

AUDITOR'S REPORT.

New Orleans, July 3, 1912.  
Hon. Albert Bienvenu, Mayor,  
St. Martinville, La.

Dear Sir:

In accordance with our contract we have made an examination of the books of the Corporation of the City of St. Martinville for the period of one year and eleven months, from July 1, 1910 to May 28, 1912, and now submit our report thereon together with the supporting exhibits and schedules detailed in the index prefixed hereto.

ORGANIZATION.

The town of St. Martinville was incorporated by a charter issued under the laws of the State of Louisiana on March 4, 1908, and at the close of the period under review, viz: May 28, 1912, the outgoing officials were:

M. L. Broussard, Mayor  
J. A. Resweber, Sec. and Treas.  
L. J. Duchamp, Councilmen  
J. A. Guerin, "  
E. A. Davis, "  
R. J. Guirard, "  
Jules Resweber, Jr. "

SOURCES OF REVENUE

TAXES. All citizens within the corporate limits of the town of St. Martinville are assessed on the property held by them on the following basis in accordance with the Assessment Roll made each and certified by the official Assessor:

Corporation Tax 10 mills  
Special Tax (Water and Light 5 mills  
Drainage Tax 2 mills

Out of the 10 mills tax levied for the Corporation an appropriation of 3 mills is set aside for school tax payable to the School Board of the Parish of St. Martin, less a commission of 5 per cent in reimbursement for the expense of collection of said taxes.

Under the terms of an ordinance issued by the Town Council on March 16, 1903 the "Special Tax" of 5 mills was set aside as a "Sinking Fund" for the redemption of bonds issued by the Water and Electric Light System of the Town and the yearly payment of the coupons thereon.

The Drainage Tax of 2 mills was levied for the purpose of reimbursing the Cypress-Island Lafayette Drainage District Board for payments made by them and the sum raised by levy of this tax is payable to them as collected, less a commission of 5 per cent on the amount collectible.

The other sources of revenue of the Corporation consist of:

LICENSES. Levied as per ordinance of the City Council on the business interests of the town.

FINES. Imposed by the Mayor for petty offenses against the regulations of the City ordinances.

MARKET REVENUES. For rental of market spaces occupied by Merchants in the Market Building belonging to the Town.

INTEREST AND COSTS. Another source of revenue consists of costs and interest charged to delinquent tax payers.

WATER AND LIGHT PLANT. The City also owns and operates a water and light plant for the supply of water and light to the inhabitants of the City.

RESULTS OF THE EXAMINATION.

TAXES. We made a careful examination of the tax records and compared the amount leviable as stated in the assessment rolls with the actual receipts as recorded in the several cash books maintained by the Secretary and Treasurer. Although generally the tax records were found by us to be well maintained, as a result of this examination we ascertained that the receipt of taxes of the following value were not recorded, viz:

Corporation tax (1910 Roll) .....	\$63.10
Special Tax (1910 Roll) .....	8.25
Special Tax (1911 Roll) .....	8.85
	17.50
Drainage Tax (1910 Roll) .....	25.00
Drainage Tax (1911 Roll) .....	3.40
	28.40

LICENSES. The records appertaining to the licenses leviable since March 1906 were found by us to have been destroyed, the leaves of the License Register, which is a bound book, having been apparently cut out with a knife and although repeated demands were made by us for these leaves they were not produced for our inspection. As a result of the absence of this information we were compelled to accept the records contained on the stubs of the license certificate book as evidence of the value of the licenses collectible. Of these the greater proportion were actually received in cash, but licenses to the value of \$655 were not recorded as having been received up to May 28, 1912, and from information given to us are treated in the accounts now presented as outstanding, one item alone being for a sum of \$625. In addition to the value of the licenses thus remaining unpaid it was ascertained that a license issued to A. G. Goulas amounting to \$5 had been received and unaccounted for. Further reference to this matter will be found later in this report.

FINES. No record of fines imposed in the Mayor's Court was available for our inspection and therefore no check could be obtained by us on the fines imposed and thus collectible.

MARKET REVENUES. No record appears to have been kept for the revenue obtainable from tenants of stalls in the Market Building, and the receipt book was the only evidence offered to us in support of the income from this source. On examining the book certain receipts which had been made out but were unissued were produced to us with the explanation that the amounts recorded thereon were collectible, a list of these is appended to this report and further reference will be found later herein when commenting on the accounts receivable.

INTEREST. A check was instituted by us on the delinquent taxes and we found that all the interest due thereon was properly recorded with the exception of a sum of \$1.36.

DISBURSEMENTS. We carefully vouched the whole of the disbursements recorded by the Secretary and Treasurer and found them to be correct. The method of recording these payments were unsatisfactory, and we had considerable difficulty in verifying the accuracy of the entries. In many instances vouchers did not agree with the entries made in the cash book and the explanation given to us in respect of these entries generally was to the effect that partial payments had previously been made on account and the balance paid by check for which was obtained. As these payments were mainly for salaries of officials we satisfied ourselves that no sums were paid in excess of the salaries due. In several instances where payments were made for supplies, statements were produced to us giving credit to the Corporation for the amounts alleged to have been paid. We noticed that very few of the vouchers had been certified for payment by the responsible officials. We paid careful attention to the vouching of payments to the different Boards for taxes payable to them, and found these to be in order.

WATER AND LIGHT PLANT. In examining the sources of revenue

for the Water and Light Plant we found the records most unsatisfactory. Owing to the incomplete nature of the Consumers Register it was impossible to ascertain what sums were receivable for any month from each consumer and as no stub receipt book or duplicates of bills delivered were kept no evidence was available whereby the amounts recorded as receipts could be checked. We also noticed an apparent discrimination in the charges to certain consumers as compared with others and we would strongly advise an investigation into this with a view to the institution of a thorough inspection of the premises whereon water and light is consumed and the maintenance of a complete record of the amount due monthly from the consumers.

STATEMENTS PRESENTED. We present with this report as Exhibits "A" to "G", statements showing the revenue and expenditure of each of the three principal funds of the Corporation consisting of the Corporation General Fund, the Water and Light Fund and the Special Tax Fund, together with a balance sheet setting out the financial position of the Corporation and of the various funds as at May 28, 1912, and statements showing the surplus or deficit on these funds at that date; these exhibits being supported by Schedules "1" to "9", containing further details.

REVENUE AND EXPENDITURE.

CORPORATION GENERAL FUND. In Exhibit "A" will be found a statement of the revenue of this fund for the period of July 1, 1910 to May 28, 1912, inclusive, showing that the excess of revenue receivable for this period over expenditure actually incurred thereon was \$4,443.56. This exhibit may be summarized as follows:

Corporation Tax .....	\$8,250.40
Less Taxes payable to School Board .....	1,358.97
Net Revenue from Taxes .....	\$6,891.43
Sundries Income from other sources .....	10,915.80
Commission on Drainage and School Board Tax .....	147.18
Total Revenue .....	\$17,954.41
Expenditure .....	13,510.85
Excess of Revenue over Expenditure .....	\$4,443.56

On inspection of Exhibit "A" it will be found that reference is given to Schedules "1", "2", "5", "8", "9" for details of the receipts, disbursements, outstanding taxes and accounts payable brought into account in order to arrive at the actual revenue and expenditure during the period under review. The taxes payable to the School Board shown in Schedule "8" represent three mills on the taxes collected for which no settlement has been made. The total income taxes for the period under review was \$8,250.40, but the appropriation of three mills is only applicable to the taxes for the year 1911; previous to this year settlement was made on another basis and the payments in settlement of this previous tax are included in the disbursements shown in Schedule "2".

WATER AND LIGHT FUND. We present as Exhibit "B" a statement showing the revenue and expenditure of the Water and Light Fund for the period under review, from which it will be seen that the net loss on operations for this period has been \$3,186.67. This exhibit may be reviewed in the following condensed form:

Revenue .....	\$10,533.77
EXPENDITURE:	
Materials and Supplies used .....	\$7,516.69
General Expenses .....	6,203.75
Total Expenditure .....	13,720.44
Net Loss on Operations .....	\$3,186.67

In order to arrive at the actual revenue earned for the period under review it will be noted on reference to Exhibit "B" that the outstanding accounts receivable have been taken into account. The actual expenditure incurred for the period is also arrived at after including the liabilities for materials and supplies received during the period and after allowance has been made for the stocks of materials and supplies remaining on hand at May 28, 1912. Details of the outstanding accounts receivable, unpaid bills for supplies and of the inventory of stock on hand will be found in the respective schedules indicated on Exhibit "B". The inventory of stocks on hand was furnished to us by the Engineer, and we accepted his valuation as correct and proper.

SPECIAL TAX FUND. A statement of the Revenue and Expenditure of this fund for the period of twenty-three months under review is appended to this report as Exhibit "C". This excess of revenue over expenditure for the period is shown to be \$1,732.97, arrived at as follows:

Revenue .....	\$3,982.97
Expenditure .....	2,250.00
Excess of Revenue over Expenditure .....	\$1,732.97

The expenditure chargeable against the revenue of this fund during the period under review consisted solely of interest, as no bonds were redeemed.

FINANCIAL POSITION.

The financial position of the Corporation as at May 28, 1912 is set out in the form of a balance sheet appended to this report as Exhibit "D," wherein is also shown the financial position of each fund at the date mentioned. The following is a condensed statement of this exhibit:

	Corporation General fund	Water and Light Fund	Special Tax Fund	Total
Assets				
Fixed Assets:				
Buildings, Plant and Equipment	\$3,388.25	12,271.00		15,659.25
Current Assets:				
Cash on hand and in Banks	140.65		2,038.72	2,179.37
Taxes, Licenses, Water and Lights bills and Accounts Receivable	1,851.40	1,375.04	473.45	3,699.89
J. A. Resweber, Cash short or overpaid	4,179.72	4,225.65	431.04	385.11
Inventories of Materials and Supplies		513.43		513.43
Investment	500.00			500.00
Balances due by one Fund to anyother	895.75	1,090.48	1,989.23	
	9,161.27	8,843.34	4,932.44	22,937.05
Fixed Liabilities:				
Bonded Indebtedness		22,500.00		22,500.00
Cypress-Island Lafayette Drainage Board	469.00			469.00
St. Martin Parish School Board	429.94			429.94
Sundry Accounts Payable	631.46	965.43		1,596.89
Interest accrued due on bonds			25.00	25.00
Bills Payable	500.00			500.00
Total Liabilities	2,030.40	24,465.43	25.00	25,520.83
Surplus or Deficit	7,130.97	14,422.09	4,907.43	2,583.78
	\$9,161.27	8,843.34	4,932.44	22,937.05