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Financial Report
Lafourche Parish Assessor
Thibodaux, Louisiana
December 31, 1997

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: 4-15-98

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December 31, 1997

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Bourgeois Bennett

INDEPENDENT AUDITOR'S REPORT

To the Lafourche Parish Assessor,
Thibodaux, Louisiana.

We have audited the accompanying general purpose financial statements of the Lafourche Parish Assessor (the Assessor), 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 Assessor. 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Assessor, 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 Lafourche Parish Assessor 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 February 10, 1998 on our consideration of the Lafourche Parish Assessor's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Bourgeois Bennett, LLC.

Certified Public Accountants.

Thibodaux, La.
February 10, 1998.

COMBINED BALANCE SHEET :
GOVERNMENTAL FUND TYPE AND ACCOUNT GROUP

LaFourche Parish Assessor

December 31, 1993

	<u>Governmental</u>	<u>Account</u>	
	<u>Fund Type</u>	<u>Group</u>	
	<u>General</u>	<u>General</u>	<u>Total</u>
		<u>Flood</u>	<u>(Memorandum</u>
		<u>Assets</u>	<u>Only)</u>
			<u>Assets</u>
Assets			
Cash	\$ 373,721	\$ -	\$ 373,721
Investments	780,000	-	780,000
Receivables - taxes	176,254	-	176,254
Due from other governmental units	369,938	-	369,938
Deposits	915	-	915
Fixed assets	-	<u>149,858</u>	<u>149,858</u>
Total assets	<u>\$ 1,622,888</u>	<u>\$ 149,858</u>	<u>\$ 1,772,746</u>
Liabilities			
Accounts payable and accrued expenditures	\$ 671		\$ 671
Equity and Other Credits			
Investment in general flood assets	-	149,858	149,858
Fund balance - unreserved	<u>1,622,209</u>	-	<u>1,622,209</u>
Total equity and other credits	<u>1,622,209</u>	<u>149,858</u>	<u>1,772,067</u>
Total liabilities, equity and other credits	<u>\$ 1,622,880</u>	<u>\$ 149,858</u>	<u>\$ 1,772,738</u>

See notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - GOVERNMENTAL FUND TYPE**

Lafourche Parish Assessor

For the year ended December 31, 1997

	General Fund
Revenues	
Taxes	\$ 488,023
Intergovernmental:	
State of Louisiana:	
State revenue sharing	58,464
Changes for services	1,324
Miscellaneous - interest	<u>51,885</u>
Total revenues	<u>601,897</u>
Expenditures	
Current:	
General Government:	
Ad valorem tax adjustment	8,563
Personal services	425,657
Repairs and maintenance	10,983
Supplies and materials	17,248
Other services and charges	42,268
Capital expenditures	<u>3,962</u>
Total expenditures	<u>512,273</u>
Excess of Revenues Over Expenditures	89,624
Fund Balance	
Beginning of year	<u>1,332,585</u>
End of year	<u>\$ 1,422,209</u>

See notes to financial statements.

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

Lafourche Parish Assessor

For the year ended December 31, 1997

	<u>Budget</u>	<u>Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Taxes	\$ 558,800	\$ 504,485	\$ (45,513)
Intergovernmental:			
State of Louisiana:			
State revenue sharing	-	58,123	58,123
Charges for services	2,300	1,524	(776)
Miscellaneous - interest	<u>34,000</u>	<u>33,508</u>	<u>(492)</u>
Total revenues	<u>605,100</u>	<u>617,640</u>	<u>11,340</u>
Expenditures			
Current:			
General government:			
Ad valorem tax adjustment	10,000	6,803	3,197
Personal services	423,000	423,857	(857)
Repairs and maintenance	11,000	10,864	136
Supplies and materials	18,000	19,349	(1,749)
Other services and charges	43,450	42,194	1,256
Capital expenditures	<u>7,480</u>	<u>7,962</u>	<u>(482)</u>
Total expenditures	<u>514,930</u>	<u>512,649</u>	<u>2,281</u>
Excess of Revenues Over Expenditures	<u>\$ 90,170</u>	<u>\$ 104,991</u>	<u>\$ 13,541</u>

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS**Lafourche Parish Assessor**

December 31, 1997

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 accounting policies of the Lafourche Parish Assessor (the Assessor) conform to 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. The following is a summary of significant accounting policies:

a) Reporting Entity

The Assessor for Lafourche Parish is a separately elected official and is not included as a component unit in any other financial statements. The Assessor has reviewed all of its activities and determined that there are no potential component units which should be included in financial statements.

b) Fund Accounting

The Assessor uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, 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.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Fund Accounting (Continued)

Governmental Funds

Governmental Funds are those through which most governmental functions of the Assessor are financed. The acquisition, use and balances of the Assessor's expendable financial resources and the related liabilities are accounted for through Governmental Funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following is the Governmental Fund of the Assessor:

General Fund - The General Fund is the general operating fund of the Assessor. It is used to account for all financial resources except those that are required to be accounted for in another fund.

Account Group

The General Fixed Assets Account Group is used to account for fixed assets not accounted for in proprietary or trust funds.

c) Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All Governmental Funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. *Ad valorem* taxes and the related state revenue sharing (Intergovernmental revenue) are considered "measurable" at the time of levy. Interest income on investments is recorded when the investments have matured and the income is available. Charges for services are recorded when earned since they are measurable and available. Miscellaneous revenues are recorded as revenues when received in cash by the Assessor because they are generally not measurable until actually received.

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

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d) Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

e) Operating Budgetary Data

As required by the Louisiana Revised Statutes 39:1383, the Assessor adopted and amended a budget for its General Fund. The budgetary practices included public notice of the proposed budget, public inspection of the proposed budget and public hearings on the budget prior to adoption. Any amendment involving the transfer of monies from one function to another or increases in expenditures at the functional level must be approved by the Assessor. All budgeted amounts which are not expended, or obligated through contracts, lapse at year end.

The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund is presented on the budgetary basis to provide a comparison of actual results with the budget. The major differences between the budgetary basis and GAAP basis are that:

- a) Revenues are recorded when received in cash (budgetary basis) as opposed to when measurable and available (GAAP basis).
- b) Expenditures are recorded when paid in cash (budgetary basis) as opposed to when the liability is incurred (GAAP) basis.

The adjustments necessary to convert the results of operations for the year from the GAAP basis to the budgetary basis for the general fund are as follows:

	<u>Excess of Revenues Over Expenditures</u>
GAAP basis (as reported)	<u>\$ 89,624</u>
Adjustments:	
Revenue:	
Taxes	16,462
Intergovernmental	(341)
Miscellaneous	<u>(378)</u>
Total revenue adjustments	<u>15,743</u>

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

	<u>Excess of Revenues Over Expenditures.</u>
Expenditures	
Current:	
Ad valorem tax adjustment	1,960
Repairs and maintenance	99
Supplies and materials	(2,901)
Other services and charges	<u> 98</u>
Total expenditure adjustments	<u> (175)</u>
Budgetary basis	<u>\$104,891</u>

f) Bad Debts

The financial statements of the Assessor contain no allowance for bad debts. Uncollectible amounts due for ad valorem taxes and other receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. These amounts are not considered to be material in relation to the financial position or operation of the General Fund.

g) Investments

Investments are stated at cost, which approximates market.

During the year, the Assessor's investments consisted of certificates of deposit and U.S. Treasury Notes. As of December 31, 1997, investments consisted only of certificates of deposit.

h) Fixed Assets

Fixed assets used in governmental fund type operations (fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. The Account Group is not a fund. It is concerned only with the measurement of financial position.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h) Fixed Assets (Continued)

It is not involved with the measurement of results of operations. Public domain ("infrastructure") fixed assets consisting of certain improvements other than building, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems, are not capitalized along with other fixed assets. No depreciation has been provided on general fixed assets.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated. Fixed assets with an estimated historical cost amounted to approximately \$1,025 or 1.2% of the total General Fixed Assets Account Group.

i) Vacation and Sick Leave

Employees are entitled to two weeks of non-cumulative vacation and sick leave each year after one year of employment. Leave for extended hospital confinements may be granted at the discretion of the Assessor.

j) Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded in the fund general ledgers, is not utilized by the Assessor.

k) Memorandum Only Total Column

The total column on the combined balance sheet is captioned "Memorandum Only" because it does not represent consolidated financial information and is presented only to facilitate financial analysis. The column does not present information that reflects financial position in accordance with generally accepted accounting principles. Interfund eliminations have not been made in the aggregation of this data.

Note 2 - DEPOSITS

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States, certificates of deposit of state or national banks having their principal office in Louisiana or any other federally insured investment.

Note 2 - DEPOSITS (Continued)

State law requires deposits (cash and certificates of deposit) of all political subdivisions to be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision or with an unaffiliated bank or trust company for the account of the political subdivision. In accordance with state law all cash and deposits were collateralized.

Cash and deposits are categorized into three categories of credit risk.

Category 1 includes deposits covered by federal depository insurance or by collateral held by the Assessor or its agent in the Assessor's name.

Category 2 includes deposits covered by collateral held by the pledging financial institution's trust department or its agent in the Assessor's name.

Category 3 includes deposits covered by collateral held by the pledging financial institution or its trust department or agent but not in the Assessor's name and deposits which are uninsured or uncollateralized.

The year-end bank balances of deposits and the carrying amount as shown on the combined balance sheet are as follows:

	Bank Balances			Book Balance
	Category			
	1	2	3	
Cash	\$100,000	\$-	\$296,541	\$ 375,721
Investments:				
Certificates of deposit	—	—	700,000	700,000
Totals	<u>\$100,000</u>	<u>\$-</u>	<u>\$996,541</u>	<u>\$1,075,721</u>

At December 31, 1997, cash and certificates of deposit in excess of the FDIC insurance were collateralized by securities held by unaffiliated banks for the account of the Assessor. The Governmental Accounting Standards Board (GASB), which promulgates the standards for accounting and financial reporting for state and local governments, considers these securities uncollateralized. Even though the pledged securities are considered uncollateralized under

Note 2 - DEPOSITS (Continued)

the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the depositor that the fiscal agent has failed to pay deposited funds upon demand.

Note 3 - PROPERTY TAXES

Property taxes are levied each November 1 on the assessed value listed as of the prior January 1 for all real property, merchandise and movable property located in the Parish. Assessed values are established by the Lafourche Parish Assessor's Office and the State Tax Commission at percentages of actual value as specified by Louisiana law. A revaluation of all property is required to be completed no less than every four years. The last revaluation was completed for the list of January 1, 1996. Taxes are due and payable December 31 with interest being charged on payments after January 1. Taxes can be paid through the tax sale date, which is the last Wednesday in June. Properties for which the taxes have not been paid are sold at the amount of the taxes. The tax rate for the year ended December 31, 1997 was \$2.16 per \$1,000 of assessed valuation on property within Lafourche Parish for the purpose of assessing property, preparing tax rolls and submitting the rolls to the Louisiana Tax Commission.

Note 4 - DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units at December 31, 1997 consisted of the following:

State of Louisiana - State Revenue Sharing	\$ 58,464
Lafourche Parish Tax Collector - November and December, 1997 collections remitted to the Assessor in January, 1998.	
Ad valorem taxes	309,966
City of Thibodaux	1,500
Total	<u>\$369,930</u>

Note 4 - DUE FROM OTHER GOVERNMENTAL UNITS (Continued)

The amount due from the City of Thibodaux consists of the Assessor's fee for preparation of the City of Thibodaux's 1997 tax roll.

Note 5 - CHANGES IN FIXED ASSETS

A summary of changes in fixed assets follows:

	Balance January 1, 1997	Additions	Deletions	Balance December 31, 1997
Automobiles	\$ 29,841	\$ -	\$ -	\$ 29,841
Office furniture and equipment	<u>113,093</u>	<u>7,562</u>	<u>638</u>	<u>120,817</u>
Total	<u>\$142,934</u>	<u>\$7,562</u>	<u>\$638</u>	<u>\$149,858</u>

Note 6 - DEFINED BENEFIT PENSION PLAN

Plan Description - The LaBourche Parish Assessor (the Assessor) contributes to the Louisiana Assessors' Retirement Fund (System), a cost-sharing multiple-employer defined benefit public employee retirement system (PERS), which is controlled and administered by a separate Board of Trustees. The System provides retirement, deferred and disability benefits, survivor's benefits and cost of living adjustments to plan members and beneficiaries. Act 91 of the 1950 Louisiana Legislative Session established the plan. Provisions of the plan are set forth in the Louisiana Revised Statutes 11:1401 through 11:1483. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to Louisiana Assessors' Retirement Fund, P.O. Box 1786, Shreveport, Louisiana 71166-1786.

Funding Policy - Plan members are required to contribute 7.00% of their annual salary and the Assessor is required to contribute at an actuarially determined rate. The rates used during 1997 were 5.9% of eligible payroll through September 30 and 5.73% thereafter. In addition, the fund receives .23% of the taxes shown to be collected on the tax rolls of each parish excluding Orleans and revenue sharing funds as appropriated each year by the legislature. The Assessor's contributions to the System for the years ending December 31, 1997, 1996 and 1995 were \$17,439, \$14,802 and \$15,958, respectively, equal to the required contributions for each year.

Note 7 - LEASE COMMITMENTS

The Assessor has entered into operating lease agreements for two vehicles with monthly payments of \$451 and \$492, respectively. The lease agreements are for 36 months each and expire December 15, 1999 and February 17, 2000 with residual values on the vehicles of \$9,805 and \$16,298, respectively.

Rental expense incurred on the leases for the year ended December 31, 1997 was \$11,321. The future minimum lease payments are as follows:

<u>Year</u>	<u>Amount</u>
1998	\$11,321
1999	<u>3,905</u>
Total	<u>\$15,226</u>

SPECIAL REPORT OF CERTIFIED PUBLIC ACCOUNTANTS



Bougeois Bennett

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER
FINANCIAL REPORTING BASED ON AN AUDIT OF GENERAL
PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

To the Lafourche Parish Assessor,
Thibodaux, Louisiana.

We have audited the general purpose financial statements of the Lafourche Parish Assessor (the Assessor), as of and for the year ended December 31, 1997, and have issued our report thereon dated February 10, 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

As part of obtaining reasonable assurance about whether the Assessor's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with these 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 Assessor's 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. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Assessor's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements. The reportable condition is described on the following page:

Condition - All accounting functions of the Assessor's office are performed by the Assessor. The Assessor also signs all checks.

Recommendation - We recommend the Assessor consider having other personnel involved in the accounting functions.

Response - The Assessor's office has neither the qualified personnel nor the funds to hire additional personnel to assist in the accounting functions.

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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is not a material weakness.

This report is intended for the information of the Assessor, the State of Louisiana and the Legislative Auditor for the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Bouguier Bennett, LLC.

Certified Public Accountants.

Thibodaux, La.,
February 10, 1998.



Bourgeois Bennett

COMMUNICATIONS WITH LAFOURCHE PARISH ASSESSOR

To the Lafourche Parish Assessor,
Thibodaux, Louisiana.

In fulfilling our responsibility as Lafourche Parish Assessor auditors for the year ended December 31, 1997, we are required to communicate to the Assessor certain matters related to the conduct of our audit.

1) AUDITOR'S RESPONSIBILITY UNDER GENERALLY ACCEPTED AUDITING STANDARDS AND GOVERNMENT AUDITING STANDARDS.

Our audit was conducted 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 which require that we plan and perform the audit to obtain reasonable assurance about whether the statements are free of material misstatements.

As required, a separate letter has been issued on compliance and internal control over financial reporting.

2) SIGNIFICANT ACCOUNTING POLICIES.

Significant accounting policies are described in Note 1 to the general purpose financial statements. No new accounting policies were adopted nor required to be adopted for the year ended December 31, 1997.

3) MANAGEMENT JUDGEMENTS AND ACCOUNTING ESTIMATES.

The most significant estimates reflected in the financial statements relate to the collectibility of accounts receivable and valuation of accounts payable. Management has provided us with representations concerning these matters.

4) SIGNIFICANT AUDIT ADJUSTMENTS

We did not initiate any significant audit adjustments during our recent audit. Year end adjustments and closing entries were prepared and provided to management.

This information is intended solely for the use of the Lafourche Parish Assessor and should not be used for any other purpose.

Bouyeard Bennett, L.L.C.

Certified Public Accountants

Thibodaux, La.,
February 10, 1998.