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**ASSESSOR  
FOURTH MUNICIPAL DISTRICT  
PARISH OF ORLEANS**

**FINANCIAL STATEMENTS AND A SENATOR'S REPORT**

March 31, 1997

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or comptroller, 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: SEP 13 1997

ASSESSOR  
FOURTH MUNICIPAL DISTRICT  
TOWN OF WILKINS

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# Justin J. Sennelau, C.P.A.

CERTIFIED PUBLIC ACCOUNTANT  
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## INDEPENDENT AUDITOR'S REPORT

Auditee:  
Fourth Municipal District,  
Parish of Orleans

I have audited the accompanying general-purpose financial statements of the Auditee, Fourth Municipal District, Parish of Orleans, as of March 31, 1987, and for the year then ended, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Auditee, Fourth Municipal District, Parish of Orleans. My responsibility is to express an opinion on these general-purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and 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 general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general-purpose financial statements presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general-purpose financial statements referred to above present fairly, in all material aspects, the financial position of the Auditee, Fourth Municipal District, Parish of Orleans, as of March 31, 1987, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued a report dated June 10, 1987 on my consideration of the District's internal control structure and a report dated June 10, 1987 on its compliance with laws and regulations.

*Justin J. Sennelau, C.P.A.*

New Orleans, Louisiana  
June 10, 1987

**ASSESSOR**  
**FOURTH MUNICIPAL DISTRICT**  
**FURISH CR. OCEANS**  
**COMBINED BALANCE SHEET -**  
**ALL FUND TYPES AND ACCOUNT GROUPS**

**March 31, 1997**

	GOVERNMENTAL		ACCOUNT		TOTALS	
	FUNDTYPES		GROUPS		MEMORANDUM FOR Y.	
	GENERAL FUND	FISH/ASSETS	<u>1997</u>	<u>1996</u>		
<b>ASSETS</b>						
Cash	\$ 11,803	\$ -	\$ 11,803	\$ 9,710		
Fixed assets (Notes A4 and B)	—	21,581	21,581	21,581		
Total assets	\$ <u>11,803</u>	\$ <u>21,581</u>	\$ <u>33,384</u>	\$ <u>31,291</u>		
<b>LIABILITIES AND FUND EQUITY</b>						
<b>Liabilities</b>						
Accounts payable	\$ 1,929	\$ -	\$ 1,929	\$ 4,607		
Payroll taxes payable	1,784	—	1,784	1,980		
Total liabilities	3,714	-	3,714	6,587		
<b>Fund Equity</b>						
Investment in general fixed assets	-	21,581	21,581	21,581		
Fund balance - undesignated	1,211	—	1,211	1,211		
Total fund equity	1,211	21,581	22,792	22,792		
Total liabilities and fund equity	\$ <u>4,925</u>	\$ <u>21,581</u>	\$ <u>26,506</u>	\$ <u>29,379</u>		

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

**ASSESSOR  
FOURTH MUNICIPAL DISTRICT  
CITY OF CHICAGO**

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE -  
BUDGET TO ACTUAL -  
GENERAL FUND**

For the year ended March 31, 1997

	BUDGET	ACTUAL	VARIANCE: FAVORABLE/ UNFAVORABLE
<b>Revenues</b>			
Intergovernmental revenue			
Board of assessors allotment	\$ 91,880	\$ 92,267	\$ 387
Interest income	54	104	100
Other	-----	1,864	1,864
<b>Total revenues</b>	<b>91,934</b>	<b>94,235</b>	<b>2,301</b>
<b>Expenditures</b>			
Personnel services and related benefits	81,648	79,180	2,468
Operating expenses	1,008	8,846	-(7,838)
Materials and supplies	408	151	257
Intelligence	1,188	1,883	-(695)
<b>Total expenditures</b>	<b>83,248</b>	<b>91,160</b>	<b>7,912</b>
Excess of revenues over expenditures	106	1,043	937
Fund balance, beginning of year	1,288	1,288	-----
Fund balance, end of year	\$ 1,394	\$ 2,331	\$ 937

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

ASSESSOR  
FOURTH MUNICIPAL DISTRICT  
PARISH OF ORLEANS

NOTES TO FINANCIAL STATEMENTS

March 31, 1991

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A summary of the entity's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

**1. Reporting Entity**

As provided by Article VII, Section 34 of the Louisiana Constitution of 1974, there shall be seven assessors in New Orleans, who shall comprise the Board of Assessors for Orleans Parish. One shall be elected from each municipal district of New Orleans, and each shall be a resident of the district from which he is elected. The assessor shall be elected at the same time as the municipal officers of New Orleans, for terms of four years each. In the event a vacancy occurs in any one of the seven assessor's offices, the Board of Assessors shall appoint an interim assessor for the unexpired term.

The assessor assesses all real and movable property in his municipal district subject to ad valorem taxation. The assessor is authorized to appoint as many deputies as may be necessary for his office in his district. The deputies are authorized to perform all functions of the office, but the assessor is officially and personally responsible for the actions of the deputies.

For financial reporting purposes, the assessor includes all funds, account groups, activities, or entities, that are controlled by the assessor as an independently elected parish official. The activities of other independently elected parish officials and municipal level governments are not included with in the accompanying financial statements as they are considered autonomous governments. These units of government issue financial statements separate from that of the parish assessor.

At March 31, 1991, there are real property assessments totaling \$44,841,167 and personal property assessments totaling \$1,967,388.

**ASSESSOR  
FOURTH MUNICIPAL DISTRICT  
PARISH OF ORLEANS**

**NOTES TO FINANCIAL STATEMENTS - Continued**

March 31, 1987

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**2. Basis of Presentation**

The accompanying financial statements of the Assessor, Fourth Municipal District, Parish of Orleans, 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.

**3. Fund Accounting**

The accounts of the Assessor, Fourth Municipal District, Parish of Orleans, are organized on the basis of a fund and an account group to report on its financial position and results of 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 accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available resources. The fund presented in the financial statements is described as follows:

**General Fund**

The General Fund, as provided by Louisiana Revised Statute 47:0806, is classified as a governmental fund, and is the principal operating fund of the Assessor, Fourth Municipal District, Parish of Orleans, and accounts for all financial resources. Revenues are accounted for in this individual fund based upon the purpose for which they are to be spent and the manner by which spending activities are controlled. Compensation received from the various taxing bodies, provided by formula in Louisiana Revised Statutes 47:1903-1908 is accounted for in the fund. General operating expenditures are paid from this fund.

**4. Fixed Assets**

Equipment used in government fund type operations are accounted for in the General Fund Assets, Assessor Group, rather than in a governmental fund. These assets are recorded as expenditures in the governmental fund type when purchased. No depreciation has been provided on general fund assets. All fixed assets are valued at historical cost.

ASSESSORS  
FOURTH MUNICIPAL DISTRICT  
PARISH OF ORLEANS

NOTES TO FINANCIAL STATEMENTS - Continued

March 31, 1997

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**5. 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 are generally included on the balance sheet. The operating statement of the General Fund presents revenues and disbursements in net current assets. The accrual basis of accounting is used by the General Fund.

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

**6. Budget and Budgetary Accounting**

The Board of Assessors, Parish of Orleans, legally adopts an annual budget, which authorizes the annual appropriation of the Assessor's office. The budgetary practices include public notice, participation and inspection. Additionally, the Board of Assessors' budget authorizes supplementary appropriations during the year to the Assessor, Fourth Municipal District, Parish of Orleans. Since the Board of Assessors legally adopts a budget, the Assessor, Fourth Municipal District, Parish of Orleans, is not required to follow the legal budgetary practices of public notice, participation and inspection.

The annual budget prepared by the Assessor, Fourth Municipal District, Parish of Orleans, is on a basis consistent with generally accepted accounting principles. The budget is prepared by function. Revenues are estimated and expenditures of prior years are considered when preparing the budget for the current year.

The budget is submitted to the Board of Assessors. Revenues to operate the office of the Assessor, Fourth Municipal District, Parish of Orleans, and any supplementary appropriations during the year are derived from a dedicated millage rate which is collected and allocated by the Board of Assessors based on the Board of Assessors' legally adopted budget. The budget is available for public inspection at the Assessor's office.



**ASSESSOR  
FOURTH MUNICIPAL DISTRICT  
PARISH OF ORLEANS**

**NOTES TO FINANCIAL STATEMENTS - Continued**

**March 31, 1997**

**NOTE 4 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**7. Assessor's Salary and Expense Allowance**

The salary of each Assessor in the Parish of Orleans is paid by the Board of Assessors, Parish of Orleans, and therefore is not included in the accompanying financial statements. In addition to his annual salary, the Assessor, Fourth Municipal District, Parish of Orleans, is granted two percent (2%) of his annual compensation as a personal expenditures allowance provided that the tax exempt of the respective tax recipient books shall not be reduced. The amount of personal expenditures incurred by the Assessor, Fourth Municipal District, Parish of Orleans, is included in the accompanying General Purpose Financial Statements.

**8. Total Columns of Combined Statements - Disclosure**

Total columns are explained "Non-audited Only" to indicate that they are presented only to assist with financial analysis. Data in these columns do not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles. Figures in such data responsive to a consolidation.

**9. Vacation and Sick Leave**

Each employee, after one year of service, is entitled to two weeks vacation. There is no provision for the accumulating or vesting of vacation time. The Assessor does not have a formal sick leave policy.

**10. Cash and cash equivalents**

Cash and cash equivalents include cash and deposits with original maturities of 90 days or less. Under state law, the Assessor may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks registered under Louisiana Law, and national banks having their principal offices in Louisiana and may invest in United States bonds, offices in Louisiana and may invest in United States bonds, treasury notes or certificates. They are classified as investments if their original maturities exceed 90 days. As March 31, 1997, the cash-on-deposit in financial institutions were adequately covered by federal deposit insurance.

**ANNEXURE  
FOURTH MUNICIPAL DISTRICT  
PARISH OF ORLEANS**

**NOTES TO FINANCIAL STATEMENTS - Continued**

**March 31, 1997**

**NOTE B - GENERAL FUND ASSETS - ACCOUNT GROUP**

A summary of changes in general fund assets follows:

	Balance 01/01/97	Additions	Balance 03/31/97
Furniture and equipment	\$ 23,951	\$ 2,284	\$ 26,235

**NOTE C - PENSION PLAN**

All full-time employees of the Annexe, Fourth Municipal District, Parish of Orleans, are members of the Louisiana Annexe's Retirement System. In addition to employee payroll deductions, a portion of the Board's allotment is credited to the retirement system.

The retirement system is a state-wide defined benefit multiple employer public retirement system. The system is administered and controlled by a separate board of trustees, with contribution rates approved by the Louisiana Legislature. Contributions of participants and the Board's allotment are pooled within the system to fund accrued benefits. The Annexe, Fourth Municipal District, Parish of Orleans does not guarantee the benefits granted by the retirement system.

Following is a summary of the Louisiana Annexe's Retirement Fund for the most recent valuation date, which was September 30, 1996:

**ANNEXON  
FOURTH MUNICIPAL DISTRICT  
PARISH OF ORLEANS**

**NOTES TO FINANCIAL STATEMENTS - Continued**

**March 31, 1997**

**NOTE C - PENSION PLAN - Continued**

Actuarial Value of Plan Assets	\$	<u>21,071,464</u>
Unfunded Pension Benefit Obligation	\$	<u>26,821,253</u>

11	Amount of the Annexeon, Fourth Municipal District, Parish of Orleans, Current Year Disposed Payroll	\$	<u>18,128</u>
	Amount of the Annexeon, Fourth Municipal District, Parish of Orleans, Current Year Total Payroll	\$	<u>18,128</u>

2) All full-time employees of the Annexeon, Fourth Municipal District, Parish of Orleans, are members of the Retirement system.

Retirement benefits are computed based on the highest thirty-six (36) consecutive or joint months of salary.

A participant may retire after twelve (12) years of creditable service and 55 years of age or older, or at age 58 with 28 years creditable service.

3) The Louisiana Annexeon's Retirement Fund was created by provisions of Act 91 of the 1958 Legislature, as amended, up to and including Act 255 of 1985 and required the following provisions:

The Annexeon, Fourth Municipal District, Parish of Orleans, is required to contribute 1% of covered payroll which shall be retained to the Louisiana Annexeon's Retirement Fund.

The Annexeon, Fourth Municipal District, Parish of Orleans, is required to deduct 7% from the salaries of the full-time employees, which shall be retained to the Louisiana Annexeon's Retirement Fund.

**ANNEXURE  
FOURTH MUNICIPAL DISTRICT  
PARISH OF ORLEANS**

**NOTES TO FINANCIAL STATEMENTS - Continued**

**March 31, 1997**

**NOTE C - PENSION PLAN - Continued**

4)	Employee actual contributions	<b>\$</b>	<b>3,187</b>
	Employer actual contributions		<b>2,528</b>
	Total Contributions	<b>\$</b>	<b><u>5,715</u></b>

The contributions are 11% of the total covered payroll.

5) The assumptions used for valuation were the same as those utilized for the prior year except for a modification of the method used to calculate the assumed maximum benefit payable by the system and a change in the assumed rate of retirement.

6) The Louisiana Assessor's Retirement System, a cost-sharing multiple-employer plan, does not conduct separate measurements of assets and pension benefit obligations for individual employees. Also, membership data is not available by individual employees. The amount shown below as the "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits for the state-wide plan.

Active Members		<b>\$</b>	<b>60,534,511</b>
Retirees, beneficiaries and terminated employees			<b>(2,412,317)</b>
Total pension benefit obligation		<b>\$</b>	<b><u>58,122,194</u></b>
Total net assets available for benefits		<b>\$</b>	<b><u>47,028,787</u></b>

7) The historical asset information shall be included in the separately issued Louisiana Assessor's Retirement Fund annual report.

**Justin J. Scaramia, c.p.a.**  
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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL  
CONTROL STRUCTURE BASED ON AN AUDIT OF GENERAL-PURPOSE  
FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENTAL AUDITING STANDARDS**

**Annexes**  
Fourth Municipal District,  
Parish of Orleans

I have audited the general-purpose financial statements of the Annexes, Fourth Municipal District, Parish of Orleans, as of and for the year ended March 31, 1997, and have issued my report thereon dated June 30, 1997.

I conducted my audit in accordance with generally accepted auditing standards and Governmental 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 general-purpose financial statements are free of material misstatement.

The management of the Annexes, Fourth Municipal District, Parish of Orleans, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control systems, policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are recorded in accordance with management's authorization and recorded properly to permit the preparation of general-purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities, may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing my audit of the general-purpose financial statements of the Annexes, Fourth Municipal District, Parish of Orleans, for the year ended March 31, 1997, I obtained an understanding of the internal control structure. With respect to the internal control structure, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed some of the risk in order to determine my auditing procedures for the purpose of expressing my opinion on the general-purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

I noted certain matters involving the internal-control structure and its operation that I consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control structure that, in my judgment, could adversely affect the corporation's ability to record, process, summarize and report financial data consistent with the requirements of management in the general-purpose financial statements.

In my consideration of the internal control structure, I noted that as a material weakness, the size of the Acropure's operations is too small to have an adequate segregation of duties and other features of an adequate system of internal control. Management has decided that to employ such controls would not be cost beneficial.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities 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.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above.

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

*Justin J. Carlen, CPA*

New Orleans, Louisiana  
June 18, 1997

**Justin J. Scanlan, C.P.A.**  
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE BASED ON AN  
AUDIT OF GENERAL-PURPOSE FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

**Auxesor**  
Fourth Municipal District,  
Parish of Orleans

I have audited the general-purpose financial statements of the Auxesor, Fourth Municipal District, Parish of Orleans, as of and for the year ended March 31, 1999, and have issued my report thereon dated June 28, 1999.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that I plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatements.

Compliance with laws, regulations, contracts, and grants applicable to the Auxesor's Office, Fourth Municipal District, Parish of Orleans, is the responsibility of the Auxesor, Fourth Municipal District, Parish of Orleans' management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatements, I performed tests of the Auxesor, Fourth Municipal District, Parish of Orleans' compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of my audit of the general-purpose financial statements was not to provide an opinion on overall compliance with such provisions. 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 use of management and the Legislative Auditor. However, this report is a matter of public record, and its distribution is not limited.

*Justin J. Scanlan, C.P.A.*

New Orleans, Louisiana  
June 28, 1999