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BOARD OF SUPERVISORS, PARISH OF ORLEANS  
NEW ORLEANS, LOUISIANA  
GENERAL FINANCIAL STATEMENTS  
DECEMBER 31, 1962

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 Jul 9 1968

BOARD OF ASSESSORS  
PARISH OF ORLEANS  
NEW ORLEANS, LOUISIANA

ANNUAL GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1997

Required by R.S. 24:514 to be filed with the  
Office of the Legislative Auditor within 90  
days after the close of the fiscal year.

A P P E A R S

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Personally came and appeared before the undersigned authority, Jayce E. Deagan, Assessor, Board of Assessors, Parish Of Orleans, New Orleans, Louisiana, who is duly sworn, Deposes and says, that the financial statements herewith given present fairly the financial position of the Board of Assessors, Parish Of Orleans, New Orleans, Louisiana, as of December 31, 1997, and the results of operations for the year then ended, in conformity with generally accepted accounting principles.

Jayce E. Deagan

10. 28 Deposed to and subscribed before me, this 28<sup>th</sup> day of June

LAWRENCE A. EMBOULAS, NOTARY PUBLIC  
STATE OF LOUISIANA  
MY COMMISSION IS FOR LIFE

Lawrence A. Emboulas  
NOTARY PUBLIC

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Assessor Jayce E. Deagan  
Address 4801 City Hall  
1200 Perdido Street  
New Orleans, LA 70112  
Phone No. 1224-883-7012

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PEPPERMAN, EMBOULAS, SCHWARTZ & TODARO  
L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

LAWRENCE A. SCHWARTZ  
R. JOHN TODARO  
WILLIAM S. SCHWARTZ, JR.  
JAMES H. EMBOULAS  
LINDA M. HARR  
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INDEPENDENT AUDITOR'S REPORT

Board Of Assessors, Parish Of Orleans

New Orleans, Louisiana

We have audited the accompanying general purpose financial statements of the Board Of Assessors, Parish Of Orleans, New Orleans, Louisiana, as of and for the year ended December 31, 1997, as listed in the table of contents. These general purpose financial statements are the responsibility of the management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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. These standards require that we 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 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 Board Of Assessors, Parish Of Orleans, New Orleans, Louisiana, as of December 31, 1997, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with government auditing standards, we have also issued our report dated June 28, 1998, on our consideration of the Board Of Assessors, Parish Of Orleans, New Orleans, Louisiana, internal control over financial reporting and our tests of the compliance with certain provisions of laws, regulations, contracts and grants.

*Raymond Anthony Schartz, III, L.L.C.*

New Orleans, Louisiana  
June 28, 1998

**PEPPERMAN, EMBICULAS, SCHWARTZ & TIGARD  
L.L.C.**

CERTIFIED PUBLIC ACCOUNTANTS

LAWRENCE A. EMBICULAS  
R. WARD PEPPERMAN  
WILLIAM D. SCHWARTZ, JR.  
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BRIAN G. RAY (MEMBER)  
JAMES S. HOLLANDER, JR. (MEMBER)  
JAMES S. PEPPERMAN (MEMBER)  
BRANDY SCHWARTZ (MEMBER)  
STEPHEN L. COOK (MEMBER)

**COMPLIANCE AND INTERNAL CONTROL REPORT**

**Board Of Assessors, Parish Of Orleans  
New Orleans, Louisiana**

We have audited the general purpose financial statements of the Board of Assessors, Parish Of Orleans, New Orleans, Louisiana, as of and for the year ended December 31, 1997, and have issued our report thereon dated June 24, 1998. 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**

In part of obtaining reasonable assurance about whether the Board Of Assessors, Parish Of Orleans, New Orleans, Louisiana, 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 the Board Of Assessors, Parish Of Orleans, New Orleans, Louisiana, internal control over financial 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 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 the Legislative Auditor and the Board of Assessors. However, this report is a matter of public record and its distribution is not limited.

*Raymond Anthony Higgins, III, L.L.C.*

Monroe, Louisiana  
June 24, 1998

COMBINED BALANCE SHEET :  
ALL FUND TYPES AND ACCOUNT GROUPS  
DECEMBER 31, 1997

	GOVERNMENTAL FUND TYPE		ACCOUNT GROUP		TOTAL (NON-GASB 34 ONLY)
	GENERAL FUND	SEWER SERVICE FUND	GENERAL ASSETS	GENERAL LONG-TERM DEBT	
<b>ASSETS AND OTHER DEBITS:</b>					
Cash And Cash Equivalents	\$134,853	\$ 15,045	\$ ---	\$ ---	\$149,898
Investments, At Cost	1,294	---	---	---	1,294
Taxes Receivable	85,848	---	---	---	85,848
Prepaid Expenses	1,458	---	---	---	1,458
Equipment, At Cost	---	---	88,399	---	88,399
Other Debits - Amount Provided For General Long-Term Debt	---	---	---	31,810	31,810
<b>Total Assets And Other Debits</b>	<b>\$122,453</b>	<b>\$ 15,045</b>	<b>\$ 88,399</b>	<b>\$ 31,810</b>	<b>\$157,707</b>
<b>LIABILITIES, FUND EQUITY, AND OTHER CREDITS:</b>					
<b>Liabilities:</b>					
Accounts Payable	\$ 2,413	\$ ---	\$ ---	\$ ---	\$ 2,413
Payroll Liabilities Payable	2,294	---	---	---	2,294
General Long-Term Debt Payable	---	---	---	31,810	31,810
<b>Total Liabilities</b>	<b>\$ 4,707</b>	<b>\$ ---</b>	<b>\$ ---</b>	<b>\$ 31,810</b>	<b>\$ 46,517</b>
<b>Fund Equity And Other Credits:</b>					
Investment In General Fixed Assets	\$ ---	\$ ---	\$ 88,399	\$ ---	\$ 88,399
Fund Balances:					
Unreserved - Undesignated	127,745	---	---	---	127,745
Reserved For Debt Service	---	15,045	---	---	15,045
<b>Total Fund Equity And Other Credits</b>	<b>\$127,745</b>	<b>\$ 15,045</b>	<b>\$ 88,399</b>	<b>\$ ---</b>	<b>\$157,194</b>
<b>Total Liabilities, Fund Equity, And Other Credits</b>	<b>\$122,453</b>	<b>\$ 15,045</b>	<b>\$ 88,399</b>	<b>\$ 31,810</b>	<b>\$157,707</b>

See Accompanying Notes

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGE IN FUND BALANCE - ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 1987

	GENERAL FUND	DEBT SERVICE FUND	TOTAL INDEBTEDNESS (DEBT)
<b>REVENUES:</b>			
<b>Intergovernmental Revenues:</b>			
Federal Grants	\$1,424,708	\$ ---	\$1,424,708
State Revenue Sharing	145,914	---	145,914
Interest Earning	35,279	---	35,279
Miscellaneous Charges	20,308	---	20,308
<b>Total Revenues</b>	<b>\$1,626,209</b>	<b>\$ ---</b>	<b>\$1,626,209</b>
<b>EXPENDITURES:</b>			
<b>General Government - Transition:</b>			
Personnel Services And Related Benefits	\$ 489,343	\$ ---	\$ 489,343
Operating Services	7,208	---	7,208
Material And Supplies	81,842	---	81,842
Miscellaneous	31,108	---	31,108
Allocations To Orleans Parish Assessors' Districts	1,187,704	---	1,187,704
Debt Service:			
Principal Retirement	---	9,348	9,348
Interest And Charges	---	3,458	3,458
<b>Total Expenditures</b>	<b>\$1,881,815</b>	<b>\$ 12,806</b>	<b>\$1,881,815</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(255,606)</b>	<b>(12,806)</b>	<b>(268,412)</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
<b>Transfers (To) From:</b>			
General Long-Term Debt	\$ 3,458	\$ 3,458	\$ 6,916
Account Group	---	---	---
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	<b>(252,148)</b>	<b>(9,348)</b>	<b>(261,496)</b>
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<b>241,924</b>	<b>26,312</b>	<b>268,236</b>
<b>FUND BALANCE AT END OF YEAR</b>	<b>\$ 89,776</b>	<b>\$ 16,964</b>	<b>\$ 106,740</b>

See Accompanying Notes

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 1997

	GENERAL FUND		VARIANCE FAVORABLE (UNFAVORABLE)
	ACTUAL	BUDGET	
<b>REVENUES:</b>			
Intergovernmental Revenues:			
Dedicated Mileage	\$1,028,700	\$1,028,870	\$ 172,000
State Revenue Sharing	145,904	146,000	1 2,000
Interest Earned	25,328	25,000	4,000
Miscellaneous Charges	28,388	---	28,388
Total Revenues	\$1,228,320	\$1,229,870	\$ 172,000
<b>EXPENDITURES:</b>			
General Government - Functions:			
Personnel Services and Related Benefits	\$ 425,383	\$ 425,500	\$ 174,000
Operating Services	7,200	8,000	800
Materials And Supplies	81,843	80,000	1 28,000
Miscellaneous	25,000	25,000	1 1,000
Allocations To Orleans Parish Assessors' Districts	1,287,704	1,282,500	1 28,204
Debt Service:			
Principal Retirement	---	---	---
Interest And Charges	---	---	---
Total Expenditures	\$1,827,130	\$1,821,000	\$ 172,200
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(\$ 598,810)	\$ 41,270	\$ 169,800
<b>OTHER FINANCIAL SOURCE (USES):</b>			
Transfers To:			
Special Long-Term Debt Account Group	( 2,400)	---	1 2,400
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(\$ 601,210)	\$ 41,270	\$ 169,800
FUND BALANCE AT BEGINNING OF YEAR	381,804	381,804	---
FUND BALANCE AT END OF YEAR	\$ 187,710	\$ 384,874	\$ 169,800

See Accompanying Notes



NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 1981

NOTE 1 - INTRODUCTION AND SUMMARY OF  
SIGNIFICANT ACCOUNTING POLICIES:

INTRODUCTION-

As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, the assessors are elected by the voters of each parish, Orleans Parish excepted, and serve terms of four years. The assessors assess property, prepare tax rolls, and submit the rolls to the Louisiana Tax Commission as prescribed by law.

The Board of Assessors' office is located in the Orleans Parish City Hall in New Orleans, Louisiana. It functions as the administrative body for the Orleans Parish Assessors and their seven Municipal Districts. Its members are composed of the seven Orleans Parish Assessors.

The Board's primary revenue consists of dedicated millage collections (2.15 mill) by the City of New Orleans from the assessment tax rolls of the Parish and distributed to the Board. The seven Orleans Parish Assessors receive an allocation from this fund on a pro-rata basis for the expense of operating their offices. The remaining funds are used to pay the Assessors' salaries and administration expenses of the Board.

A special taxing district was created by the legislature for the purpose of funding the Board of Assessors of Orleans Parish. The District shall levy a tax on the assessed valuation of all taxable property on the tax rolls. The Board of Assessors allocates the tax collected to each Orleans Parish Assessor based on the size and activity in each District.

**NOTE 1 - INTRODUCTION AND SUMMARY OF  
GOVERNMENTAL ACCOUNTING POLICIES (Continued)**

At December 31, 1997, real and movable property assessments totaled \$2,137,817,200. This represents an increase in assessments totaling \$27,563,711 over the prior year, caused primarily by increasing values and number of assessments in the districts during the year.

**A) BASIS OF PRESENTATION:**

The accompanying general purpose financial statements of the Board of Assessors, Parish of Orleans, New Orleans, Louisiana, 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.

**B) THE REPORTING ENTITY:**

The Board of Assessors, Parish of Orleans, New Orleans, Louisiana, for financial reporting purposes, in accordance with GASB Codification Section 1900, includes all funds, activity groups, activities, or entities that are controlled by the Board of Assessors. The activities of the parish police jury, school board, other independently elected parish officials, and municipal level government are not included within the accompanying financial statements as they are considered autonomous governments. These units of government issue financial statements separate from that of the Board of Assessors.

**C) FUND ACCOUNTING:**

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

**NOTE 1 - INTRODUCTION AND SUMMARY OF  
SIGNIFICANT ACCOUNTING POLICIES:** (Continued)

**(1) FUND ACCOUNTING:** (Continued)

**General Fund:**

The General Fund, as provided by Louisiana Revised Statute 47:1204, is the principal fund of the Board of Assessors and is used to account for the operation of the Board of Assessors' office. Funds received from ad valorem tax revenues, authorized by Act No. 8, 1978-1, 1982-1 (A) and 1985-1 (A) of the 1978 Legislative Session, is accounted for in this fund. General operating expenditures are paid from this fund.

**Debt Service Fund:**

Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt, principal, interest, and related costs.

**Account Groups:**

**General Fixed Assets:**

Fixed assets are accounted for in the General Fixed Assets Account Group rather than in the governmental funds. No depreciation has been provided on fixed assets. Fixed assets are valued at historical costs.

**General Long-Term Debt:**

Long-Term obligations expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds.

The two account groups are not funds. They are concerned only with the measurement of financial position and do not involve measurement of results of operations.

**(2) BASIS OF ACCOUNTING:**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental Funds are 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. Their operating statements present increases and decreases in net current assets. The modified accrual basis of accounting is used for governmental fund types. Governmental Fund types use the following practices in recording revenues and expenditures:

**Revenues:**

Revenues are recorded as received in cash except for the amount of dedicated billings which was collected by the City Tax Collector but not remitted to the Board as of the year end, and accrued interest on Certificates of Deposit and other cash equivalents as December 31, 1987.

**D) BASIS OF ACCOUNTING:** (Continued)

**Expenditures:**

Expenditures are recorded when the related fund liability is incurred.

**Other financing sources (uses):**

Transfers between funds and annual groups are accounted for as other financing sources (uses).

**E) BUDGET PRACTICES:**

The proposed budget for the year beginning January 1, 1987 and ending December 31, 1987, prepared on the accrual basis of accounting, was published in the Times Pioneer newspaper on December 31, 82 and 13, 1984. The proposed budget was legally adopted by the Board of Assessors on December 3, 1984.

Formal budgetary integration is not employed as a management control device during the year. Budgeted amounts included in the accompanying financial statements include the original adopted budgeted amounts. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP).

The Board of Assessors utilizes the traditional budget preparation method of budgeting for the financial plan. Revenues projected for 1987 were estimated based on millage collections allocated to the Board of Assessors for 1987 which collections were predetermined to approximate prior years' revenues. Expenditures of prior years are considered when preparing the budget for the current year. The right to make changes in the adopted budget is reserved solely to the Board of Assessors.

Unaud appropriations for all budgeted funds lapse at year end.

A budget is not required to be adopted for the Debt Service Fund, as it is excluded from the budget-actual comparison shown in Exhibit "D" of the financial statements.

**F) ENCUMBRANCE:**

Encumbrance accounting, under which commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not used by the Board of Assessors' Office because it is considered not necessary to assure effective budgetary control or to facilitate effective cash planning and control. Therefore, there were no outstanding encumbrances as December 31, 1987.

**G) CASH AND CASH EQUIVALENTS:**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. The Board of Assessors considers all highly liquid debt instruments, time deposits and those investments with original maturities of 90 days or less to be cash equivalents. Under state law,

**6) CASH AND CASH EQUIVALENTS:** (Continued)

The Board of Assessors may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

Under state law, the Board of Assessors may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost.

**7) GENERAL FIXED ASSETS:**

Fixed assets are recorded as expenditures at the time purchased, and the related assets are accumulated for in the General Fixed Assets Account Group. No depreciation has been provided on general fixed assets. All general fixed assets are valued at historical cost.

**8) COMPENSATED ABSENCE:**

The Board of Assessors does not employ a formal sick leave policy. Employees are entitled to two weeks paid vacation after one year of employment. There is no accumulation or vesting of leave or vacation.

It is impracticable to estimate the amount of compensation for future absences and, accordingly, no liability has been recorded in the accompanying financial statements. The Board's policy is to recognize the costs of compensated absences when actually paid to employees.

**9) GENERAL LONG-TERM DEBT:**

Long-term obligations expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group. Expenditures for principal and interest payments for long-term obligations are recognized in the Debt Service Fund when due.

**10) TOTAL COLUMN ON THE STATEMENTS - SUPPLIES:**

The total column on the financial 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.

**NOTE 1 - DESCRIPTION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:** (Continued)

**2) USE OF ESTIMATES IN PREPARATION OF FINANCIAL STATEMENTS:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

**NOTE 2 - CASH AND CASH EQUIVALENTS:**

The following is a summary of cash and cash equivalents at December 31, 1997 and related collateral in the form of federal deposit insurance and pledged securities:

Cash	\$	18	
Money Market Account	<u>145,880</u>		<u>\$145,898</u>
Federal Deposit Insurance	\$250,000		
Collateral - Pledged Securities	<u>125,224</u>		<u>\$375,224</u>
Insured Balance			<u>\$721,122</u>

As reflected in Exhibit "B", the Board of Assessors had cash and cash equivalents totaling \$145,898 at December 31, 1997. Cash and cash equivalents are stated at cash which approximates market. Under state law, these deposits 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 be equal to the amount on deposit with the fiscal agent. These pledged securities are held in the name of the pledging fiscal agent bank in a custodial bank that is mutually acceptable to the parties involved.

**NOTE 3 - INVESTMENTS:**

At December 31, 1997, the Board of Assessors holds investments totaling \$1,174 as follows:

	<u>CURRENT</u>	<u>SHORT</u>
	<u>AMOUNT</u>	<u>TERM</u>
Louisiana Asset Management Fund	<u>\$ 1,174</u>	<u>\$ 1,174</u>

NOTE 2 - INVESTMENTS (Continued)

The investments are in the name of the Board of Assessors and are held at the Board's office.

NOTE 3 - GENERAL FIXED ASSETS - ACCOUNT GROUP

The following is a summary of changes in General Fixed Assets Account Group.

	<u>OFFICE EQUIPMENT</u>
Balance January 1, 1987	\$ 28,187
Additions:	
Year Ended December 31, 1987	<u>1,111</u>
Balance December 31, 1987	<u>\$ 29,298</u>

NOTE 4 - LONG-TERM DEBT ACCOUNT GROUP

The following is a summary of long-term obligations incurred during the year:

	<u>LEASES PAYABLE</u>
Balance, January 1, 1987	\$ 18,880
Additions	---
Payments During The Year	<u>8,581</u>
Balance, December 31, 1987	<u>\$ 10,299</u>

The above lease obligations payable is a capital lease for computer equipment. The lease is payable in monthly installments of \$895.00 for a period of 48 months beginning in January 1985 and ending December 1988.

Future minimum lease payments under the capital lease, together with the present value of minimum lease payments subsequent to December 31, 1987, are as follows:

1988	\$18,984
Less amount representing interest	<u>8,685</u>
Present Value Of Minimum Lease Payments	<u>\$10,299</u>

**NOTE 4 - BUDGET-ACTUAL COMPARISON:**

As stated in the Summary of Significant Accounting Policies, the Board of Assessors does not use formal budgetary integration as a management control device during the year. Budgeted amounts included in the financial statements include the originally adopted budget amounts.

Actual expenditures that exceed budgeted amounts by more than 5% are as follows:

	<u>UNFAVORABLE VARIANCE</u>
Personnel Service And Related Benefits	41%
Materials And Supplies	22%

The variance related to Personnel Service And Related Benefits is a result of the Assessors' retroactive salary increases made subsequent to budget adoption. Additionally, the variance related to Materials And Supplies is a result of increased costs of forms and printing not anticipated at the time of budget preparation.

**NOTE 5 - PENSION PLAN:**

**Plan Description**

Substantially all employees of the Board of Assessors are members of the Louisiana Assessors Retirement System (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All full-time employees who are under the age of 60 at the time of original employment and are not drawing retirement benefits from any other public retirement system in Louisiana are required to participate in the System. Employees who retire at or after age 55 with at least 13 years of credited service or at or after age 60 with at least 10 years of credited service are entitled to a retirement benefit. Benefits monthly for life, equal to 2 percent of their final-average salary for each year of credited service, not to exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 18 consecutive or broken 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 51 and receive the benefit accorded 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. This report may be obtained by writing to the Louisiana Assessors' Retirement System, Post Office Box 1784, Shreveport, Louisiana 71169-1784, or by calling (318) 426-1444.



Funding Policy

Plan members are required by state statute to contribute 7.5 percent of their annual covered salary and the Board of Actuaries is required to contribute at an actuarially determined rate. The current rate is 5.3 percent of annual covered payroll. Contributions to the System also include one percent of the taxes shown to be collectible by the tax rolls of each parish, plus revenues sharing funds appropriated by the legislature. The contribution requirements of plan members and the Board of Actuaries are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:183, 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 Board of Actuaries contributions to the System for the years ending December 31, 1997, 1998 and 1999, were \$18,517, \$19,088 and \$20,247, respectively, equal to the required contributions for each year.

**PEPPERMAN, ENBOULAS, SCHWARTZ & TOBIAS**

L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

LAWRENCE A. ENBOULAS  
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JUNE 28, 1999

To The Board of Assessors, Parish Of Orleans  
New Orleans, Louisiana

In planning and performing our audit of the general purpose financial statements of The Board of Assessors, Parish of Orleans, New Orleans, Louisiana, for the year ended December 31, 1997, we considered the internal control structure 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 structure.

During our audit we did not become aware of any matters that would be opportunities for strengthening internal controls and operating efficiency. Additionally, we reviewed our prior years management letter and determined that there were no findings, thus no corrective action plan was required.

We will review the status of these comments during our next engagement.

*Pepperman, Enboulas, Schwartz & Tobias, L.L.C.*