

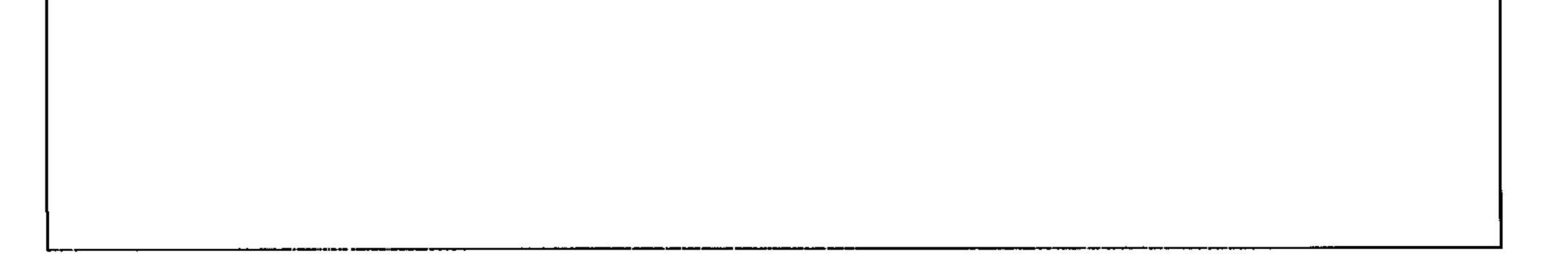
TANGIPAHOA PARISH ASSESSOR AMITE, LOUISIANA

REPORT ON AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS

AS OF AND FOR THE TWO YEARS 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 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 JUL 2 6 2000



.

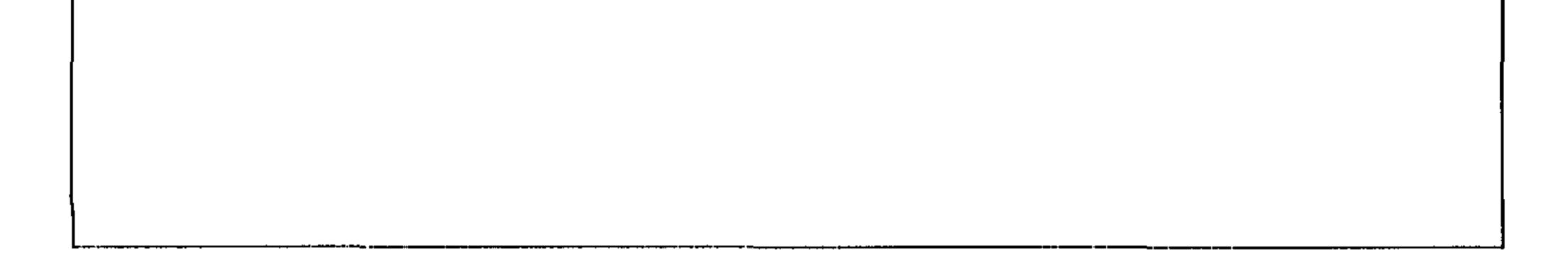
TANGIPAHOA PARISH ASSESSOR AMITE, LOUISIANA

REPORT ON AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS

AS OF AND FOR THE TWO YEARS ENDED DECEMBER 31, 1999

<u>CONTENTS</u>

	EXHIBIT	PAGE
INDEPENDENT AUDITOR'S REPORT	-	1
GENERAL PURPOSE FINANCIAL STATEMENTS (COMBINED STATEMENTS - OVERVIEW)		
Combined Balance Sheet - All Fund Types and Account Groups - December 31, 1999	Ä	3
Statement of Revenues, Expenditures, and Changes in Fund Balance - General Fund - For the Two Years Ended December 31, 19	99 B	4
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual -		
General Fund - For the Two Years Ended December 31, 19	999 C	5
Notes to Financial Statements	-	6 - 18
OTHER INDEPENDENT AUDITOR'S REPORT AND FINDINGS AND RECOMMENDATIONS		
Independent Auditor's Report on Compliance and On Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <u>Government</u>		
Auditing Standards	-	21 - 22
Findings and Recommendations	-	24
Corrective Action Plan for Current Year Audit Findings	-	26
Summary Schedule of Prior Audit Findings	-	28



· ----

ъ.,

.



John N. Durnin, CPA Dennis E. James, CPA Bryon C. Garrety, CPA

Charles D. Mathews, CPA Jessie Travis-Gill, CPA Charles F. Dismukes, Jr., CPA A Professional Corporation

HAMMOND, LA + AMITE, LA

Member American Institute of Certified Public Accountants

Member Society of Louisiana Certified Public Accountants

June 15, 2000

INDEPENDENT AUDITOR'S REPORT

The Honorable William S. Dufreche TANGIPAHOA PARISH ASSESSOR Amite, Louisiana

We have audited the accompanying general purpose financial statements of the Tangipahoa Parish Assessor, a component unit of the Tangipahoa Parish Council, as of December 31, 1999, and for the two years then ended. These general purpose financial statements are the responsibility of the management of the Tangipahoa Parish Assessor. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Tangipahoa Parish Assessor, as of December 31, 1999, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

In accordance with <u>Government Auditing Standards</u>, we have also issued our report dated June 15, 2000, on our consideration of the Tangipahoa Parish Assessor's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Respectfully submitted,

Durin + James

DURNIN & JAMES, CPA'S, P.C.

• 401 East Thomas Street • Hammond, LA 70401 • Phone: 504 345 6262 • Fax: 504 345 9987 •

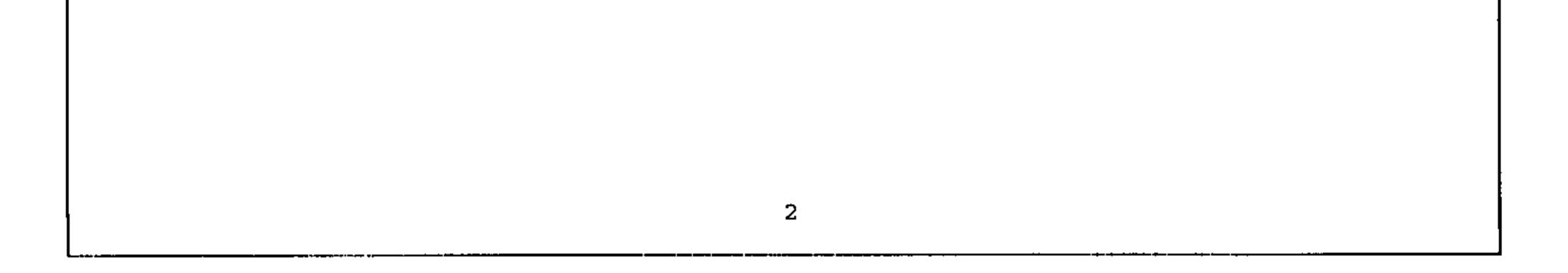
ј

• 112 Fast Chestnut Street • Amite, LA 70422 • Phone: 504 748 5134 • Fax: 504 748 4116 •

•

Г	
	L
L	
	Ľ
L	
L	- I
L	
L	
L	
L	
L	
L	
L	
L	
L	
L	
L	
L	
L	
L	
L	
L	
L	
L	
	1
	1
	1
	I
L	
L	
L	
I	
	I
	I
	1
	1
	1
	l I
	1
1	I
	1
	1
	l I
	l I
	1
I	1
	1
	1
	1
1	1
I	1
	1
	1
	1
	1
I	
1	I
	l I
	1
	l I
	1
	J
	1
I	1
	1
	1
I	
	1
	1
	1
	1

GENERAL PURPOSE FINANCIAL STATEMENTS (COMBINED STATEMENTS - OVERVIEW)



.

- - --

 $\langle \mathbf{Q} \rangle$ EXHIBIT

٠

٠

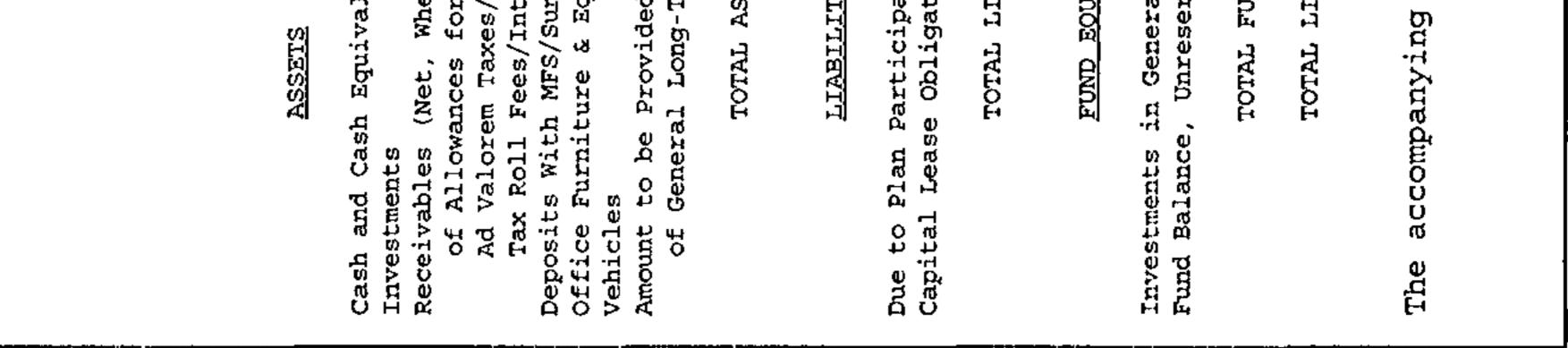
ACCOUNT GROUPS

TOTAL (MEMORANDUM ONLY)	\$ 92,967 795,043	844,894 - 168,587 334,693 54,490	\$ <u>2,290,674</u>	\$ 168,587 5 168,587	\$ 389,183 1,732,904 \$2,122,087 \$2,290,674
GROUPS GENERAL LONG - TERM OBLIGATIONS	1 I KA	J Ø I Ø I		и I и Ф Ф	
ACCOUNT GENERAL FIXED ASSETS	т. 1 Т. 1	334,693 54,490	\$ 389,183	1 1 1 1 1	\$ 389,183 \$ <u>389,183</u> \$ <u>389,183</u>

Ř

	TANGIPAHOA PA AMITE, I	PARISH ASSESSON LOUISIANA
COMBINED BAL	ANCE SHEET - ALL	FUND TYPES AN
	December	31, 1999
()	GOVERNMENTAL FUND GENERAL FUND	FIDUCIARY FUND - DEFERRED COMPENSATION PROGRAM AGENCY FUND
valents	\$ 92,967 795,043	יי אי
Where Applicable for Uncollectibles): tes/State Revenue Sharing	844,894	ı
Interest 'Sun Life (U.S.) Annuity	1)	- 168,587
Equipment	1	I
ded for Retirement g-Term Debt	4 I .	• •
ASSETS	\$ <u>1,732,904</u>	\$ <u>168,587</u>
TITES		
ipants gation	ر ، م	\$ 168,587
LIABILITIES	ו גי	\$ 168,587
EOULTY		
eral Fixed Assets served - Undesignated	\$ - <u>1.732.904</u>	, , ,
FUND EQUITY	\$ <u>1,732,904</u>	s S
LIABILITIES AND FUND EQUITY	\$ <u>1,732,904</u>	\$ <u>168,587</u>
ng notes are an integral part	rt of this statement	ent.

n)



.

TANGIPAHOA PARISH ASS Amite, Louisiana		<u>EXHIBIT B</u>
<u>STATEMENT OF REVENUES, EXPEN</u> <u>CHANGES IN FUND BALANCE - G</u>		
For the Two Years Ended Decer	mber 31, 1999	
<u>REVENUES</u> :	<u> </u>	Fund 1998
Ad Valorem Taxes Tax Roll Fees Interest Earnings Other Revenues	\$ 999,891 16,492 55,450 <u>46,417</u>	\$ 950,406 15,499 52,350 <u>5,173</u>
TOTAL REVENUES	\$ <u>1,118,250</u>	\$ <u>1,023,428</u>

EXPENDITURES:

•

4

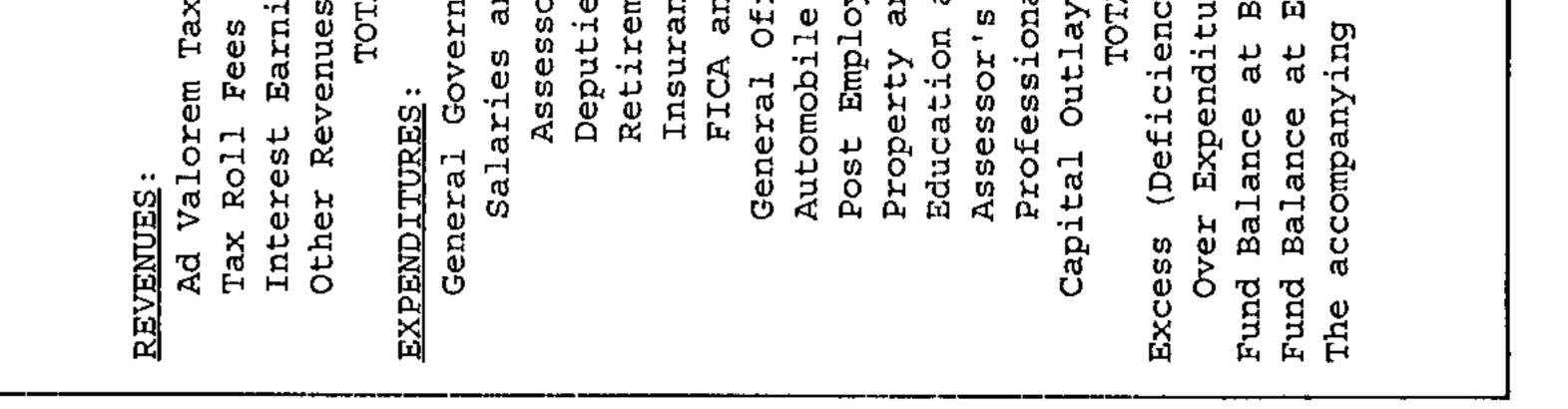
General Government - Taxation:

\$ 80,250	\$69,550
650,224	614,705
39,224	36,220
86,583	79,752
8,575	8,526
55,678	47,663
16,598	13,558
34,101	31,329
8,083	13,249
4,185	7,003
8,025	6,955
27,363	38,634
<u> 69,906</u>	7,316
\$ <u>1,088,795</u>	\$ <u>974,460</u>
\$ 29,455	\$ 48,968
<u>1,703,449</u>	<u>1,654,481</u>
\$ <u>1,732,904</u>	\$ <u>1,703,449</u>
	650,224 39,224 86,583 8,575 55,678 16,598 34,101 8,083 4,185 8,025 27,363 69,906 \$1.088,795 \$29,455 1.703,449

The accompanying notes are an integral part of this statement. 4

..

	TANGIPAHOA Amite	PARISH , Louisi	ASSESSOR ana			EXHIBIT C
CHANGES	IN FUND AND AC	<u> REVENUES, EXPEN</u> D BALANCE - BUDG ACTUAL - GENERAL	NDITURES, ANI ET (GAAP BAS FUND	IS)		
ЧОЧ	r the Two Years	Ended	December 31, 1999	ſ		
		1999			1998	
			VARIANCE			VARIANCE
	BUDGET	ACTUAL	FAVORABLE	BUDGET	ACTUAL	FAVORABLE (<u>UNFAVORABLE</u>)
laxes	- N	•	\$ 5,891	•	\$ 950,406	\$ 26,406
00 00	16,000	16,492	492	15,000	15,499	499
rnings	53,000	, 45	, 45	55,000	52,350	(2,650)
CTAL REVENUES	<u>45,000</u> \$1,108,000	<u>46,417</u> \$1,118.250	\$ 10.250	\$1.000.000	\$1.023.428	\$ 23.428
<u></u>						
and Related Benefits:						
SSOL	\$ 80,250	\$ 80,250	ۍ ۱	\$ 69,550	\$ 69,550	ו עי
ties	650,000	650,224	(224)	611,000	614,705	(3,705)
rement Contributions	40,000	39,224	776	38,000	36,220	1,780
	87,000	86,583	417	80,640	79,752	888
N	9,000	8,575	2	9,000	8,526	474
	60,000	55,678	4,322	50,000	47,663	2,337
le Expenditures	16,000	16,598	(238)	13,000	13,558	(558)
ent Benefi	34,000	34,101	(101)	31,360	31,329	31
()	9,000	8,083	617	10,000	13,249	(3,249)
ю	Ś	с 13	815	•	°,	662
-	8,025	8,025	ı	6,955	6,955	I
onal Fees	27,000	27,363	(363)	35,000	38,634	(3,634)
lay - Equipment	70,000	69,906	94	15,000	7,316	7,684
EXP	<u>1,095,275</u>	<u>1,088,795</u>	6,480	977,505	974,460	3,045
HUNDA OL REVENUES	101 01 101 01	11 V V V V	U F	ç		N C
anina of	1 272	*'n9 *'n9	•	1 7 7 7 7 7 7 7	10# U	C14107 A
6m mm	0/6'0/0'T	1031	707	<u>, 504, 40</u>	<u>, 554, 48</u>	•
: End of Year In notes are an interral n	\$ <u>1,689,701</u> nart of thic c	\$ <u>1,732,904</u> ctatement	\$ <u>43,203</u>	\$ <u>1,676,976</u>	\$ <u>1,703,449</u>	\$ <u>26,473</u>
		ហ				



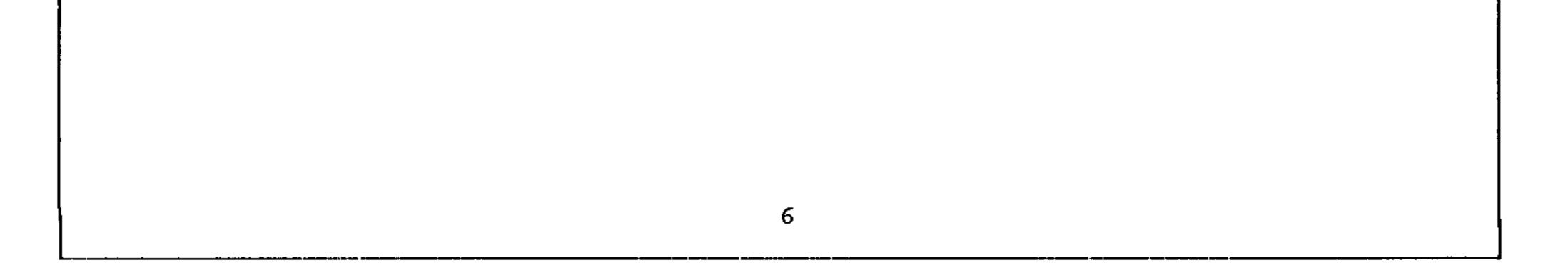
.

•

NOTES TO FINANCIAL STATEMENTS

As of and for the Two Years Ended December 31, 1999

		PAGE
INTI	RODUCTION	7
1.	SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	7
	A. BASIS OF PRESENTATION	7
	B. REPORTING ENTITY	7 - 8
	C. FUND ACCOUNTING	8 - 9
	D. BASIS OF ACCOUNTING	9 - 10
	E. BUDGETS	10
	F. ENCUMBRANCES	10
	G. CASH EQUIVALENTS AND INVESTMENTS	10 - 11
	H. INVENTORY	11
	I. PREPAID ITEMS	11
	J. FIXED ASSETS	11
	K. COMPENSATED ABSENCES	11 - 12
	L. LONG-TERM OBLIGATIONS	12
	M. TOTAL COLUMN ON BALANCE SHEET	13
2.	LEVIED TAXES	13 - 14
3.	CASH, CASH EQUIVALENTS AND INVESTMENTS	14 - 15
4.	CHANGES IN GENERAL FIXED ASSETS	15
5.	PENSION PLAN	15 - 16
6.	POST-RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS	16 - 17
7.	RELATED-PARTY TRANSACTIONS	17
8.	EXPENDITURES OF THE ASSESSOR NOT INCLUDED IN THE FINANCIAL STATEMENTS	17
9.	DEFERRED COMPENSATION PLAN	17
10.	LITIGATION AND CLAIMS	18
11.	SUBSEQUENT EVENTS	18



NOTES TO FINANCIAL STATEMENTS

As of and for the Two Years Ended December 31, 1999

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 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 Tangipahoa Parish Courthouse in Amite, Louisiana. The Assessor employs 16 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 assessment roll to the parish tax collector, who is responsible for the collection and distribution of taxes to the various taxing bodies.

There were 49,273 and 48,303 real and movable property assessments as of December 31, 1999 and 1998, respectively, as follows:

	1999	<u> 1998 </u>
Real Property	\$209,628,618	\$201,185,019
Personal Property	61,634,253	58,963,382
Public Service	<u>30,643,510</u>	<u>30,207,910</u>

\$<u>301,906,381</u>

\$<u>290,356,311</u>

1999 represents an increase of 970 assessments totaling \$11,550,070 over the 1998 year, caused primarily by growth in commercial and residential real estate in Tangipahoa Parish.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the Tangipahoa 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.

B. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Tangipahoa Parish Council is the financial reporting entity for Tangipahoa Parish. The financial reporting entity consists of (a) the primary government 7

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

As of and for the Two Years Ended December 31, 1999

(council) (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Tangipahoa Parish Council 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:

Appointing a voting majority of an organization's governing body, and

- - a. The ability of the council 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 parish council.
- Organizations for which the parish council does not appoint a voting 2. majority but are fiscally dependent on the parish council.
- 3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

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

FUND ACCOUNTING c.

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 is a financial reporting device designed to provide 8

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

As of and for the Two Years Ended December 31, 1999

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 into two categories as follows:

GOVERNMENTAL FUND

General Fund - The General Fund, as provided by Louisiana Revised Statute 47:1906, is the principal fund of the Assessor and accounts for the operation of the Assessor's office. Compensation received from the various taxing bodies, prescribed by formula in Louisiana Revised Statute 47:1907-1908 and ad valorem tax revenues authorized by Act 806 of 1984, are accounted for in this fund. General operating expenditures are paid from this fund.

FIDUCIARY FUND

The fiduciary fund (Deferred Compensation Program Agency Fund) accounts for assets held on behalf of others as their agent. The Deferred Compensation Program Agency Fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. The fund accounts for the portion of the participating employees' salaries that have been deferred until future years, as described in Note 9.

D. 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 and the Deferred Compensation Program Agency Fund. The General Fund uses the following practices in recording revenues and expenditures:

Revenues

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

current year and January and February of the ensuing year.

9

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

As of and for the Two Years Ended December 31, 1999

All 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.

E. BUDGETS

The Assessor uses the following budget practices:

The proposed budget for 1999 was made available for public inspection on November 20, 1998. The budget was published in the official journal on November 23, 1998, 12 days prior to the public hearing which was held on December 7, 1998, at the Assessor's office in Amite, Louisiana. The 1999 budget was adopted December 11, 1998.

The Assessor has final authority to adopt the original budget and any subsequent changes made to this document. The 1999 budget was amended on October 1, 1999. The budget amounts in the accompanying financial statements reflect both the original and amended amounts budgeted.

A budget comparison report is examined each month to determine problem areas which will not meet the original projections. The necessary corrections are made to the budget when these problem areas are recognized.

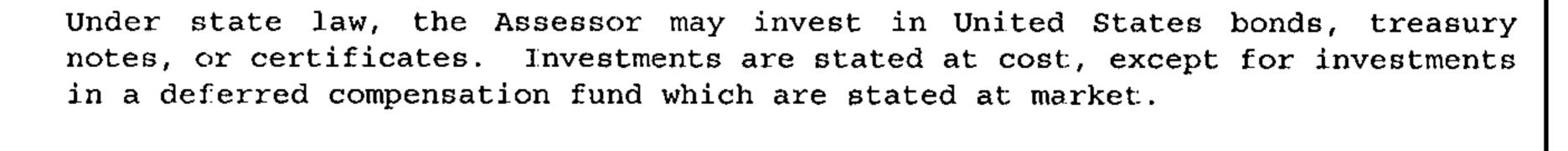
All unexpended amounts in any budgetary account lapse at the end of the budgetary year.

F. ENCUMBRANCES

There is no encumbrance accounting procedure used in this office.

G. CASH EQUIVALENTS AND INVESTMENTS

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



NOTES TO FINANCIAL STATEMENTS (CONTINUED)

As of and for the Two Years Ended December 31, 1999

The Tangipahoa Parish Assessor's Office provides a deferred compensation program for its employees. The program is the Compass 2 Combination fixed/variable annuity and is serviced through MFS/SUN LIFE (U.S.), P. O. Box 1024, Boston, MA. 02103-9986. These funds belong to the individual employee. The Assessor's office is the administrator of the plan and all withdrawals by employees must be requested by the Assessor's office. The value of these accounts as of December 31, 1999 was \$168,587.

H. INVENTORY

The Tangipahoa Parish Assessor utilizes the "purchase method" of accounting for supplies in governmental funds whereby expendable operating supplies are recognized as expenditures when purchased. As a result, the Tangipahoa Parish Assessor did not record any inventory at December 31, 1999.

I. PREPAID ITEMS

None.

J. FIXED ASSETS

Fixed assets are recorded as expenditures at the time of purchase and the related assets are capitalized (reported) in the general fixed assets. No depreciation has been provided on general fixed assets. General fixed assets provided by the Parish Council are not recorded within the fixed assets account group. Fixed assets are valued at historical cost.

K. COMPENSATED ABSENCES

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

All full-time employees earn annual leave based on years of service. Employees with five years or less of service earn ten days of annual leave each year. Employees with six to fifteen years of service earn fifteen days of annual leave each year. Employees with sixteen years and over earn twenty days of annual leave each year. Unused annual leave at the end of each year may not be accumulated to the next year.

Employee sick leave is also based on years of service. Employees with five years or less earn ten days of sick leave each year. Employees with six to fifteen years earn twelve days of sick leave each year. Employees with sixteen years or more earn fifteen days of sick leave each year. Unused sick leave days for any employee as of June 1st of each year may be taken as additional annual leave. Unused sick leave at the end of each year may not be accumulated to the next year.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

As of and for the Two Years Ended December 31, 1999

The assessor's recognition and measurement criteria for compensated absences follows:

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

- a. The employees' rights to receive compensation are attributable to services already rendered.
- b. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments

at termination or retirement.

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

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

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

The remainder of the liability should be reported in the general long-term obligations account group.

No provision for accrued compensated absences is required at December 31, 1999, as the amount is not material.

L. LONG-TERM OBLIGATIONS

Long-term obligations expected to be financed from the General Fund are reported in the general long-term obligations account group. Expenditures for principal and interest payments for long-term obligations are recognized in the General Fund when due.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

As of and for the Two Years Ended December 31, 1999

M. TOTAL COLUMN ON BALANCE SHEET

The total column on the balance sheet is captioned Memorandum Only to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

2. LEVIED TAXES

The Tangipahoa Parish Assessor's Office is financed by a millage tax authorized by Act 806 of the Louisiana Legislature in 1984. The present tax rate of 4.67 mills is the maximum authorized by law. In 1999 this office levied 4.67 mills on the 1999 tax roll.

The principal taxpayers in Tangipahoa Parish are as follows:

		1999 Assessed	Percentage of Total Assessed
<u>Taxpayer</u>	<u>Business Type</u>	<u>Valuation</u>	<u>Valuation</u>
BellSouth Telecommunications	Public Service	\$10,408,752	3.45%
Entergy, Entergy Gulf States	Public Service	9,606,630	3.18%
Sunbelt Dix Properties Corp.			
Winn Dixie	Distribution Center	7,597,095	2.52%
Ohiocubo, Inc.,			
Super Value, Inc.	Distribution Center	3,906,915	1.29%
First Guaranty Bank			
Guaranty Bank & Trust Co.	Banking	3,209,007	1.06%
First American National Bank	Banking	2,807,096	0.93%
Florida Gas Transmission Co.	Public Service	2,470,150	0.82%
Delchamps, Inc.	Distribution Center	2,317,886	0.77₺
Illinois Central Railroad Co.	Public Service	2,110,380	0.70%
Hancock Bank of Louisiana	Banking	<u>1,966,571</u>	<u>0,65</u> %
		\$ <u>46,400,482</u>	<u>15.37</u> %

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the Assessor in September or October and are actually billed to the taxpayers in November. Billed taxes become delinquent on January 1

of the following year. Revenues from ad valorem taxes are budgeted in the year billed.

The Tangipahoa Parish Sheriff bills and collects the property taxes for the Assessor using the assessed values determined by the Tax Assessor of Tangipahoa Parish.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

As of and for the Two Years Ended December 31, 1999

For the year ended December 31, 1999, taxes of 4.67 mills were levied on property with taxable assessed valuations totaling \$186,609,815 and were dedicated to component units.

Total taxes levied were \$871,468. Taxes receivable including state revenue sharing were \$844,894 at December 31, 1999. Ad valorem taxes receivable at December 31, 1999, are recorded net of an allowance for uncollectibles.

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

At December 31, 1999, the Assessor has cash (demand deposits) totaling \$92,967. Investments totaling \$795,043 at December 31, 1999, are in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.165, the investments in LAMP is not categorized in the three risk categories provided by GASB Codification Section 150.164 because the Investment is in a pool of funds and thereby not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc., a nonprofit corporation organized under the laws of the State of Louisiana, and is governed by a board of directors comprised of representatives from various local governments and state-wide professional organizations. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

	Confirmed			
	Bank Balance	FDIC	Pledged	Excess
	<u> 12/31/99 </u>	<u>Insurance</u>	<u>Collateral</u>	<u>Security</u>
Demand Deposits	\$103,287	\$100,000	\$500,000	\$496,713
Investments	\$795,043	\$ -	\$-	\$-

The demand deposits are stated at cost, which approximates market. Under state law, these deposits (or resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 1999, the Assessor had

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

As of and for the Two Years Ended December 31, 1999

\$103,287 in deposits (collected bank balances). These deposits were secured from risk by \$100,000 of federal deposit insurance and \$500,000 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Assessor that the fiscal agent has failed to pay deposited funds upon demand.

CHANGES IN GENERAL FIXED ASSETS 4.

A summary of changes in general fix	xed assets follows:		
		Office Furniture &	
	<u>Vęhicles</u>	<u>Deletions</u>	<u>_Total</u>
Balance, January 1, 1998	\$ 87,720	\$270,010	\$357,730
Additions for the Year Ended:			
December 31, 1998	_	7,317	7,317
December 31, 1999	-	69,906	69,906
Retirements for the Year Ended:			
December 31, 1998	33,230	1,675	34,905
December 31, 1999		10,865	<u> 10,865</u>
Balance, December 31, 1999	\$ <u>54,490</u>	\$ <u>334,693</u>	\$ <u>389,183</u>

5. PENSION PLAN

Plan Description. Substantially all employees of the Tangipahoa Parish Assessor's Office are members of the Louisiana Assessor's Retirement Fund 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 Final-average salary is the employee's average salary over the 36 salary.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

As of and for the Two Years Ended December 31, 1999

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.

Funding Policy

Plan members are required by state statute to contribute 7.0 percent of their annual covered salary and the Tangipahoa 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 (one percent for Orleans Parish) 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 Tangipahoa Parish Assessor are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year.

Trend Information

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Assessor's Retirement System, Post Office Box 14699, Baton Rouge, Louisiana 70898, or by calling (504)928-8886. The Assessor's Office total payroll in the year ended December 31, 1999, was \$730,474, and the Assessor's Office employer contributions were based on a payroll of \$682,164. Employee contributions were based on a total payroll on \$637,132. The difference is "drop-program" employees that were not included for the first ten months of the year. Louisiana State Law changed to a three-year drop program, during which <u>all</u> payroll is subject to employer and employee contributions. Both the Assessor's Office and the covered employees made the required contributions amounting to \$83,824. Contributions required by state statute:

Year	Required	Percentage
<u>December 31</u>	<u>Contribution</u>	<u>Contributed</u>
1997	\$67,593	100%
1998	\$75,329	100%
1999	\$83,824	100%

6. POST-RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The Tangipahoa Parish Assessor provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the Assessor's

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

As of and for the Two Years Ended December 31, 1999

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 jointly by the employees and by the Assessor. The Assessor recognizes the cost of providing these benefits on a pay-as-you-go basis as an expenditure when paid during the year, which was \$34,101 for 1999 and \$31,329 for 1998.

7. RELATED-PARTY TRANSACTIONS

None.

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

Certain operating expenditures of the Assessor's office are paid by the parish council as required by Louisiana Revised Statute 33:4713. The Assessor's office is located in the Tangipahoa Parish Courthouse and the upkeep and maintenance of the courthouse is paid by the Tangipahoa Parish Council.

9. DEFERRED COMPENSATION PLAN

The Tangipahoa Parish Assessor offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, which is available to all employees, permits employees to defer a portion of their salaries until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the Assessor (without being restricted to the provisions of benefits under the plan), subject only to the claims of the Assessor's general creditors. Participants' rights under the plan are equal to those of general creditors of the Assessor in an amount equal to the fair market value of the deferred account for each participant cost. Deposits with the MFS/Sun Life (U.S.) Annuity are stated at market value.

According to the plan document, the Assessor has no liability for losses under the

plan except where it can be shown that fraud or theft has occurred. Deposits with MFS/Sun Life (U.S.) Annuity total \$168,587 at December 31, 1999, as reflected on Exhibit A.

- --- -----

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

As of and for the Two Years Ended December 31, 1999

10. LITIGATION AND CLAIMS

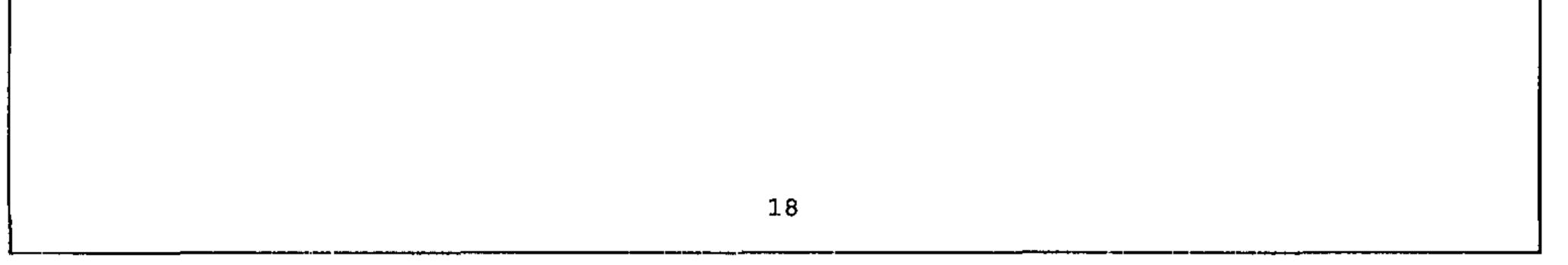
•

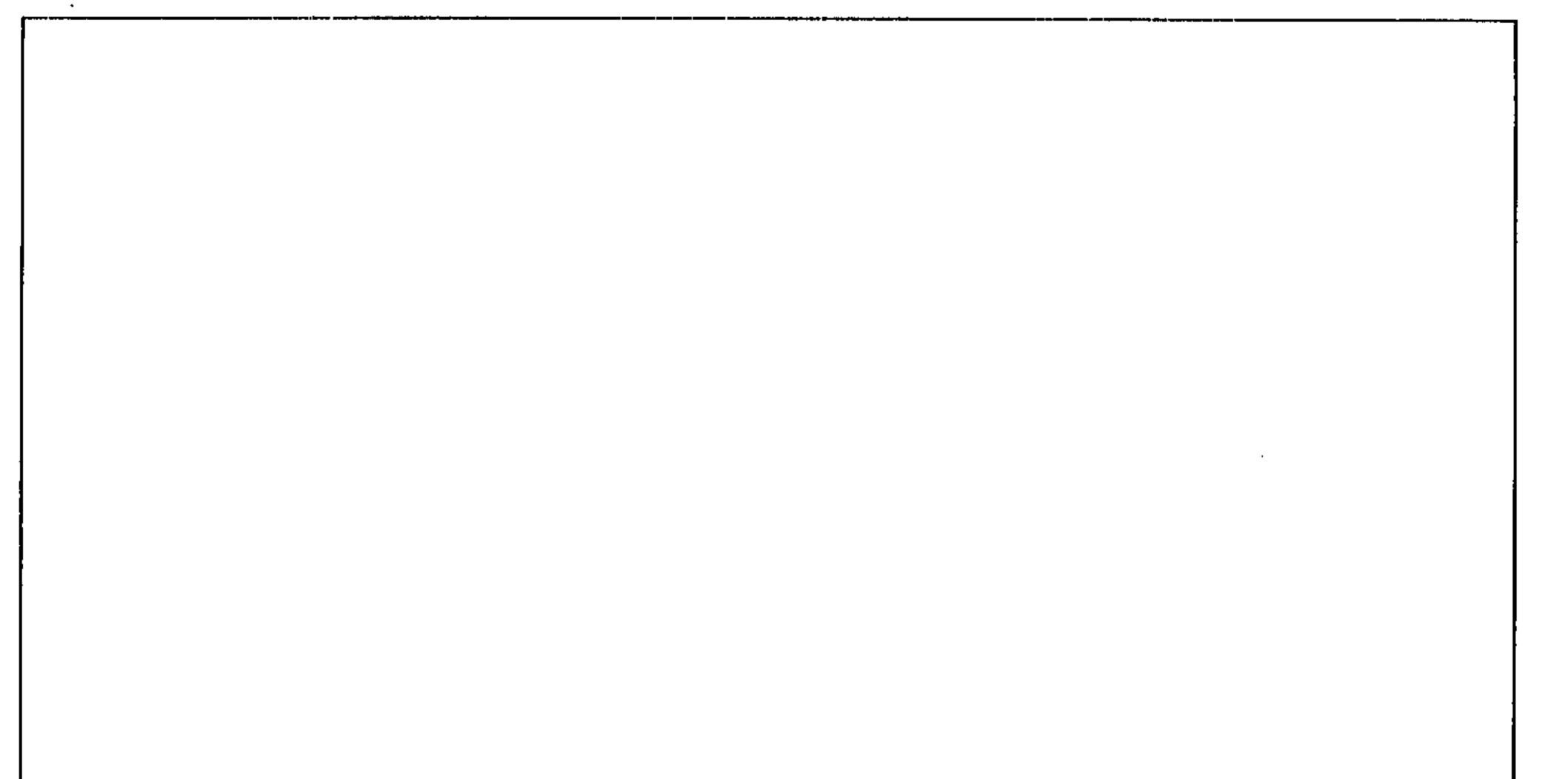
There are no litigation or claims against the Tangipahoa Parish Assessor as of the date of this report.

11. SUBSEQUENT EVENTS

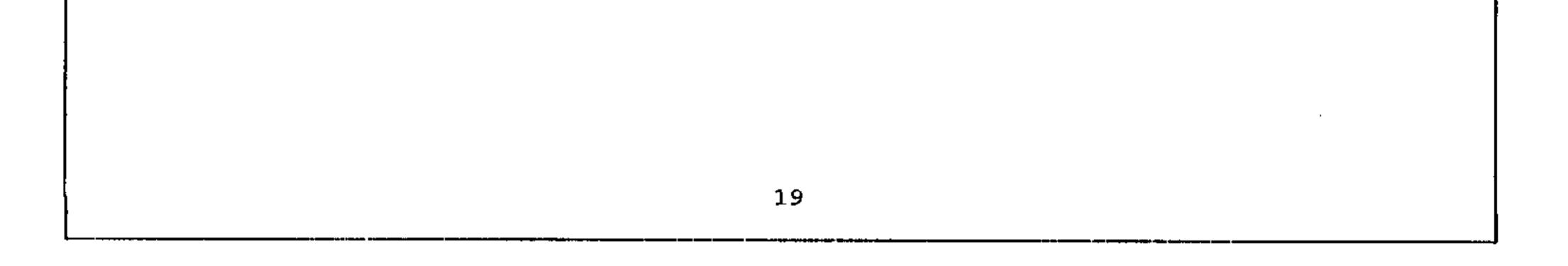
There are no subsequent events as of the date of this report which would alter or materially affect the financial data disclosed in this report.







OTHER INDEPENDENT AUDITOR'S REPORT AND FINDINGS AND RECOMMENDATIONS



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <u>GOVERNMENT AUDITING STANDARDS</u>

20

· -



CERTIFIED PUBLIC ACCOUNTANTS

John N. Durnin, CPA Dennis E. James, CPA Bryon C. Garrety, CPA

Charles D. Mathews, CPA Jessie Travis-Gill, CPA Charles F. Dismukes, Jr., CPA A Professional Corporation

HAMMOND, LA + AMITE, LA

Member American Institute of Certified Public Accountants

Member Society of Louisiana Certified Public Accountants

June 15, 2000

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable William S. Dufreche TANGIPAHOA PARISH ASSESSOR

Amite, Louisiana

We have audited the general purpose financial statements of the Tangipahoa Parish Assessor, Amite, Louisiana, a component unit of the Tangipahoa Parish Council, as of and for the two years ended December 31, 1999, and have issued our report thereon dated June 15, 2000. We have conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States.

<u>Compliance</u>

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

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Tangipahoa Parish Assessor's internal control over financial statements reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose 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

- 401 East Thomas Street Hammond, LA 70401 Phone: 504 345 6262 Fax: 504 345 9987 •
- 112 East Chestnut Street Amite, LA 70422 Phone: 504 748 5134 Fax: 504 748 4116 •

TANGIPAHOA PARISH ASSESSOR

•

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 general purpose 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 information of management and the Louisiana Legislative Auditor. However, this report is a matter of public record, and its distribution is not limited.

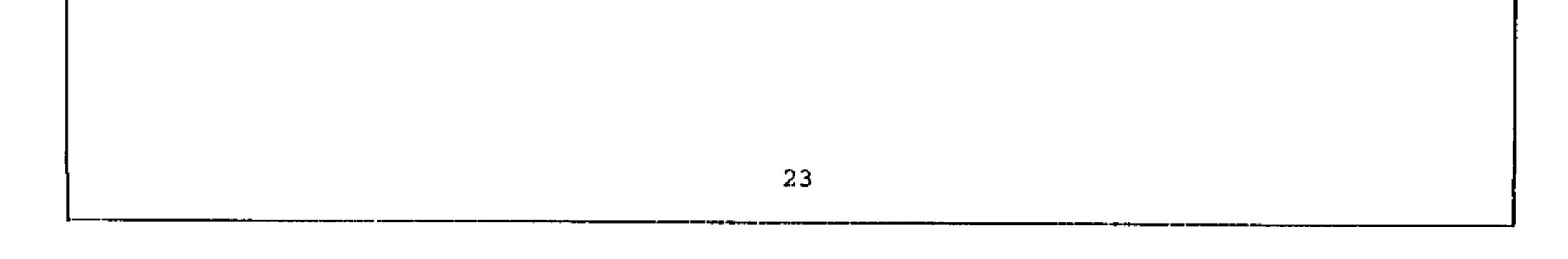
Respectfully submitted,

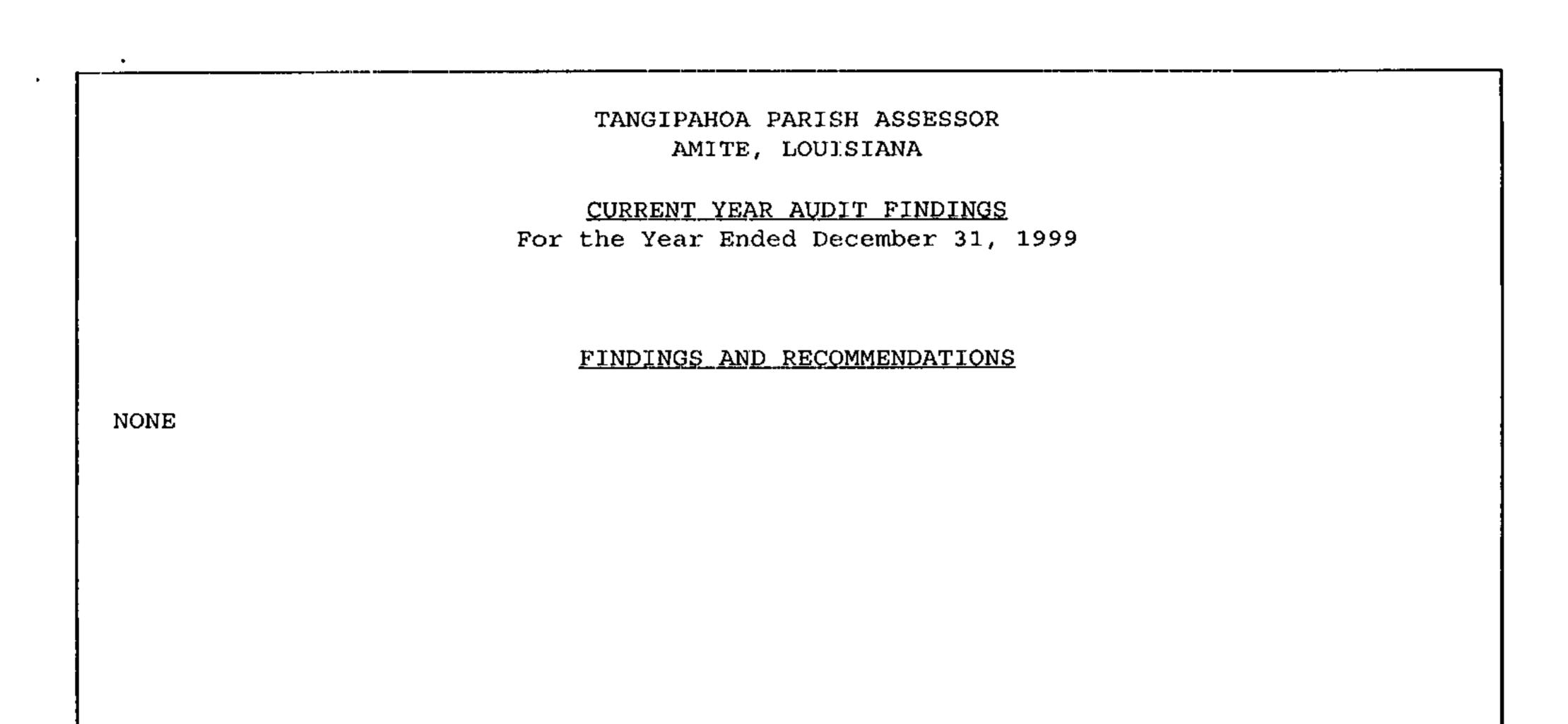
Durin + James

DURNIN & JAMES, CPA'S, P.C.

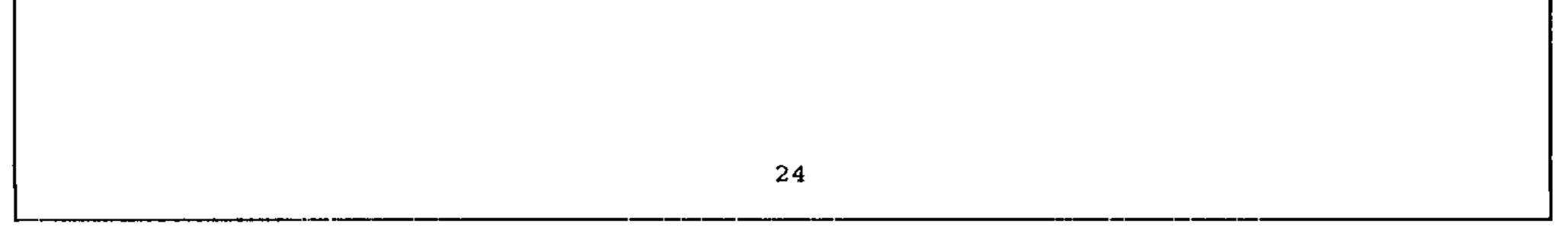
٠

FINDINGS AND RECOMMENDATIONS





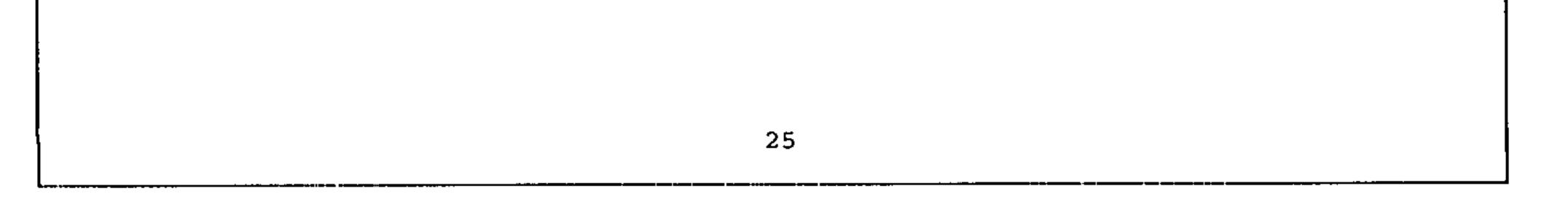




٠ •

·---- · ·

CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS



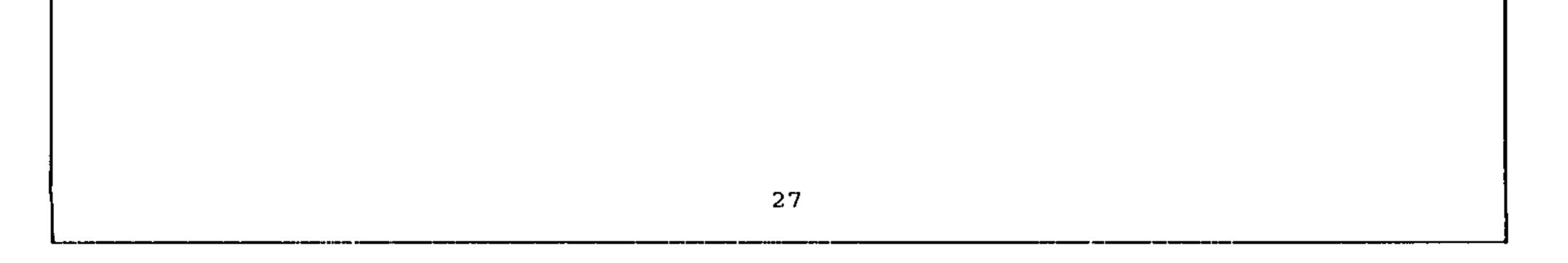
· · <u>-</u>-·-

	Т	ANGIPAHOA PARISH ASSESSOR AMITE, LOUISIANA		
Ω	CORRECTIVE ACTION	ON PLAN FOR CURRENT YEAR	AUDIT FINDINGS	
	For the	e Year Ended December 31,	1999	
<u>Ref.</u> # <u>Descriptio</u> NONE	<u>n of Finding</u>	<u>Corrective Action Plan</u>	Name of <u>Contact Person</u>	Anticipated Completion Date

-

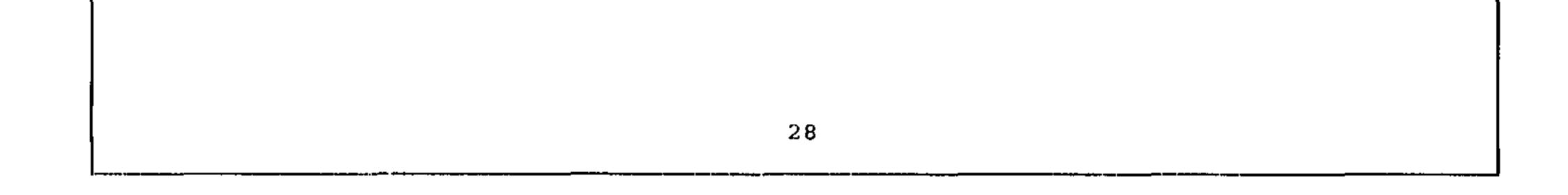
4

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS



			HOA PARISH ASS ITE, LOUISIANA le of Prior Au		
			Ended Decembe:		
<u>Ref #</u>	Fiscal Year Findings Initially <u>Occurred</u>	Description of Findings	Corrective Action <u>Taken</u>	Plan Corrective Action Partial Corrective <u>Action Taken</u>	Additional <u>Explanation</u>
97-1	12/31/97	Four invoices not approved.	Yes	All invoices approved prior to payment.	N/A
97-2	12/31/97	Six invoices not stamped "paid".	Yes	All invoices stamped "paid" upon payment.	N/A

.



....

-

·· -

_ _ _ _ _

4