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**Bossier Parish Assessor  
Benton, Louisiana**

**General Purpose Financial Statements  
With Auditors' Report**

**As of and For the Year Ended December 31, 1998**

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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 June 1999

Bossier Parish Assessor  
Benton, Louisiana

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## Independent Auditors' Report

Bossier Parish Assessor  
Benton, Louisiana

We have audited the general purpose financial statements of the Bossier Parish Assessor, a component unit of the Bossier Parish Police Jury, as of and for the year ended December 31, 1998, as listed in the table of contents. These financial statements are the responsibility of the Bossier Parish Assessor's 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. Those 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 the 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 Bossier Parish Assessor at December 31, 1998, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

The year 2000 supplementary information on page 13 is not a required part of the general purpose financial statements but is supplementary information required by the Government Accounting Standards Board. We have applied certain limited procedures, which consisted of principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and do not express an opinion on it. In addition, we do not provide assurance that the District is or will become year 2000 compliant, that the District's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the District does business are or will become year 2000 compliant.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 20, 1999 on our consideration of Bossier Parish Assessor's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

A handwritten signature in cursive script that reads "Cook & Morehart". The signature is written in black ink and is positioned above the printed name of the firm.

Cook & Morehart  
Certified Public Accountants  
April 20, 1999

Bossier Parish Assessor  
 Benton, Louisiana  
 Combined Balance Sheet - All Fund Types and Account Groups  
 December 31, 1998

	Governmental Fund General Fund	General Fixed Assets Account Group	Total (Memorandum Only)
<b>Assets</b>			
Cash	\$ 400,821	\$	\$ 400,821
Receivables	1,124,609		1,124,609
Office furnishings and equipment		161,412	161,412
<b>Total assets</b>	<b>\$ 1,525,430</b>	<b>\$ 161,412</b>	<b>\$ 1,686,842</b>
<b>Liabilities and Fund Equity</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 12,151	\$	\$ 12,151
<b>Total liabilities</b>	<b>12,151</b>		<b>12,151</b>
<b>Fund Equity:</b>			
Investment in general fixed assets		161,412	161,412
Fund balance - unreserved - undesignated	1,513,279		1,513,279
<b>Total fund equity</b>	<b>1,513,279</b>	<b>161,412</b>	<b>1,674,691</b>
<b>Total liabilities and fund equity</b>	<b>\$ 1,525,430</b>	<b>\$ 161,412</b>	<b>\$ 1,686,842</b>

The accompanying notes are an integral part of this statement.

Bossier Parish Assessor  
Benton, Louisiana  
Governmental Fund - General Fund  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
For the Year Ended December 31, 1998

Revenues	
Ad valorem taxes	\$ 955,604
Intergovernmental revenue:	
State revenue sharing	191,608
Use of money and property - interest earnings	34,779
Other revenue	29,434
	<hr/>
Total revenues	1,211,425
	<hr/>
Expenditures	
General government - taxation:	
Salaries	761,399
Group insurance	108,439
Material and supplies	196,352
Travel and other charges	29,174
Capital outlay	10,116
	<hr/>
Total expenditures	1,105,480
	<hr/>
Excess of revenues over expenditures	105,945
Fund balance at beginning of year	1,407,334
	<hr/>
Fund balance at end of year	<u><u>\$ 1,513,279</u></u>

The accompanying notes are an integral part of this statement.

Bossier Parish Assessor  
 Benton, Louisiana  
 Governmental Fund - General Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Cash Basis) and Actual  
 For the Year Ended December 31, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Ad valorem taxes	\$ 880,000	\$ 863,722	\$ (16,278)
Intergovernmental revenue:			
State revenue sharing	193,500	184,614	(8,886)
Use of money and property - interest earnings		29,434	29,434
Other revenue	34,000	28,996	(5,004)
<b>Total revenues</b>	<b>1,107,500</b>	<b>1,106,766</b>	<b>(734)</b>
<b>Expenditures</b>			
General government - taxation:			
Salaries	771,750	761,399	10,351
Group insurance	164,675	193,945	(29,270)
Material and supplies	34,375	29,224	5,151
Travel and other charges	20,000	7,761	12,239
Capital outlay	116,700	108,439	8,261
<b>Total expenditures</b>	<b>1,107,500</b>	<b>1,100,768</b>	<b>6,732</b>
Excess of revenues over expenditures	-	5,998	(5,998)
Fund balance at beginning of year	387,751	394,823	(7,072)
Fund balance at end of year	\$ 387,751	\$ 400,821	\$ (13,070)

The accompanying notes are an integral part of this statement.

Bossier Parish Assessor  
Benton, Louisiana  
Notes to Financial Statements  
December 31, 1998

## 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 provides 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 Bossier Parish Courthouse in Benton, Louisiana. The assessor employs 23 employees, including 22 deputies. In accordance with Louisiana law, the assessor bases real and movable property assessments on conditions existing on January 1 of the tax year. The assessor completes an assessment listing by May 1, of the tax year and submits the list to the parish governing authority and the Louisiana Tax Commission as prescribed by law. Once the assessment listing is approved, the assessor submits the assessment roll to the parish tax collector who is responsible for collecting and distributing taxes to the various taxing bodies.

### (1) Summary of Significant Accounting Policies

#### A. Basis of Presentation

The accompanying general purpose financial statements of the Bossier Parish Assessor 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. Reporting Entity

The assessor is an independently elected official; however, the assessor is fiscally dependent on the Bossier Parish Police Jury. The police jury maintains and operates the parish courthouse in which the assessor's office is located and provides funds for equipment and furniture of the assessor's office. In addition, the police jury's general purpose financial statements would be incomplete or misleading without inclusion of the assessor. For these reasons, the assessor was determined to be a component unit of the Bossier Parish Police Jury, 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 police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

(Continued)



Bossier Parish Assessor  
Benton, Louisiana  
Notes to Financial Statements  
December 31, 1998  
(Continued)

C. Fund Accounting

The assessor uses a fund and an account group 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. On the other hand, 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.

The General Fund of the assessor is classified as a governmental fund. The General fund, as provided by Louisiana Revised Statute (R.S.) 47:1906, is the principal fund of the assessor and accounts for the operation of the assessor's office. Ad valorem tax revenue and state revenue sharing is accounted for in this fund. General operating expenditures are paid from this fund.

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 are generally included on the balance sheet. The operating statement of the General Fund presents increases and decreases in net current assets. The modified accrual basis of accounting is used by the General Fund. The General Fund uses the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes are recorded in the year the taxes are assessed. Ad valorem taxes are assessed 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.

*State revenue sharing is recorded in the year the assessor is entitled to the funds.*

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

(Continued)

Bossier Parish Assessor  
 Benton, Louisiana  
 Notes to Financial Statements  
 December 31, 1998  
 (Continued)

Expenditures

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

E. Budget Practices

The proposed budget for the year ended December 31, 1998, was made available for public inspection at the assessor's office on December 10, 1997. The proposed budget, prepared on the cash basis of accounting, was published in the official journal on November 27, 1997 and December 1, 1997. A public hearing was held at the assessor's office on December 12, 1997, for comments from taxpayers. The budget is legally adopted and amended by the assessor. All appropriations contained in the budget lapse at year end. Formal budget integration is not employed as a management control device during the year, and encumbrance accounting is not used by the assessor. Budget amounts included in the accompanying component unit financial statements include the original adopted budget. There were no budget amendments during 1998.

The following schedule reconciles excess of revenues over expenditures on the statement on page 5 (budget basis) with the amounts shown on the statement on page 4 (GAAP basis):

	<u>General Fund</u>
Excess revenues over expenditures (budget basis)	\$ 5,998
Adjustments:	
Revenue accruals – net	104,659
Expenditure accruals – net	( 4,712)
Excess revenues over expenditures (GAAP basis)	<u>\$ 105,945</u>

F. Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest bearing demand deposits, and 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 or any other state of the United States, or under the laws of the United States.

(Continued)

Bossier Parish Assessor  
Benton, Louisiana  
Notes to Financial Statements  
December 31, 1998  
(Continued)

G. Fixed Assets

Fixed assets are recorded as expenditures at the time purchased, and the related assets are capitalized (reported) in the general fixed assets account group. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.

H. Compensated Absences

Employees of the Assessor's office receive from 10 to 20 days of noncumulative vacation leave each year. Sick leave is granted at the discretion of the Assessor.

I. 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.

J. Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Actual results could differ from those estimates.

(2) Levied Taxes

The Bossier Parish Assessor authorized and levied a 3.69 millage for ad valorem taxes for operations for 1998.

(3) Cash

At December 31, 1998, the assessor had cash (book balances) totaling \$400,821 in interest-bearing demand deposits. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must

(Continued)

Bossier Parish Assessor  
 Benton, Louisiana  
 Notes to Financial Statements  
 December 31, 1998  
 (Continued)

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, 1998, the assessor had \$447,157 in deposits (collected bank balances). These deposits are secured from risk by \$354,952 of federal deposit insurance and \$92,205 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 provision of GASB Statement No. 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.

(4) Receivables

The following is a summary of receivables at December 31, 1998:

<u>Class of Receivable</u>	<u>General Fund</u>
Ad valorem taxes	\$ 993,692
State revenue sharing	125,134
Accrued interest receivable	5,783
	<u>\$ 1,124,609</u>

(5) Changes in General Fixed Assets

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

Balance, January 1, 1998	\$ 189,400
Additions	10,116
Deductions	<u>( 38,104)</u>
Balance, December 31, 1998	<u>\$ 161,412</u>

(Continued)

Bossier Parish Assessor  
Benton, Louisiana  
Notes to Financial Statements  
December 31, 1998  
(Continued)

(6) Pension Plan

Substantially all employees of the Bossier Parish Assessor's office 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 12 years of creditable service or at or after age 50 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final-average salary for each year of credited service, not to exceed 100% of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Assessors' Retirement System, Post Office Box 1786, Shreveport, Louisiana 71166-1786, or by calling (318) 425-4446.

Plan members are required by state statute to contribute 7.0% of their annual covered salary and the Bossier Parish Assessor is required to contribute at an actuarially determined rate. The current rate is 5.75% of annual covered payroll. Contributions to the System also include one-fourth of 1% (1% 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 Bossier Parish Assessor are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Bossier Parish Assessor's contributions to the System for the years ending December 31, 1998, 1997, and 1996, were \$42,524, \$40,492, and \$33,754, respectively, equal to the required contributions for each year.

(Continued)



Bossier Parish Assessor  
Benton, Louisiana  
Notes to Financial Statements  
December 31, 1998  
(Continued)

(7) Other Postretirement Benefits

The Bossier Parish Assessor provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the assessor's employees become eligible for these benefits if they reach normal retirement age while working for the assessor. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid by the assessor. The assessor recognizes the cost of providing these benefits as an expenditure when the monthly premiums are due, which was \$108,439 for 1998. For 1998, the cost of retiree benefits totaled \$27,549 for nine retired employees.

(8) Leases

The assessor had three operating leases on vehicles and equipment in effect during 1998. The rental payments made on these leases during the year ended December 31, 1998 was \$9,906. The minimum annual commitments under the noncancelable operating leases are as follows:

Year Ending December 31,

1999	\$	8,498
2000		4,403
		<u>\$ 12,901</u>

(9) Expenditures of the Assessor Paid  
by the Parish Police Jury

The assessor's office is located in the Bossier Parish Courthouse. Expenditures for operation and maintenance of the parish courthouse, as required by state statute, are paid by the Bossier Parish Police Jury and are not included in the expenditures of the assessor.

Bossier Parish Assessor  
Benton, Louisiana  
Supplementary Information Schedule  
Year 2000 Disclosure  
(Unaudited)  
December 31, 1998

The year 2000 issue is the result of short comings in many electronic data processing systems and other electronic equipment that may adversely affect the Assessor's operations as early as fiscal year 1999. The Assessor has completed an inventory of computer systems that may be affected by the year 2000 issue that are critical to conducting operations of the Assessor's office. Management has identified the following systems requiring 2000 remediation: computer system. Management had previously decided to upgrade the entire office system due to age and obsolescence. This new system will be year 2000 compliant. Management has contacted outside vendors for remediation, testing and validation. The approximate cost for upgrading the systems is \$70,000. The anticipated installation date is before December 31, 1999.

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Report on Compliance and on Internal Control Over Financial  
Reporting Based on an Audit of Financial Statements  
Performed In Accordance With *Government Auditing Standards*

Bossier Parish Assessor  
Benton, Louisiana

We have audited the financial statements of Bossier Parish Assessor as of and for the year ended December 31, 1998, and have issued our report thereon dated April 20, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Compliance

As part of obtaining reasonable assurance about whether Bossier Parish Assessor's 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*.

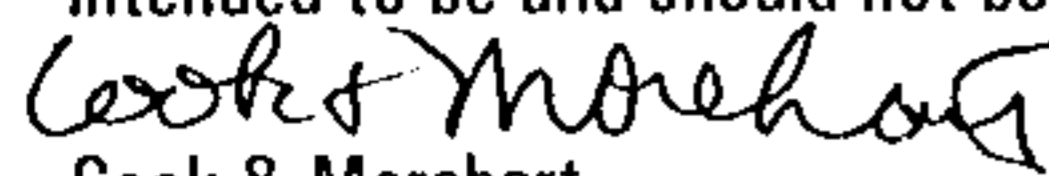
### Internal Control Over Financial Reporting

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

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



This report is intended solely for the information and use of management and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.



Cook & Morehart

Certified Public Accountants

April 20, 1999

Bossier Parish Assessor  
Benton, Louisiana  
Summary Schedule of Audit Findings  
December 31, 1998

**Prior Audit Findings**

There were no findings or management letter comments for the prior year audit for the year ended December 31, 1997.

**Current Year Audit Findings**

There were no findings or management letter comments for the current year audit for the year ended December 31, 1998.