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**ASSESSOR
FOURTH MUNICIPAL DISTRICT
PARISH OF ORLEANS**

FINANCIAL STATEMENTS AND ACCOUNTANT'S REPORT

March 31, 1999

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date SEP 15 1999

**ASSESSOR
FOURTH MUNICIPAL DISTRICT
PARISH OF ORLEANS**

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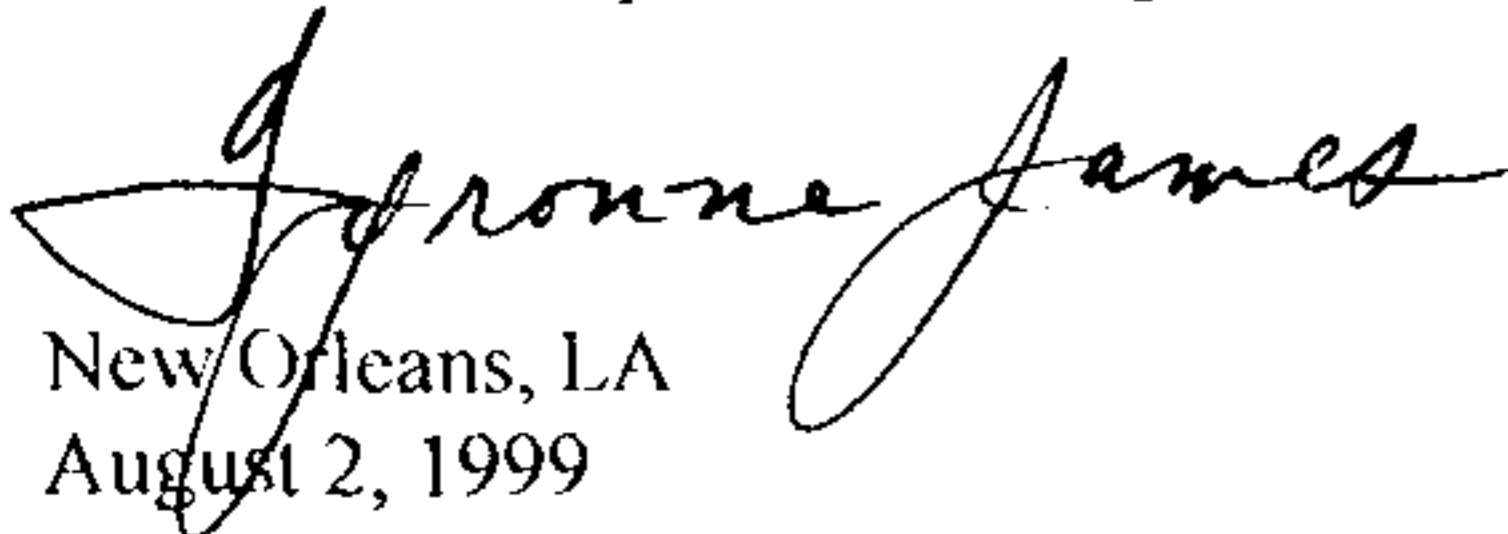
COMPILATION REPORT

Assessor
Fourth Municipal District
Parish of Orleans

I have compiled the accompanying general- purpose financial statements of the Assessor, Fourth Municipal District, Parish of Orleans, as of March 31, 1999, and for the year then ended, as listed in the table of contents, in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

In accordance with the *Louisiana Government Audit Guide* and the provisions of state law, I have issued a report, dated August 5, 1999, on the results of my agreed-upon procedures.


New Orleans, LA
August 2, 1999

**ASSESSOR
FOURTH MUNICIPAL DISTRICT
PARISH OF ORLEANS**

**COMBINED BALANCE SHEET-
ALL FUND TYPES AND ACCOUNT GROUPS**

March 31,1999

	<u>GOVERNMENTAL FUND TYPE GENERAL FUND</u>	<u>ACCOUNT GROUP FIXED ASSETS</u>	<u>TOTAL (MEMORANDUM ONLY)</u>	
			<u>1999</u>	<u>1998</u>
ASSETS				
Cash	\$ 35,129	\$ -	\$ 35,129	\$ 12,629
Fixed assets (Notes A4 and B)	-	10,274	10,274	23,591
Total assets	<u>\$ 35,129</u>	<u>\$ 10,274</u>	<u>\$ 45,403</u>	<u>\$ 36,220</u>
LIABILITIES AND FUND EQUITY				
Liabilities				
Accounts payable	\$ 3,939	\$ -	\$ 3,939	\$ 4,439
Payroll taxes payable	223	-	223	692
Total liabilities	4,162	-	4,162	5,131
Fund Equity				
Investment in general fixed assets	-	10,274	10,274	7,498
Fund balance - undesignated	30,967	-	30,967	23,591
Total fund equity	30,967	10,274	41,241	31,089
Total liabilities and fund equity	<u>\$ 35,129</u>	<u>\$ 10,274</u>	<u>\$ 45,403</u>	<u>\$ 36,220</u>

The accompanying notes are an integral part of this statement.

"See Accountant's Compilation Report"

**ASSESSOR
FOURTH MUNICIPAL DISTRICT
PARISH OF ORLEANS**

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

For the year ended March 31, 1999

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE <UNFAVORABLE></u>
Revenues			
<i>Intergovernmental revenue</i>			
Board of assessors allotment	\$ 110,000	\$ 114,985	\$ 4,985
Total revenues	110,000	114,985	4,985
Expenditures			
Personnel services and related benefits	55,000	53,369	1,631
Operating expenses	15,000	15,283	(283)
Materials and supplies	450	174	276
Miscellaneous	<u>7,500</u>	<u>8,909</u>	<u>(1,409)</u>
Total expenditures	<u>77,950</u>	<u>77,736</u>	<u>214</u>
Excess of revenues over expenditures	32,050	37,249	5,199
Fund balance, beginning of year	-----	-----	-----
Fund balance, end of year	<u>\$ 32,050</u>	<u>\$ 37,249</u>	<u>\$ 5,199</u>

The accompanying notes are an integral part this statement.

"See Accountant's Compilation Report"

**ASSESSOR
FOURTH MUNICIPAL DISTRICT
PARISH OF ORLEANS**

NOTES TO FINANCIAL STATEMENTS

March 31, 1999

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Reporting Entity

As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, there shall be seven assessors in New Orleans, who shall compose 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 she 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 assessors' office, the Board of Assessors shall appoint an interim assessor for the unexpired term.

The assessor assesses all real and moveable property in her municipal district subject to ad valorem taxation. The assessor is authorized to appoint as many deputies as may be necessary for taxpayers in her district. 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.

For financial reporting purposes, the assessor includes all funds, account groups, activities, et cetera, that are controlled by the assessor as an independently elected parish official. The activities of 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 parish assessors.

At March 31, 1999, there are real property assessments totaling \$45,385,484 and personal property assessments totaling \$6,827,788.

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 47:1906, is classified as a governmental fund, and is the principal operating fund of the Assessor, Fourth Municipal District, Parish of Orleans,

**ASSESSOR
FOURTH MUNICIPAL DISTRICT
PARISH OF ORLEANS**

NOTES TO FINANCIAL STATEMENTS - Continued

March 31, 1999

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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 means by which spending activities are controlled. Compensation received from the various taxing bodies, prescribed by formula in Louisiana Revised Statutes 47:1907-1908 is accounted for in the fund. General operating expenditures are paid from this fund.

4. Fixed Assets

Equipment used in government fund type operations is accounted for in the General Fixed Assets Account 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 fixed assets. All fixed assets are valued at historical cost.

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 increases and decreases 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, 1999

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

7. Assessor's Salary and Personal 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 her annual salary, the Assessor, Fourth Municipal District, Parish of Orleans, is granted ten percent (10%) of her annual compensation as a personal expenditure allowance provided that the tax receipts of the respective tax recipient bodies shall not be reduced. The amount of personnel 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 - Overview

Total columns are captioned "Memorandum 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. Neither is such data comparable 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 organized 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. These are classified as investments if their original maturities exceed 90 days. At March 31, 1999, the cash on deposit in financial institutions were adequately secured by federal deposit insurance.

NOTE B - GENERAL FIXED ASSETS - ACCOUNT GROUP

A summary of changes in general fixed assets follows:

Balance, 4/01/98	\$ 0
Additions	10,274
Deductions	<u>0</u>
Balance, 3/31/99	<u>\$10,274</u>

**ASSESSOR
FOURTH MUNICIPAL DISTRICT
PARISH OF ORLEANS**

NOTES TO FINANCIAL STATEMENTS

March 31, 1999

NOTE C - PENSION PLAN

All full-time employees of the Assessor, Fourth Municipal District, Parish of Orleans, are members of members of the Louisiana Assessor's Retirement System. In addition to employee payroll deductions, a portion of the Boards allotment is remitted tot he 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 Assessor, Fourth Municipal District, Parish of Orleans does not guarantee the benefits granted by the retirement system.

Following is a summary of the Louisiana Assessors Retirement Fund for the most recent valuation date, which was September 30, 1998:

Actuarial Value of Plan Assets	<u>\$91,983,065</u>
--------------------------------	---------------------

Unfunded Pension Benefit Obligation	<u>\$34,037,823</u>
-------------------------------------	---------------------

1) Amount of the Assessor, Fourth Municipal District, Parish of Orleans, Current Year Covered Payroll	<u>\$ 42,037</u>
---	------------------

Amount of the Assessor, Fourth Municipal District, Parish of Orleans, Current Year Total Payroll	<u>\$ 42,037</u>
--	------------------

2) All full time employees of the Assessor, 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 joined months of salary.

A participant may retire after twelve (12) years of creditable service and 55 years of age or older, or at age 50 with 30 years creditable service.

3) The Louisiana Assessor's Retirement Fund was created by provision of Act 91 of the 1950 Legislature, as amended, up to and including Act 256 of 1986 and required the following provisions:

The Assessor, Fourth Municipal District, Parish of Orleans, is required to contribute 5.75% of covered payroll which shall be remitted to the Louisiana Assessor's Retirement Fund.

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

4) Employee actual contributions	\$ 2,984
Employer actual contributions	<u>2,451</u>
Total Contributions	<u>\$ 5,435</u>

The contributions are 12.9% of the total covered payroll.

**ASSESSOR
FOURTH MUNICIPAL DISTRICT
PARISH OF ORLEANS**

NOTES TO FINANCIAL STATEMENTS - Continued

March 31,1999

NOTE C - PENSION PLAN - Continued

- 5) The assumptions used for valuation were the same as those utilized for the prior year except for a restricting of 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 employers. Also, membership data is not available by individual employer. The amount shown below as the "pension benefit obligation" is a standardized disclosure measure of the present value of future pension benefits for the state-wide plan:

Active Members	\$111,361,621
Retirees, beneficiaries and terminated employees	<u>51,169,490</u>
Total pension benefit obligation	<u>\$162,531,111</u>
Total net assets available for benefits	<u>\$ 96,114,200</u>

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

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Independent Accountant's Report
on Applying Agreed-Upon Procedures

Assessor
Fourth Municipal District
Parish of Orleans

I have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the Assessor, Fourth Municipal District, Parish of Orleans and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Assessor, Fourth Municipal District, Parish of Orleans's compliance with certain laws and regulations during the year ending March 31, 1999 included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$15,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with I.S.A-RS 38:2211-2251 (the public bid law).

There were no expenditures for material and supplies exceeding \$15,000, or public works exceeding \$100,000.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by I.S.A-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees as well as their immediate families.

The Assessor, Fourth Municipal District, Parish of Orleans is an independently elected official. The office does not have a board.

3. Obtain from management a listing of all employees paid during the period under examination

The Assessor, Fourth Municipal District, Parish of Orleans, provided me with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

Because the Fourth Municipal District Assessor's Office, Parish of Orleans does not have a board, no list was provided by management in agreed-upon procedure (2).

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.

The Assessor, Fourth Municipal District, Parish of Orleans, provided me with a copy of the original budget. There were no amendments to the budget during the year.

6. Trace the budget adoption and amendments to the minute book.

The Assessor, Fourth Municipal District, Parish of Orleans is an independently elected official. The office does not have a board.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceed budgeted amounts by 5 % or more. (Note, state law exempts from the amendment requirements special revenue funds with anticipated expenditures of \$250,000 or less and exempts special revenue funds whose expenditures drive revenue recognition-primarily federal funds.)

I compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues and expenditures for the year did not exceed budgeted amounts by more than 5%.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:

(a) trace payments to supporting documentation as to proper amount and payee;

I examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

(b) determine if payments were properly coded to the correct fund and general ledger account;

All six of the payments were properly coded to the correct fund and general ledger account.

© determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the Assessor, Fourth Municipal District, Parish of Orleans.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

The Fourth Municipal District Assessor's Office, Parish of Orleans, does not have a board.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of banks loans, bonds, or like indebtedness.

I inspected copies of all bank deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, of like indebtedness.

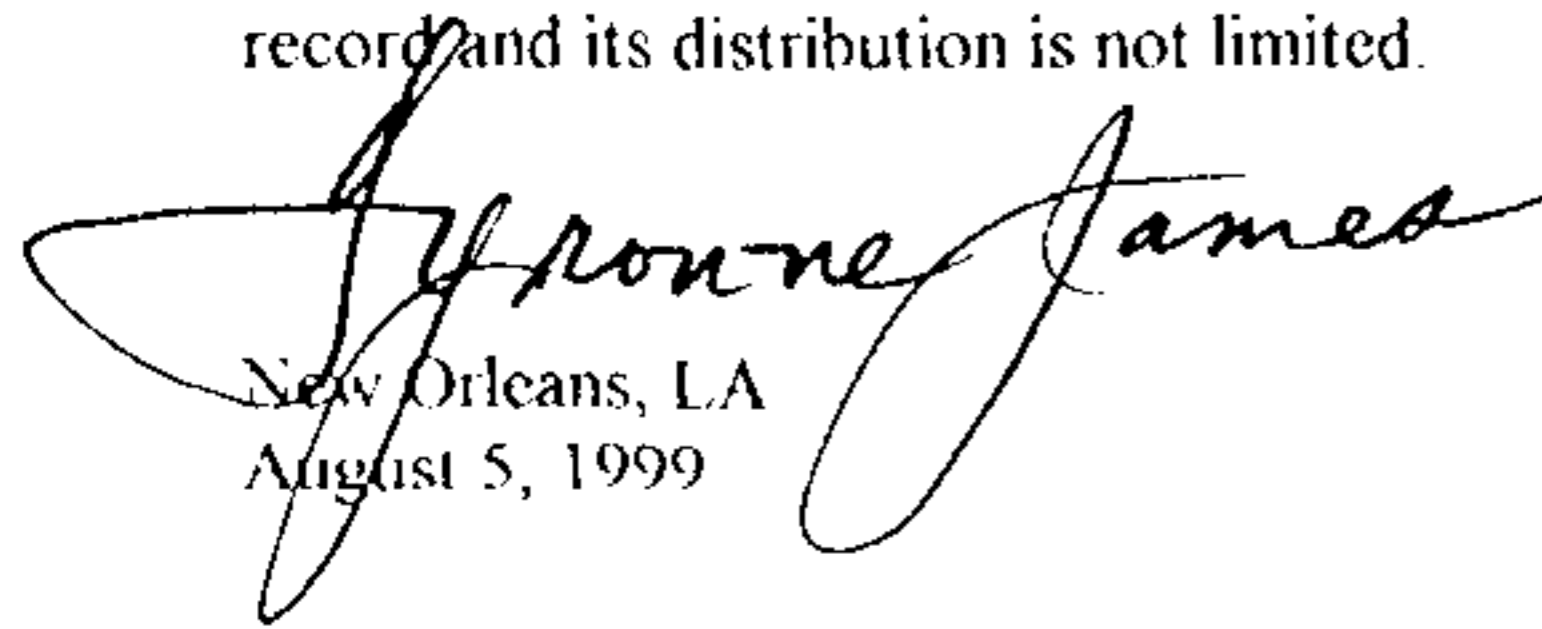
Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advance, or gifts.

I inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

I was not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of the Assessor, Fourth Municipal District, Parish of Orleans and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.


New Orleans, LA
August 5, 1999

**ASSESSOR
FOURTH MUNICIPAL DISTRICT
PARISH OF ORLEANS**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the year ended March 31, 1999

A. PRIOR YEAR AUDIT FINDING

The prior year audit finding titled "Segregation of Duties" was unresolved as of March 31, 1999. The predecessor assessor decided that to employ such controls would not be cost beneficial.