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***Financial Report***

***(Compiled)***

***Janyce D. Degan, Assessor  
6th Municipal District,  
Parish of Orleans***

***December 31, 2003***

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the 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 6-30-04

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December 31, 2003

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**FINANCIAL SECTION**



Bourgeois Bennett

## ACCOUNTANT'S COMPILATION REPORT

Janyce D. Degan, Assessor  
6th Municipal District, Parish of Orleans  
New Orleans, Louisiana.

We have compiled the accompanying general purpose financial statements of Janyce D. Degan, Assessor 6th Municipal District, Parish of Orleans (the Assessor), as of and for the year ended December 31, 2003, 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 Janyce D. Degan, Assessor 6th Municipal District, Parish of Orleans. We 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 Governmental Audit Guide and the provisions of state law, we have issued a report dated June 1, 2004, on the results of our agreed-upon procedures.

*Bourgeois Bennett, L.L.C.*

Certified Public Accountants.

New Orleans, Louisiana,  
June 1, 2004.

**COMBINED BALANCE SHEET -**  
**GOVERNMENTAL FUND TYPE AND ACCOUNT GROUP**

**Janyce D. Degan, Assessor 6th Municipal District, Parish of Orleans**

December 31, 2003  
(See Accountant's Compilation Report)

	Governmental Fund Type General Fund	Account Group General Fixed Assets	Total (Memorandum Only)
<b><u>ASSETS</u></b>			
<b>Assets</b>			
Cash	\$ 78,899		\$ 78,899
Fixed assets			
Office furniture and equipment	_____	\$ 38,620	38,620
Total assets	\$ 78,899	\$ 38,620	\$ 117,519
<b><u>EQUITY AND OTHER CREDITS</u></b>			
<b>Equity and Other Credits</b>			
Investments in general fixed assets		\$ 38,620	\$ 38,620
Fund balance - unreserved - undesignated	\$ 78,899	_____	78,899
Total equity and other credits	\$ 78,899	\$ 38,620	\$ 117,519

See notes to financial statements.

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

**Janyce D. Degan, Assessor 6th Municipal District, Parish of Orleans**

For the year ended December 31, 2003  
(See Accountant's Compilation Report)

	General Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental revenue:			
Compensation from taxing bodies	\$ 225,000	\$ 248,210	\$ 23,210
Interest income	950	809	(141)
	<u>225,950</u>	<u>249,019</u>	<u>23,069</u>
<b>Expenditures</b>			
General and governmental - taxation:			
Personal services and related benefits	205,100	205,497	(397)
Materials and supplies	3,500	9,281	(5,781)
Other services and charges	9,800	10,688	(888)
Travel and other charges	3,000	2,305	695
Miscellaneous	13,700	15,065	(1,365)
	<u>235,100</u>	<u>242,836</u>	<u>(7,736)</u>
Excess (deficiency) of revenues over expenditures	(9,150)	6,183	15,333
<b>Other Financing Uses</b>			
Transfer from:			
General fixed assets account group	3,000	-	3,000
	<u>3,000</u>	<u>-</u>	<u>3,000</u>
<b>Excess (Deficiency) of Revenues Over Expenditures and Other Uses</b>	(12,150)	6,183	18,333
<b>Fund Balance</b>			
Beginning of year	77,600	72,716	(4,884)
End of year	<u>\$ 65,450</u>	<u>\$ 78,899</u>	<u>\$ 13,449</u>

See notes to financial statements.

**NOTES TO FINANCIAL STATEMENTS**

**Janyce D. Degan, Assessor 6th Municipal District, Parish of Orleans**

December 31, 2003

(See Accountant's Compilation Report)

**Note 1- NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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 Assessor shall be elected from each municipal district of New Orleans, and each shall be a resident of the district from which elected. The assessors 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' offices, the Board of Assessors shall appoint an interim assessor for the unexpired term.

The assessors assess all real and movable property that is subject to ad valorem taxation located in their district. Assessors are authorized to appoint as many deputies as may be necessary for efficient operation of the office and provide assistance to the taxpayers in his/her district. The deputies are authorized to perform all functions of the office, but the assessors are officially and pecuniarily responsible for the actions of the deputies.

For financial reporting purposes, the financial statements of Janyce D. Degan, Assessor 6th Municipal District, Parish of Orleans (the Assessor) include 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 governments 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.

**Note 1- NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**a. Basis Of Presentation**

The accompanying general purpose financial statements of the Assessor have been prepared in conformity with accounting principles generally accepted in the United States of America (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. Fund Accounting**

The accounts of the Assessor consist of one fund and one account group, each of which is considered a separate accounting entity. The operations of the fund is accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues and expenditures. The fund represented in the financial statements is as follows:

**General Fund**

The General Fund, as provided by Louisiana Revised Statute 47:1906, is a governmental type fund and is the only fund of the assessor. 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. The Assessor uses these funds for general operating expenditures.

At December 31, 2003, real and movable property assessments totaled \$239,608,740 and \$32,052,600 respectively. This represents an increase of \$33,113,600 in the total value of assessments. This increase was due primarily to the increase in value of real property assessments during the year.



**Note 1- NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**b. Fund Accounting (Continued)**

**Account Group**

Account groups are used to established accounting control and accountability. The Assessor's Account Group is as follows:

**General Fixed Assets Account Group**

This 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. The assessor's records are maintained on a cash basis of accounting. However, the fund reported in the accompanying financial statements has been converted to a modified accrual basis of accounting using the following practices in recording revenues and expenditures:

Revenues are recognized when they become measurable and available as net current assets.

Expenditures are generally recognized when the liability is incurred. Small purchases of various operating supplies are recorded as expenditures at the time of purchase.

**d. Use of Estimates**

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 the 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 those estimates.

**Note 1- NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**e. Budget Practices**

The Assessor's office follows these procedures in establishing the budgetary data reflected in the financial statements.

1. In accordance with State law, the Assessor annually prepares an operating budget. The operating budget includes proposed expenditures and the means of financing them for the upcoming year. The current year budget is based on prior year revenues and expenditures adjusted for current year changes.
2. 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 Assessor's office because it is considered not necessary to assure effective budgetary control or to facilitate effective cash planning and control.
3. The annual budget of the Assessor's office is less than \$250,000 therefore the requirements of public participation and public notice in the budgetary process are not applicable. However, the budget is available for public inspection at the Assessor's office.
4. Appropriations lapse at year-end, but subsequent year budget provides for accounts payable outstanding at year end.

**f. Cash and Cash Equivalents**

Cash and cash equivalents include amounts in demand deposits, interest-bearing demand deposits, and certificates of 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, Treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days and as cash equivalents if their original maturities are 90 days or less.

**Note 1- NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**g. General Fixed Assets**

Fixed assets used in governmental fund type operations are accounted for in the general fixed assets account group rather than in the governmental funds. Fixed assets are valued at historical cost or estimated cost based on replacement if historical cost is not available. No depreciation has been provided on fixed assets. The account group is not a fund. It is concerned only with the measurement of financial position and does not involve measurement of results of operations.

**h. Vacation and Sick Leave**

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

**i. Total Column on The Combined Balance Sheet**

The total column on the combined 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 or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

**Note 2 - CASH AND CASH EQUIVALENTS**

The cash is on deposit in a financial institution and is secured by federal deposit insurance. At December 31, 2003, the bank balance was \$78,905 and the office carrying balance was \$78,899.

**Note 3 - CHANGES IN FIXED ASSETS**

A summary of changes in general fixed assets follows:

Balance, January 1, 2003	\$38,620
Additions	<u>          -</u>
Balance, December 31, 2003	<u>\$38,620</u>

**Note 4 - RISK MANAGEMENT**

The Board of Assessors carries insurance with a commercial insurance carrier. The policy protects the assessor from any loss arising from claims related to theft, loss of assets, errors and omissions, or tort actions. There has been no significant reduction in insurance coverage from the prior year and settlements have not exceeded coverage in the past three years.

**Note 5 - PENSION PLAN**

The Louisiana Assessor's Retirement Fund is a multiple employer, statewide defined benefit pension plan which provides retirement allowances and other benefits for the Assessors and their permanent, full time employees.

Members with 30 years of creditable service may retire at age fifty and members with at least 12 years of service may retire at age fifty-five. The monthly retirement allowance is equal to 3% of the highest average monthly final compensation earned during any thirty-six consecutive months while employed multiplied by the member's years of creditable service not to exceed 100% of the member's monthly final compensation. The System also provides death and disability benefits. The fund is financed by employee contributions of 8% of salary and employer contributions that are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. However, each assessor may elect to pay all or any portion of the contribution required of the assessor's employees who participate in the fund. The sixth district assessor has elected to pay all of the contributions required by four employees. As of December 31, 2003, the current rate paid by the assessor was twenty-two percent, representing the eight percent employee contribution and fourteen percent determined by actuarial valuation. Total contributions for the three years ended December 31, 2003, 2002, and 2001, were \$30,000, \$26,651, and \$20,284, respectively.

**Note 5 - PENSION PLAN (Continued)**

Historical trend information showing the progress of the plan in accumulating sufficient assets to pay benefits when due may be found in the separately issued financial statements of the plan.

**Note 6 - HEALTH CARE AND LIFE INSURANCE BENEFITS**

The Assessor's office provides health care and life insurance benefits for active and retired employees. The Assessor pays the employee cost, active and retired, of such benefits. The cost of the plan is paid monthly to an insurance company that provides the benefits. The cost is recognized as expenditure when paid. There were four active employees and one retired employee participating in the plan as of December 31, 2003. The cost of providing benefits for the year was \$39,137 consisting of \$32,842 for the active employees and \$6,295 for the retired employees.

**Note 7 - GASB NO 34 IMPLEMENTATION**

The GASB issued Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments, in June 1999. The required date of implementation is effective in three phases based on a government's total annual revenues in the first fiscal year ending after June 15, 1999 (earlier application is encouraged). The Assessor is required to implement the provisions for the pronouncement for financial statements for the period beginning after June 15, 2003, because total annual revenues were less than \$10 million in the year ending December 31, 1999. GASB Statement No. 34 establishes a new governmental financial reporting model that will feature, among other significant changes, Management's Discussion and Analysis, a unique combination of fund-based and government-wide financial statements, and required supplementary information. The effects on the Assessor's financial statements are not known at this time; however, the pronouncement will be implemented for the year ending December 31, 2004.

**SPECIAL REPORT OF CERTIFIED PUBLIC ACCOUNTANTS**



Bourgeois Bennett

**INDEPENDENT ACCOUNTANT'S REPORT**  
**ON APPLYING AGREED-UPON PROCEDURES**

Janyce D. Degan, Assessor  
6th Municipal District, Parish of Orleans  
New Orleans, Louisiana.

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of the Assessor 6th Municipal District, Parish of Orleans (the Assessor) and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Assessor's compliance with certain laws and regulations during the year ended December 31, 2003 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, we 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 LSA-RS 38:2211-2251 (the public bid law).

No expenditures were made for materials 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 LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of the assessor, as well as their immediate families.

Management provided us with a statement that none of the employees of their immediate families had any outside business interests.

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

Management provided us 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.

None of the employees included on the list of employees provided by management [(agreed-upon procedures (3))] appeared on the list provided by management in agreed-upon procedure (2) except for Albert L. Coman III who is the son of the assessor.

## Budgeting

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

Management provided us with a copy of the original and amended budget.

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

Due to the size of the office there are no board members therefore this question does not apply.

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.

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



### Accounting and Reporting

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

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

We examined supporting documentation for each of the six selected disbursements and found that the payments were 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; and

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

c) Determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approvals by the Assessor.

### 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).

This office does not contain or require board members, therefore this requirement does not apply to this office.

### Debt

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

We inspected copies of bank deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds or 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, advances or gifts.

As stated in item 6 above there are no minutes. We inspected payroll records for the year and noted no instances which would indicate payments of bonuses, advances, or gifts to employees.

The report on the prior year, was prepared by other auditors whose report dated April 22, 2003, did not include any comments or unresolved matters.

We were 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, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Commission 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Bourgeois Bennett, L.L.C.*

Certified Public Accountants.

New Orleans, Louisiana,  
June 1, 2004.

**REPORT BY MANAGEMENT**

LOUISIANA ATTESTATION QUESTIONNAIRE  
(For Attestation Engagements of Government)

6/1/04 (Date Transmitted)

BOURGEOIS BENNETT  
HERITAGE PLAZA, 17th Floor  
111 Veterans Boulevard  
METAIRIE, LOUISIANA 70005 (Auditors)

In connection with your compilation of our financial statements as of 12/31/03 and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of (date of completion/representations).

**Public Bid Law**

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office..

Yes  No

**Code of Ethics for Public Officials and Public Employees**

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes  No

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes  No

**Budgeting**

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes  No

**Accounting and Reporting**

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes  No

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes  No

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes  No

**Meetings**

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes  No

N/A

**Debt**

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

Yes  No

**Advances and Bonuses**

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes  No

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

<u>Janyce A. Deegan</u>	Assessor, 6 <sup>th</sup> M.O. Secretary	6/1/04	Date
_____	Treasurer	_____	Date
_____	President	_____	Date