6,066
Capital assets donated by St. Tammany Parish government	8,613
Other	<u>42,172</u>
Total General Revenues	<u>4,013,757</u>

Change in Net Assets	(330,876)
Net assets at beginning of year	<u>4,868,148</u>
Net assets at end of year	<u>\$4,537,272</u>

The accompanying notes are an integral part of this statement.

BASIC FINANCIAL STATEMENTS
(FUND FINANCIAL STATEMENTS)

ST. TAMMANY PARISH ASSESSOR
Covington, Louisiana
Balance Sheet
General Fund - Governmental Fund
December 31, 2009

ASSETS	
Cash and cash equivalents (Note C)	\$ 591,147
Investments (Note D)	303,389
Revenues receivable:	
Ad valorem taxes	3,896,650
State revenue sharing	74,770
Other	<u>33,917</u>
TOTAL ASSETS	<u>\$4,899,873</u>
 LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable	\$ 8,200
Payroll deductions payable	<u>39,880</u>
Total Liabilities	48,080
 Fund balance:	
Unreserved-undesignated	<u>4,851,793</u>
TOTAL LIABILITIES & FUND BALANCE	<u>\$4,899,873</u>

The accompanying notes are an integral part of this statement.

ST. TAMMANY PARISH ASSESSOR
Covington, Louisiana
Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Assets
December 31, 2009

Total Fund Balance - Governmental Fund	\$4,851,793
Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the Governmental Funds Balance Sheet. This amount represents capital assets net of accumulated depreciation.	138,502
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:	
Net other postemployment benefit obligation (OPEB)	<u>(453,023)</u>
Total Net Assets of Governmental Activities	<u>\$4,537,272</u>

The accompanying notes are an integral part of this statement.

ST. TAMMANY PARISH ASSESSOR
Covington, Louisiana
Governmental Fund Type - General Fund
Statement of Revenues, Expenditures,
and Changes in Fund Balance
For the Year Ended December 31, 2009

REVENUES

Ad valorem taxes	\$3,879,949
State revenue sharing	76,957
Interest earnings	6,066
Other	<u>42,172</u>
Total Revenues	<u>4,005,144</u>

EXPENDITURES

Salaries and related expenditures	3,294,643
Operating services	270,981
Education	21,079
Office materials and supplies	48,366
Professional services	197,402
Travel and other related expenditures	16,560
Capital outlay	<u>-</u>
Total Expenditures	<u>3,849,031</u>
Excess of Revenues over Expenditures	156,113
Fund Balance at Beginning of Year	<u>4,695,680</u>
Fund Balance at End of Year	<u>\$4,851,793</u>

The accompanying notes are an integral part of this statement.

ST. TAMMANY PARISH ASSESSOR
Covington, Louisiana
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balance of the Governmental Fund
to the Statement of Activities
For the Year Ended December 31, 2009

Net Change in Fund Balance - Governmental Funds \$156,113

Amounts reported for governmental activities
in the Statement of Activities are different
because:

Capital assets donated to the assessor's office
by St. Tammany Parish municipal government 8,613

Capital assets purchased during the year and
used in governmental activities are capitalized
as assets on the Statement of Net Assets and,
therefore, are not included in the capital outlay
expenditure account 24,038

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
as depreciation expense. This is the amount
of depreciation that was charged in the
current year. (66,617)

Some items reported in the Statement of Net
Assets do not require the use of current
financial resources and therefore are not
reported as expenditures in governmental
funds:

Net other postemployment benefit
obligation (OPEB) (453,023)

Change in Net Assets of Governmental Activities \$ (330,876)

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

ST. TAMMANY PARISH ASSESSOR
Covington, Louisiana
Notes to the Financial Statements
December 31, 2009

INTRODUCTION

As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, the assessor is elected by the voters of the parish and serves a four year term. The assessor assesses all real and movable property in the parish subject to ad valorem taxation. The assessor is authorized to appoint as many deputies as may be necessary for 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.

The assessor has one office located in Covington and one office in Slidell in St. Tammany Parish. In accordance with Louisiana law, the assessor bases real and movable property assessments on conditions existing on January 1 of the tax year. The assessor completes an assessment listing for the tax year and submits the list to the parish governing authority and the Louisiana Tax Commission, as prescribed by law. Once the assessment listing is approved, the assessor submits the assessment roll to the parish tax collector, who is responsible for collecting and distributing taxes to the various taxing bodies located in the parish.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Presentation

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

The St. Tammany Parish Assessor has adopted the provisions of Governmental Accounting Standards Board Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments. The assessor will be treated as a governmental-type activity for financial reporting purposes in this audit. The minimum requirements for the St. Tammany Parish Assessor's office established by

ST. TAMMANY PARISH ASSESSOR
Covington, Louisiana
Notes to the Financial Statements
December 31, 2009

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GASB Statement No. 34 are divided into the following sections: (a) Management's Discussion and Analysis, (b) Basic Financial Statements, and (c) Required Supplementary Information (RSI) other than MD&A.

The accompanying financial statements of the present information only as to the transactions of the programs of the assessor as authorized by Louisiana statutes and administrative regulations. Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

Revenue Recognition

Revenues are recognized using the full accrual basis of accounting. Therefore, ad valorem taxes, state revenue sharing and interest earnings are recognized in the accounting period in which they are earned and become measurable.

Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31.

Expense Recognition

Expenses are also recognized on the accrual basis; therefore, expenses, including salaries and related benefits, general operating expenses, travel and automotive, office supplies and expenditures, etc. are recognized in the period incurred, if measurable.

2. Reporting Entity

For financial reporting purposes, in conformance with GASB Codification Section 2100, the assessor is an independently elected official who operates his office without oversight responsibility to the parish governing authority, the St. Tammany Parish Council. Louisiana revised statutes give each assessor control over all of their operations. This includes the hiring

ST. TAMMANY PARISH ASSESSOR
Covington, Louisiana
Notes to the Financial Statements
December 31, 2009

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

and retention of employees, authority over budgeting, responsibility for funding deficits and operating deficiencies, and fiscal management for controlling the collection and disbursement of funds.

Therefore, the assessor reports as an independent reporting entity and the financial statements include only the transactions of the St. Tammany Parish Assessor. Furthermore, the St. Tammany Parish Council, the parish's governing authority, does not include the assessor as a component unit in its comprehensive annual financial report.

3. Fund Accounting

The assessor uses a fund (General 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 assessor's General Fund is classified as a governmental fund. Governmental funds account for general activities, including the collection and disbursement of specific or legally restricted monies and the acquisition of capital assets.

The General Fund, as provided by Louisiana Revised Statute 47:1906, is the only fund of the assessor and accounts for the operation of the assessor's office. Ad valorem tax revenue authorized by Act 292 of 1985 is accounted for in this fund. General operating expenditures are paid from this fund.

4. Budgets

The original budget for the office for year ended December 31, 2009, was made available for public inspection at the assessor's office and advertised on December 11, 2008. The original budget was subsequently adopted on December 30, 2008, after a public hearing on that day.

ST. TAMMANY PARISH ASSESSOR
Covington, Louisiana
Notes to the Financial Statements
December 31, 2009

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The original budget was amended, made available for public inspection at the assessor's office and advertised on December 10, 2009. The amended budget was subsequently adopted on December 30, 2009, after a public hearing on that day.

All budgets were prepared on the modified accrual basis of accounting. The assessor reserves all authority to make changes to the budget. Formal budget integration within the accounting records is employed as a management control device during the year. Budgeted amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. All appropriations contained in the budget lapse at year end.

5. Cash, Cash Equivalents and Investments

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

Under state law, the district may invest in United States bonds, treasury notes or certificates, and other investments backed by the full faith and credit of the United States.

Investments consist only of funds held in the Louisiana Asset Management Pool (LAMP) and is stated at cost, which equals market value.

6. Receivables

Receivables are made up of ad valorem taxes, state revenue sharing and payments in lieu of taxes. For current year, ad valorem tax receivables were recorded net of an estimated 3% uncollectible amount.

ST. TAMMANY PARISH ASSESSOR
Covington, Louisiana
Notes to the Financial Statements
December 31, 2009

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

7. Capital Assets
Capital assets are recorded at either historical cost or estimated historical cost and are depreciated over their estimated useful lives (excluding salvage value). Any donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight-line depreciation is used based on the following estimated useful lives: autos, office furniture and equipment = 5 years.
8. Compensated Absences
Employees of the assessor's office earn twelve to eighteen days of vacation leave per year and six to eighteen days of sick leave per year depending on the number of their years of service with the office. One day of vacation leave is earned for each month of service. One-half day of sick leave is earned for each month of service. Vacation leave must be taken during the year earned, and cannot be accumulated. Upon termination, resignation or retirement employees are not paid for any unused vacation or sick leave earned. At December 31, 2009, there were no accumulated or vested benefits related to vacation and sick leave that require disclosure in accordance with GASB Codification C60.
9. Encumbrances
Encumbrance accounting is not utilized due to the nature of operations and the ability of management to monitor budgeted expenditures on a timely basis.
10. Use of Estimates
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

ST. TAMMANY PARISH ASSESSOR
 Covington, Louisiana
 Notes to the Financial Statements
 December 31, 2009

NOTE B - LEVIED TAXES

Ad valorem taxes of 2.73 mills were authorized and levied for the operation of the assessor's office for the year.

The following are the principal taxpayers for the parish:

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2009 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Central La. Electric	Utility	\$37,507,470	2.55%
AT&T	Telephone	18,553,760	1.26
Chevron USA	Oil	<u>10,600,950</u>	<u>.72</u>
		<u>\$66,662,180</u>	<u>4.53%</u>

The total assessed valuation for all taxpayers at December 31, 2009, was \$1,471,491,895. This figure was used in calculating the percentage of the "assessed valuation of each of the three largest taxpayers" listed above to the "total assessed valuation for all taxpayers."

NOTE C - CASH AND CASH EQUIVALENTS

At December 31, 2009, the carrying amounts (book balances) of all cash and cash equivalents of the assessor were as follows:

Interest bearing checking account	\$491,147
Certificates of deposits	<u>100,000</u>
Total	<u>\$591,147</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These

ST. TAMMANY PARISH ASSESSOR
Covington, Louisiana
Notes to the Financial Statements
December 31, 2009

NOTE C - CASH AND CASH EQUIVALENTS (CONTINUED)

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, 2009, the assessor had \$657,096 in deposits (collected bank balances). These deposits were secured from risk by \$350,000 of federal deposit insurance and \$551,840 of pledged securities held by the custodial bank in the name of the fiscal agent bank.

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.

NOTE D - INVESTMENTS - LOUISIANA ASSET MANAGEMENT POOL

At December 31, 2009, the assessor held the following types of investments:

<u>Type of Investment</u>	<u>Cost/ Carrying Amount</u>	<u>Market Value</u>
Louisiana Asset Management Pool (LAMP)	\$303,389	\$303,389

Louisiana Asset Management Pool (LAMP) is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities 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 in accordance with LSA-R.S. 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities.

ST. TAMMANY PARISH ASSESSOR
Covington, Louisiana
Notes to the Financial Statements
December 31, 2009

NOTE D - INVESTMENTS - LOUISIANA ASSET MANAGEMENT POOL (CONTINUED)

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

Governmental Accounting Standards Board (GASB) Statement No. 40, "Deposit and Investment Risk Disclosures", requires disclosure of credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk for all public entity investments.

LAMP is a 2a7-like investment pool. The following facts are relevant for 2a7-like investment pools:

Credit risk: LAMP is rated AAAM by Standard and Poor's.

Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.

Interest rate risk: 2a7-like investment pools are excluded from this disclosure requirement, per paragraph 15 of the GASB 40 statement.

Foreign currency risk: This type of risk is not applicable to 2a7-like pools.

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.

ST. TAMMANY PARISH ASSESSOR
Covington, Louisiana
Notes to the Financial Statements
December 31, 2009

NOTE D - INVESTMENTS - LOUISIANA ASSET MANAGEMENT POOL (CONTINUED)

LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the Securities and Exchange Commission as an investment company. If you have any questions, please feel free to contact the LAMP administrative office at 800-249-5267.

NOTE E - CAPITAL ASSETS

The capital assets used in the governmental-type activities are included on the Statement of Net Assets of the assessor and are capitalized at historical cost. Depreciation of all exhaustible capital assets used by the assessor is charged as an expense against operations. Accumulated depreciation is reported on the Statement of Net Assets. Depreciation expense for financial reporting purposes is computed using the straight-line method over the useful lives of the capital assets and is reported in the Statement of Activities.

A summary of changes in capital assets and accumulated depreciation during the year is listed as follows:

	Balance <u>12/31/08</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>12/31/09</u>
Capital Assets				
Office furniture and equipment	\$340,969	\$ 8,613	-	\$349,582
Autos	<u>159,415</u>	<u>24,038</u>	<u>-</u>	<u>183,453</u>
Total	<u>\$500,384</u>	<u>\$32,651</u>	<u>-</u>	<u>\$533,035</u>

ST. TAMMANY PARISH ASSESSOR
 Covington, Louisiana
 Notes to the Financial Statements
 December 31, 2009

NOTE E - CAPITAL ASSETS (CONTINUED)

<u>Less Accumulated Depreciation for -</u>				
Office furniture and equipment	\$265,321	\$40,288	-	\$305,609
Autos	<u>62,595</u>	<u>26,329</u>	-	<u>88,924</u>
Total	<u>\$327,916</u>	<u>\$66,617</u>	-	<u>\$394,533</u>

NOTE F - PENSION PLAN

Plan Description

Substantially all employees of the St. Tammany Parish Assessor's office are members of the Louisiana Assessor's Retirement System (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All full-time employees who are under the age of 60 at the time of original employment and are not drawing retirement benefits from any other public retirement system in Louisiana are required to participate in the System. Employees who retire at or after age 55 with at least 12 years of credited service or at or after age 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 by state statute.

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 1786, Shreveport, Louisiana 71166-1786, or by calling (318)425-4446.

ST. TAMMANY PARISH ASSESSOR
Covington, Louisiana
Notes to the Financial Statements
December 31, 2009

NOTE F - PENSION PLAN (CONTINUED)

Funding Policy

For the entire year, plan members (employees) were required by state law to contribute 8.0 percent of their annual covered salary into the retirement system. Also, for the entire current year, the assessor (employer) was required to contribute 13.5 percent of an employee's annual covered payroll into the System. Contributions to the System also include one-fourth of one percent (one percent for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each parish, plus revenue sharing appropriated by the legislature. The contribution requirements of plan members and the 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 assessor's (employer) portion of contributions to the System for the years ended December 31, 2009, 2008 and 2007, were \$294,224, \$278,665, and \$216,510, respectively, and these amounts equaled the required contributions for those years.

In addition, the assessor paid the entire portion of employees' annual contributions to the System for the years ended December 31, 2009, 2008, and 2007, and the amounts were \$174,552, \$165,190, and \$128,302, respectively. These amounts equaled the required contribution amounts for those years.

ST. TAMMANY PARISH ASSESSOR
Covington, Louisiana
Notes to the Financial Statements
December 31, 2009

NOTE G - LONG-TERM LIABILITIES

Other Postemployment Benefit Obligations (OPEB)

Plan Description: The assessor administers and contributes to a defined benefit health, dental and life insurance plan for retirees and active employees, as authorized by the assessor. The plan provides lifetime health, dental and life insurance for retirees and for full-time employees that retire at age 55 or older with 12 years of service or have 30 years of service at any age. The assessor has coverage through the Louisiana Assessors Insurance Fund. No separate financial statements are available for the assessor's plan.

For the first time, the assessor was required to implement Governmental Accounting Standards Board Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. In adopting the requirements of GASB Statement No. 45 during the year ended December 31, 2009, the assessor recognizes the cost of postemployment benefits in the year when employee services are rendered, 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 has adopted 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.

Funding Policy: The assessor contributes 100% of the costs of the current year's health, dental and life insurance premiums for eligible retired employees only, but does not pay for spouse or dependent coverage. The assessor finances its plan on a pay-as-you-go basis, therefore no funds are reserved for payment of future health insurance premiums. For the year ended December 31, 2009, the assessor contributed \$34,484 to the plan on behalf of the retirees.

Annual OPEB Cost and Net OPEB Obligation: The assessor's annual other postemployment benefit (OPEB) is calculated based on the annual required contribution (ARC). The assessor has elected to calculate the ARC and related information using the "unit credit actuarial cost method." The ARC represents a level of funding that, if paid on an ongoing basis, it is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or

ST. TAMMANY PARISH ASSESSOR
Covington, Louisiana
Notes to the Financial Statements
December 31, 2009

NOTE G - LONG-TERM LIABILITIES (CONTINUED)

funding excess) over a period not to exceed 30 years. 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 assessor's net OPEB obligation to the plan:

Annual required contribution (ARC)	\$468,757
Interest on net OPEB obligation	18,750
Adjustments to Annual Required Contribution	<u>0</u>
Annual OPEB cost	487,507
Contributions made	<u>(34,484)</u>
Increase in net OPEB obligation	453,023
Net OPEB obligation at beginning of year	<u>0</u>
Net OPEB obligation at end of year	<u>\$453,023</u>

The assessor's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year 2009 were \$487,507, 7%, and \$453,023, respectively.

Funded Status and Funding Progress: As of December 31, 2009, the actuarial accrued liability for benefits was \$3,658,389, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$1,876,679 and the ratio of the unfunded actuarial accrued liability (UAAL) to the covered payroll was 195%.

The projection of future benefits for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Amounts determined regarding the funded status of a plan and the employer's annual required contributions are subject to continued revision as actual

ST. TAMMANY PARISH ASSESSOR
Covington, Louisiana
Notes to the Financial Statements
December 31, 2009

NOTE G - LONG-TERM LIABILITIES (CONTINUED)

results are compared with past expectations and new estimates are made about the future.

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 the 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 the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The following simplifying assumptions were made:

Retirement age for active employees - Active members were assumed to retire at 62 years of age.

Marital status - Marital status of members at the calculation date was assumed to continue throughout retirement.

Mortality - Life expectancies were based on mortality tables from the National Center for Health Statistics.

Turnover - Non-group-specific age-based turnover data from GASB Statement No. 45 were used as the basis for assigning active members a probability of remaining employed until the assumed retirement age and for developing an expected future working lifetime assumption for purposes of allocating to periods the present value of total benefits to be paid.

Healthcare cost trend rate - The expected rate of increase in healthcare insurance premiums was based on projections of the Office of the Actuary at the Centers for Medicare and Medicaid Services. A rate of 9% initially, reduced to an ultimate rate of 5% after nine years, was used.

Health insurance premiums - 2009 health insurance premiums for retirees was used as the basis for calculation of the present value of total benefits to be paid.

ST. TAMMANY PARISH ASSESSOR
 Covington, Louisiana
 Notes to the Financial Statements
 December 31, 2009

NOTE G - LONG-TERM LIABILITIES (CONTINUED)

Inflation rate - The expected long-term inflation assumption of 2.8% was based on projected changes in the Consumer Price Index (CPI) in The 2009 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds for an intermediate growth scenario.

Payroll growth rate - The expected long-term payroll growth rate was assumed to equal the rate of inflation.

Based on the historical and expected returns of the assessor's short-term investment portfolio and cash deposits, a future discount rate of 4% was used. In addition, a simplified version of the entry age actuarial cost method was used. The unfunded actuarial accrued liability (UAAL) is being amortized as a level percentage of projected payroll on an open basis over 30 years.

NOTE H - LEASES

Operating Lease

Operating leases are all leases that do not meet the criteria of capital leases. The assessor's office was the lessor under one vehicle, and two copier, operating leases during the current year. Required monthly lease payments made during the year totaled \$14,714.

Future annual lease commitments under these leases are as follows:

<u>Year</u>	<u>Amount</u>
2010	\$16,009
2011	10,513
2012	7,765
2013	7,765
2014	<u>1,294</u>
	<u>\$43,346</u>

There were no other operating or capital leases.

ST. TAMMANY PARISH ASSESSOR
Covington, Louisiana
Notes to the Financial Statements
December 31, 2009

NOTE I - DEFERRED COMPENSATION PLAN

All full-time employees of the assessor's office participate in the Louisiana Public Employees Deferred Compensation Plan, adopted under the provisions of the Internal Revenue Code 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 94377, Baton Rouge, Louisiana 70804-9397.

Employee/participants may contribute a portion of their salary with the assessor's office matching up to a certain amount for each employee. Total contributions may not exceed the amount determined under IRS regulations. All contributions are immediately vested. During the year, employee/participants contributed \$172,444, and the assessor's office made employer contributions totaling \$169,905 to the plan.

NOTE J - EXPENDITURES OF THE ASSESSOR NOT INCLUDED IN THE FINANCIAL STATEMENTS

Louisiana R.S. 33:4713 requires the parish council to provide the assessor with all necessary office space, utilities, furniture equipment, supplies and maps. During the year, the council provided office space, utilities and janitorial services on a limited basis. The value of these items are not reflected in the accompanying financial statements. Under this arrangement, the assessor has one office located in Covington and one in Slidell in St. Tammany Parish.

NOTE K - LITIGATION

There was no pending or threatened litigation against the assessor's office at December 31, 2009, which would have a material adverse effect on the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION (RSI)

ST. TAMMANY PARISH ASSESSOR
Covington, Louisiana
Required Supplementary Information
General Fund - Governmental Fund Type
Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>with Final</u>
				<u>Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Ad valorem taxes	3,300,000	\$3,775,000	\$3,879,949	\$104,949
State revenue sharing	95,000	73,000	76,957	3,957
Interest earnings	75,000	2,000	6,066	4,066
Other	<u>72,000</u>	<u>42,000</u>	<u>42,172</u>	<u>172</u>
Total Revenues	<u>3,542,000</u>	<u>3,892,000</u>	<u>4,005,144</u>	<u>113,144</u>
EXPENDITURES				
Salaries and related expenditures	3,000,000	3,300,000	3,294,643	5,357
Operating services	200,000	236,000	270,981	(34,981)
Education	25,000	18,000	21,079	(3,079)
Office materials and supplies	110,000	63,000	48,366	14,634
Professional services	30,000	200,000	197,402	2,598
Travel and other related expenditures	20,000	12,000	16,560	(4,560)
Capital outlay	<u>15,000</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Total Expenditures	<u>3,400,000</u>	<u>3,839,000</u>	<u>3,849,031</u>	<u>(10,031)</u>
Excess of Revenues over Expenditures	142,000	53,000	156,113	103,113
Fund Balance at Beginning of Year	<u>3,287,351</u>	<u>3,505,051</u>	<u>4,695,680</u>	<u>1,190,629</u>
Fund Balance at End of Year	<u>\$3,429,351</u>	<u>\$3,558,051</u>	<u>\$4,851,793</u>	<u>\$1,293,742</u>

The accompanying notes are an integral part of this statement.

ST. TAMMANY PARISH ASSESSOR
Covington, Louisiana
Required Supplementary Information
Schedule of Funding Progress
Retirees Health, Dental and Life Insurance Plan
For the Year Ended December 31, 2009

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded Actuarial Accrued Liability (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a % of Covered Payroll</u>
12/31/09	\$0	\$3,658,389	\$3,658,389	0%	\$1,876,679	195%

Note: Generally accepted governmental accounting principles (GASB Codification Po50.131-132) require that this schedule present information from the last three years. Because the requirements of GASB Statement No. 45 were implemented starting with the year ended December 31, 2009, only one year is available. Additional information will be added after each of the next two valuations. Subsequent to that, information will be presented for the latest three years.

SUPPLEMENTARY INFORMATION SCHEDULE

ST. TAMMANY PARISH ASSESSOR
Covington, Louisiana
Supplementary Information Schedule
Summary Schedule of Prior Audit Findings and
Corrective Action Plan for Current Year Audit Findings
For the Year Ended December 31, 2009

I have audited the accompanying basic financial statements of the St. Tammany Parish Assessor as of and for the year ended December 31, 2009, and have issued my report thereon dated May 21, 2010. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. My audit of the financial statements as of December 31, 2009, resulted in an unqualified opinion.

Section I - Prior Year Audit Findings

There were no findings reported in the prior year.

Section II - Current Year Audit Findings

Finding No. 1: Duplicate or Multiple Homestead Exemptions

Fiscal-Year End of Finding: December 31, 2009

Finding Described: Generally, the application and registration of homestead exemptions for residential property owners in St. Tammany Parish, the policy of the assessor's office was to not go through the formal process of removing, then reissuing, a homestead exemption on a residential property that is transferred from one property owner to the next. This is a weakness in internal controls of the office regarding the assessment of residential property in the parish. This weakness was specifically and publicly addressed in two separate television interviews with Assessor Patricia Core in February and March, 2010. It was noted in those interviews that errors were made by the assessor's office when homestead exemptions remained on certain properties. Further examination by the assessor's office resulted in the need to issue change orders on twelve separate property tax bills with additional ad valorem taxes due to the parish's taxing bodies totaling \$14,445.

ST. TAMMANY PARISH ASSESSOR
Covington, Louisiana
Supplementary Information Schedule
Summary Schedule of Prior Audit Findings and
Corrective Action Plan for Current Year Audit Findings
(Continued)
For the Year Ended December 31, 2009

Assessor's Response, Corrective Action and Additional Explanation:
I have taken an oath of office and have always endeavored to uphold Louisiana law and all the laws of my office.

Louisiana Revised Statutes (LARS) 47:1703.1(A) requires that assessors for certain Louisiana parishes, including St. Tammany Parish, provide a form to property owners for permanent registration for the benefits of the homestead exemption provided in LARS 47:1703.

My office has always provided such a form to property owners available at our front counter. Also, for over five years, we have provided this form on the internet for access by the general public. When I took office in January, 1993, I modified the form to include much more information. This satisfied the statutory requirements. Although I modified the existing form at that time, I did not change the existing policies and procedures of the prior administration, as they related to homestead exemptions, which was to not remove the homestead exemption currently in place when the property was transferred. The system appeared to be functioning properly with no detriment to either the parish or the property owner. After I was very recently made aware of the existence of certain duplicate and multiple homestead exemptions, I investigated how this occurred and have changed my previous policy.

Under my new policy, whenever a property is transferred, I immediately remove the applicable homestead exemption, send a letter to the new homeowner along with a newly revised "homestead application form", and require the new property owner to file for a new homestead exemption on that particular property. Prior to certification of the tax rolls, using a newly designed computer program, any owner who has not filed for a homestead exemption will be mailed a "Homestead Exemption Application" form and a homestead exemption will be granted only for those applications that are returned.

Additionally, approximately seven years ago, I developed a computer program to detect duplicate homestead exemptions. As in all computer applications, detection is sometimes difficult if a name is spelled differently, or if the characters don't match exactly. For example, maiden names, middle initials, suffixes like Jr., Sr., etc. With this program we have removed hundreds of duplicate

ST. TAMMANY PARISH ASSESSOR
Covington, Louisiana
Supplementary Information Schedule
Summary Schedule of Prior Audit Findings and
Corrective Action Plan for Current Year Audit Findings
(Continued)
For the Year Ended December 31, 2009

homestead exemptions each year. Further, we are now in the process of modifying and updating this program to better search for duplicate homestead exemptions.

Anticipated Completion Date: July 31, 2010

Finding No. 2: Use Value Assessments

Fiscal-Year End of Finding: December 31, 2009

Finding Described:

In two separate television interviews with Assessor Core, it was noted that eight certain parcels of property were incorrectly receiving a use value classification and, therefore, an understated assessment. In those specific instances, change orders were issued resulting in additional ad valorem taxes due to the parish's taxing bodies totaling \$100,061.

Assessor's Response, Corrective Action and Additional Explanation:

Every one of the use value issues that were brought to my attention were corrected as necessary and new bills for any additional taxes are being sent out to those property owners, plus penalties will be imposed in accordance with LARS 47:2306.A, where applicable. I am continually developing ways to strengthen the internal controls of my office, including land use value certifications, as I will list below.

Also, according to LARS 47:2304, "A landowner, desiring a use value assessment under this act shall be required to file an application with the assessor in the parish or district where the property is located certifying that the property is eligible for use value assessment as bona fide agriculture, horticultural, marsh or timber land as defined in section two of this act". Furthermore, as per LARS 47:2305, it is the landowner's obligation to notify the assessor within sixty days following the effective day of loss of eligibility. In this regard, my office sent out 11,344 revised application forms, Application and Agreement for Use Value Assessment, to property owners of record, requesting additional information needed to determine whether or not their properties are eligible for the use value certification. Any applications which are not received on property currently receiving a use value

ST. TAMMANY PARISH ASSESSOR
Covington, Louisiana
Supplementary Information Schedule
Summary Schedule of Prior Audit Findings and
Corrective Action Plan for Current Year Audit Findings
(Continued)
For the Year Ended December 31, 2009

assessment will be removed prior to completion of the 2010 tax roll. For the applications which are not returned, thus resulting in the use value assessment being removed, we intend to concentrate on commercial property first to determine if improvements currently exist. If we find that improvements do exist, we will obtain building occupancy permits. If it is determined that a penalty is owed, it is our intention to impose the required penalty per LARS 47:2306 A and B.

Although it is the responsibility of the property owner to notify the assessor within sixty days after the property is developed, we have decided to remove the use value classification and send out new application forms when land is transferred in full or partially. If these applications are not returned, the use value classification will be removed for the year of the transfer. We will reinstate the certification only after a new form is submitted and approved by my office.

In addition, we have set up a meeting with the St. Tammany Parish's Department of Permits and Regulatory Director and their computer programmer to discuss ways on how we can better transfer data from the permits office to the assessor's office. Emphasis will be on having complete electronic password-protected access to all current permit information. Previously, without receiving building permits and other necessary information in a timely manner, it was difficult, if not impossible, to add improvements as they were being constructed.

Anticipated Completion Date: July 31, 2010

There were no other findings required to be reported, and no management letter was issued for the current audit period.

The St. Tammany Parish Assessor did not receive any federal funds during the twelve months ended December 31, 2009.

Contact Person:

Ms. Patricia S. Core
St. Tammany Parish Assessor
St. Tammany Parish Courthouse
701 North Columbia Street
Covington, Louisiana 70433
Phone #: 1-985-809-8180

OTHER REQUIRED REPORT

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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**

Honorable Patricia Schwarz Core
St. Tammany Parish Assessor
Covington, Louisiana

I have audited the financial statements of the St. Tammany Parish Assessor as of and for the year ended December 31, 2009, and have issued my report thereon dated May 21, 2010. I conducted my 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 my audit, I considered the St. Tammany Parish Assessor's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the assessor's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the St. Tammany Parish Assessor's internal control over financial reporting.

My consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and

would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as described below, I identified certain deficiencies in the internal control over financial reporting that I consider to be significant deficiencies.

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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the assessor's ability to initiate, authorize, record, process, or report financial data reliably in accordance with general accepted accounting principles such that there is more than a remote likelihood that a misstatement of the assessor's financial statements that is more than inconsequential will not be prevented or detected by the assessor's internal control. I consider the deficiencies described in the accompanying schedule of findings and responses to be significant deficiencies in internal control over financial reporting (Findings No. 1 and 2).

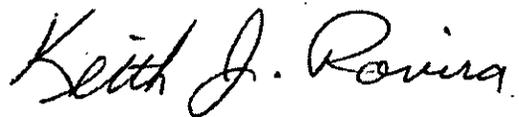
A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the assessor's internal controls.

My consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, I considered the significant deficiencies described in Findings No. 1 and 2 to be material weaknesses.

Compliance and Other Matters

As a part of obtaining reasonable assurance about whether the St. Tammany Parish Assessor's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations and contracts, noncompliance with which could have a direct and material effect on the determination of the financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of management, and the State of Louisiana Legislative Auditor, and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report which, upon acceptance by the State of Louisiana Legislative Auditor, is a matter of public record.

A handwritten signature in cursive script that reads "Keith J. Rovira".

Keith J. Rovira
Certified Public Accountant

May 21, 2010