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WEST BATON ROUGE PARISH ASSESSOR
PORT ALLEN, LOUISIANA

Financial Statements, Independent Auditors' Report,
and Other Reports Required by Government Auditing Standards

As of and For the Year Ended December 31, 1999

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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 MAR 08 2000

DEAN AND DEAN
CERTIFIED PUBLIC ACCOUNTANTS

WEST BATON ROUGE PARISH ASSESSOR

PORT ALLEN, LOUISIANA

Component Unit Financial Statements
and Independent Auditors' Report
As of and For the Year Ended December 31, 1999

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WEST BATON ROUGE PARISH ASSESSOR
 COMBINED STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES -
 ALL GOVERNMENTAL FUND TYPES - GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 1999

STATEMENT B

REVENUES

Ad valorem taxes	\$ 381,578
Preparation of municipal tax rolls	3,047
Use of property and money - interest	<u>15,213</u>
Total Revenues	<u>399,838</u>

EXPENDITURES

Personal services and related benefits	365,119
Materials and supplies	17,337
Operating services	3,904
Capital outlay	2,074
Travel and other charges	<u>9,538</u>
Total Expenditures	<u>397,972</u>

EXCESS OF REVENUES OVER EXPENDITURES 1,866

FUND BALANCE AT BEGINNING OF YEAR 599,981

FUND BALANCE AT END OF YEAR \$ 601,847

See Accompanying Notes

WEST BATON ROUGE PARISH ASSESSOR
 COMBINED STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES -
 BUDGET (GAAP BASIS) AND ACTUAL
 ALL GOVERNMENTAL FUND TYPES - GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 1999

STATEMENT C

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
REVENUES			
Ad valorem taxes	\$ 385,000	\$ 381,578	\$ (3,422)
Preparation of municipal tax rolls	3,000	3,047	47
Use of property and money - interest	16,000	15,213	(787)
	<u>404,000</u>	<u>399,838</u>	<u>(4,162)</u>
EXPENDITURES			
Personal services and related benefits	366,000	365,119	881
Materials and supplies	19,000	17,337	1,663
Operating services	4,000	3,904	96
Capital outlay	4,000	2,074	1,926
Travel and other charges	11,000	9,538	1,462
	<u>404,000</u>	<u>397,972</u>	<u>6,028</u>
EXCESS OF REVENUES OVER EXPENDITURES	0	1,866	1,866
FUND BALANCE AT BEGINNING OF YEAR	<u>599,981</u>	<u>599,981</u>	
FUND BALANCE AT END OF YEAR	<u>\$ 599,981</u>	<u>\$ 601,847</u>	<u>\$ 1,866</u>

See Accompanying Notes

WEST BATON ROUGE PARISH ASSESSOR
Port Allen, Louisiana
Notes to the Financial Statements
As of and for the Year Ended December 31, 1999

A. THE ASSESSOR

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 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.

The assessor's office is located in the West Baton Rouge Parish Courthouse in Port Allen, Louisiana. The assessor employs six employees, including five deputies. 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 by May 1 of 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 the collection and distribution of taxes to the various taxing bodies.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

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

Reporting Entity

As the governing authority for the parish, for reporting purposes, the West Baton Rouge Parish Police Jury is the financial reporting entity for West Baton Rouge Parish. The financial reporting entity consists of (a) the primary government, (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.

GASB Statement No. 14 established criteria for determining which component units should be considered part of the West Baton Rouge 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:

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.

WEST BATON ROUGE PARISH ASSESSOR
Port Allen, Louisiana
Notes to the Financial Statements
As of and for the Year Ended December 31, 1999

Because the police jury has authority over the Assessor's capital budget, the Assessor was considered to be fiscally dependent on the police jury. For this reason the Assessor was determined to be a component unit of the West Baton Rouge Parish Police Jury, the 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.

Fund Accounting

The assessor uses funds and account groups 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. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds of the assessor are classified as governmental funds. Governmental funds account for the assessor's general activities, including the collection and disbursement of specific or legally restricted monies and the acquisition of general fixed assets.

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. Ad valorem tax revenue authorized by Act 223 of 1984, is accounted for in this fund. General operating expenditures are paid from this fund. This is the only fund of the assessor.

Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The General Fund is accounted for using a current financial resources measurement focus. With this measurement focus only current assets and current liabilities generally are included on the balance sheet. The operating statement of the General Fund presents increases and decreases in net current assets. The modified accrual basis of accounting is used by the General Fund. The General Fund uses the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes are recorded in the year the taxes are assessed. Ad valorem taxes are assessed for the calendar year, become due on November 15 of each year, and become delinquent on December 31. The Taxes are generally collected in December of the current year and January and February of the ensuing year.

Interest income on time deposits is recorded when earned and available.

Other revenues are recorded when received.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

WEST BATON ROUGE PARISH ASSESSOR
Port Allen, Louisiana
Notes to the Financial Statements
As of and for the Year Ended December 31, 1999

Budget

The assessor prepares a budget at the beginning of each year based upon prior year expenditures and anticipated revenues for the budget year. The proposed budget is prepared on a modified accrual basis of accounting and is made available for public inspection no later than 15 days prior to the beginning of the budgeted year. The budget was advertised in the assessor's official journal (local paper) on November 26, 1998. The budget was formally adopted on December 11, 1998. All appropriations lapse at year end. In accordance with Louisiana Revised Statute 47:1908, the assessor carries forward into subsequent years any unexpired appropriation.

Formal budget integration (within the accounting system) is not employed as a management control device. During the fiscal year, actual revenues and expenditures are compared to budgeted revenues and expenditures by the assessor. If actual revenues are falling short of budgeted revenues by five per cent or more or if actual expenditures to date plus projected expenditures for the remainder of the year exceed the budgeted expenditures by five per cent 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. The assessor has sole authority to amend the budget.

Cash and Cash Equivalents

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 their principal offices in Louisiana.

Fixed Assets

Fixed assets used in governmental fund operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in the governmental funds. General fixed assets provided by the parish police jury are recorded within the assessor's general fixed assets account group. Fixed assets are valued at historical cost. No depreciation has been provided on fixed assets. The account group is not a fund. It is concerned only with the measurement of financial position and does not involve measurement of results of operations.

Vacation and Sick Leave

Employees of the assessor's office earn from 10 to 15 days of vacation leave each year, depending on length of service. Vacation leave must be used in the year earned. There is no formal policy on sick leave. Sick leave is approved by the assessor based on need. There are no accumulated and vested benefits relating to vacation or sick leave.

Total Columns on Statements

The total columns on the statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

WEST BATON ROUGE PARISH ASSESSOR
 Port Allen, Louisiana
 Notes to the Financial Statements
 As of and for the Year Ended December 31, 1999

C. LEVIED TAXES

The following is a summary of authorized and levied ad valorem taxes:

Assessment District (Assessor)	Authorized Millage	Levied Millage
	2.58	2.58

The following are the principal taxpayers for the parish:

Taxpayer	Type of Business	1999 Assessed Valuation	Percentage of Total Assessed Valuation
Dow Chemical Co. USA	Chemical Plant	\$ 26,116,860	14.9%
Exxon	Oil Refinery	12,868,130	7.3%
Borden Chemical	Chemical Plant	12,050,340	6.9%
Cargil, Inc.	Grain Exporter	<u>7,481,130</u>	<u>4.3%</u>
Total		<u>\$ 58,516,460</u>	<u>33.4%</u>

D. CASH AND CASH EQUIVALENTS

At December 31, 1999, the assessor has cash and cash equivalents (book balances) totaling \$242,710, as follows:

Demand deposits	\$ 2,108
Money market account	32,602
Certificates of Deposit	<u>208,000</u>
Total	<u>\$ 242,710</u>

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 bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. These deposit balances are secured by \$102,108 of federal deposit insurance and \$140,602 of pledged securities (category 3).

Even though the pledged securities are considered uncollateralized 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.

WEST BATON ROUGE PARISH ASSESSOR
 Port Allen, Louisiana
 Notes to the Financial Statements
 As of and for the Year Ended December 31, 1999

E. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets (office, furnishings and equipment) follows:

Balance, January 1, 1999	\$ 100,548
Additions	2,074
Deductions	<u>1,295</u>
Balance, December 31, 1999	<u>\$ 101,327</u>

F. PENSION PLAN

Substantially all employees of the West Baton Rouge Parish Assessor's office are members of the Louisiana Assessors Retirement System ("System"), a multiple-employer, 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 creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 per cent of their final-average salary for each year of credited service, not to exceed 100 per cent 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.

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 Assessors' Retirement System, Post Office Box 1786, Shreveport, Louisiana 71166-1786, or calling (318) 425-4446.

Plan members are required by state statute to contribute 7.0 percent of their annual covered salary and the West Baton Rouge Parish Assessor is required to contribute at an actuarially determined rate. The current rate is 5.75 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 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 contributions to the System for the years ending December 31, 1999, 1998, and 1997, were \$16,535, \$14,976, and \$14,488, respectively, equal to the required contributions for each year.

G. POSTRETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The West Baton Rouge Parish Assessor provides continuing health care benefits for its retired employees. Substantially all of the assessor's employees become eligible for those benefits if they reach normal retirement age while working for the assessor. Those benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid solely by the assessor. The assessor recognizes the cost of providing these benefits (assessor's portion of premiums) as an expenditure when paid during the year. For 1999 the Assessor paid approximately \$3,500 in insurance premiums for one retired employee.

WEST BATON ROUGE PARISH ASSESSOR
Port Allen, Louisiana
Notes to the Financial Statements
As of and for the Year Ended December 31, 1999

II. EXPENDITURES OF THE ASSESSOR NOT INCLUDED
IN THE FINANCIAL STATEMENTS

The assessor's office is located in the parish courthouse. Expenditures for maintenance and operation of the parish courthouse are paid by the West Baton Rouge Police Jury.

I. RISK MANAGEMENT

The Assessor carries commercial insurance for all major categories of risk including workers' compensation, general liability, and automobile liability. There have been no significant reductions in insurance coverage for the current year. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS

The following pages contain reports on internal control structure and compliance with laws and regulations required by Government Auditing Standards, issued by the Comptroller General of the United States. The report on internal control structure is based solely on the audit of the financial statements and includes, where appropriate, any reportable conditions and/or material weaknesses. The report on compliance with laws and regulations is, likewise, based solely on the audit of the presented financial statements and presents, where applicable, compliance matters that would be material to the presented financial statements.

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

February 25, 2000

Honorable Basil P. Scalise
West Baton Rouge Parish Assessor
P.O. Box 76
Port Allen, Louisiana 70767

We have audited the accompanying component unit financial statements of the West Baton Rouge Parish Assessor as of and for the year ended December 31, 1999, and have issued our report thereon dated February 25, 2000. We conducted our 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.

Compliance

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

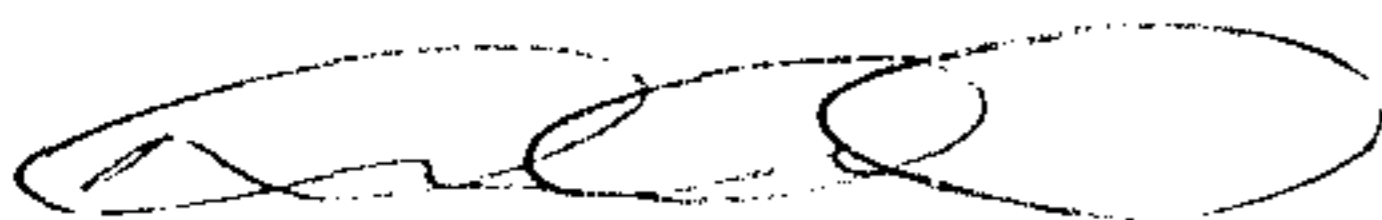
Internal Control Over Financial Reporting

In planning and performing our audit, we considered the West Baton Rouge Parish Assessor's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the Assessor, management, and the Louisiana Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,



Dean and Dean, CPAs