

**ORLEANS PARISH ASSESSOR'S OFFICE
NEW ORLEANS, LOUISIANA**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2012

**ORLEANS PARISH ASSESSOR'S OFFICE
NEW ORLEANS, LOUISIANA**

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For the Year Ended December 31, 2012

Prepared By:

ACCOUNTING DEPARTMENT

Reba Johnson, Accounting Director

ORLEANS PARISH ASSESSOR'S OFFICE

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INTRODUCTORY SECTION



ORLEANS PARISH ASSESSOR'S OFFICE
ERROLL G. WILLIAMS, ASSESSOR

1300 Perdido Street | City Hall-Room 4E01 | New Orleans, Louisiana 70112

April 30, 2013

Honorable Errol G. Williams
Orleans Parish Assessor
New Orleans, Louisiana

Dear Assessor Williams:

The Comprehensive Annual Financial Report (CAFR) of the Orleans Parish Assessor's Office (Assessor) for the year ended December 31, 2012 is hereby submitted.

State statutes (LRS 24:513) require that the Assessor publish within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licenses certified public accountants. Pursuant to these statutes, we hereby issue the comprehensive annual financial report (CAFR) of the Assessor for the year ended December 31, 2012.

This report consists of management's representations concerning the finances of the Assessor. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Assessor has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Assessor's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Assessor's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Assessor's Office's financial statements have been audited by Cascio and Schmidt, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Assessor for the year ended December 31, 2012, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an “unmodified” opinion that the Assessor’s financial statements for the year ended December 31, 2012, are fairly presented in conformity with GAAP. The independent auditor’s report is presented as the first component in the financial section of this report.

The independent audit of the financial statements of the Assessor was part of a broader, “GAO Yellowbook” audit designed to meet the special needs of federal and state agencies. The standards governing a GAO Yellowbook engagement require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements. These reports are available in the Compliance Section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Assessor’s MD&A can be found immediately following the report of the independent auditors in the Financial Section of this report.

PROFILE OF THE GOVERNMENT

As discussed in the notes to the financial statements, as the local governing authority, the City of New Orleans/Parish of Orleans (the “City/Parish”) is considered to be the primary government of Orleans Parish. The City of New Orleans and Orleans Parish are one in the same. However, for a number of reasons, the Assessor is not considered to be a component unit of the City/Parish and, therefore, issues a “stand-alone” report.

Some of the reasons for not including the Assessor as part of the City/Parish reporting entity include: 1) the Assessor is legally separate from the City/Parish, 2) the Assessor is a separately elected official elected by the citizenry in a general popular election, 3) the City/Parish can neither impose its will on the Assessor nor does the Assessor provide significant benefits or burdens to the City/Parish, and 4) the Assessor is not fiscally dependent on the City/Parish (as the funding mechanism is set by state statute).

The financial reporting entity of the Assessor includes all of the funds, for which he is financially accountable. For the year 2012, there were no component units included in the reporting entity.

FACTORS AFFECTING FINANCIAL CONDITIONS

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Assessor operates.

Local Economic Condition and Outlook

On August 29, 2005, **Hurricane Katrina** struck the Mississippi Gulf Coast and the New Orleans Metropolitan area, which includes Orleans Parish and the area serviced by the Assessor. The amount of destruction and the difficulties faced by our entire area have been well documented. In the aftermath of the storm, the citizenry voted to combine the seven existing assessors into one in an effort to save money and to better manage the assessed values of the devastated area. State statutes mandated a consolidation by January 1, 2012. A parish-wide election was held and a single assessor was voted into office. The net assets of the former assessors and the Board of Assessors were transferred into the newly created Assessor.

Despite the devastation seen throughout the area, the local economy, driven by recovery dollars, was doing fairly well until the recent recession. With the widespread devastation, property values and assessments have fallen, however, even those have been making a comeback. The Assessor is funded by a two (2) percent allocation of the assessed taxes. The Assessor assesses the properties and the City of New Orleans bills the citizens and collects the property taxes. The City/Parish sends the Assessor its allocation once collections begin coming in.

Unemployment in the area is 5.8%, a drop of .6% from the prior year. Again, despite the national trends and the recession, the New Orleans area has been propped up somewhat by the continuing recovery.

The City/Parish's economy has become more diverse over the years, especially since Hurricane Katrina. Oil and gas remain an important part of the local economy, however, tourism, shipping, and the cruise industry are just as important. Given the City of New Orleans' history and location on the Mississippi River, these other areas of the economy support thousands of jobs and bring millions of dollars into the area. This world-wide exposure is one of the factors helping us to rebuild so quickly from the largest man-made disaster in history.

As the rebuilding efforts continue and, hopefully, as the population of the City/Parish continues to increase, the property values and the local economy will only improve.

Overview of Operating Statistics

During 2012, we provided assessed values on 156,881 parcels. Total assessments for residential and commercial property came in at approximately \$2,784,868,000. Of this amount, 53,861 parcels were able to claim some or all of the homestead exemption granted by the State. These homestead exemptions totaled approximately \$385,257,000, leaving a taxable assessed value of approximately \$2,399,611,000.

Added to this number are the 9,111 parcels subject to personal property assessments and 377 parcels subject to public service assessments. These assessed values came in at approximately \$390,952,000 and \$183,004,000, respectively, bringing the total number of parcels to 166369, with total taxable assessments of approximately \$2,973,567,000.

Long-term Financial Planning

The Assessor's main source of revenue is set at two (2) percent of the assessed tax rolls by state statute, thus, the long-term funding of this office is set. The consolidation of the seven assessors into one on January 1, 2011 has also led to operating efficiencies, although, some of the expected efficiencies have not yet been realized.

Because this department is typically administrative in its duties, we do not have the need for major capital assets or infrastructure. Prior to the consolidation, the seven assessors and the Board of Assessors recognized the need for an upgrade to the software system utilized in maintaining the tax rolls, As such, Revenue Bonds totaling \$8,995,000 were issued in 2009 to fund the Real Property Data Collection Project. This new software allows for much more data to be captured and is very robust in the reports and data that can be pulled out of it. We expect to be utilizing this system for years to come. Upon consolidation, this software and the related debt were absorbed by the new Assessor. We will continue to service this debt out of future recurring revenues to the tune of about \$1.1 million per year. Final payment is to be made in December 2017.

Budgetary Controls

The Orleans Parish Assessor's Office, legally adopts an annual budget, which authorizes the annual appropriations of the Assessor's office for its General Fund. In accordance with state laws, the budgetary practices include public notice, participation and inspection.

Budget amounts cannot exceed the budgeted appropriation at the fund level. Management of the Assessor may make line-item adjustments within a fund without the Assessor's approval as long as the total revenues and expenditures of the fund do not change.

ACKNOWLEDGMENTS

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire administrative staff of the Assessor. Finally, credit should be given to you, Assessor Williams, for your continued service and support in planning and conducting the financial affairs of this newly consolidated entity.

Respectfully submitted,



Reba Johnson
Accounting Director

**ORLEANS PARISH ASSESSOR'S OFFICE
LISTING OF OFFICIALS
December 31, 2012**

**Erroll G. Williams
ORLEANS PARISH ASSESSOR**

**Kurt Hellman
CHIEF DEPUTY ASSESSOR**

**Darren Mire
DIRECTOR OF ASSESSMENT VALUATION**

**Claude Mauberret
DIRECTOR OF ASSESSMENT SERVICES**

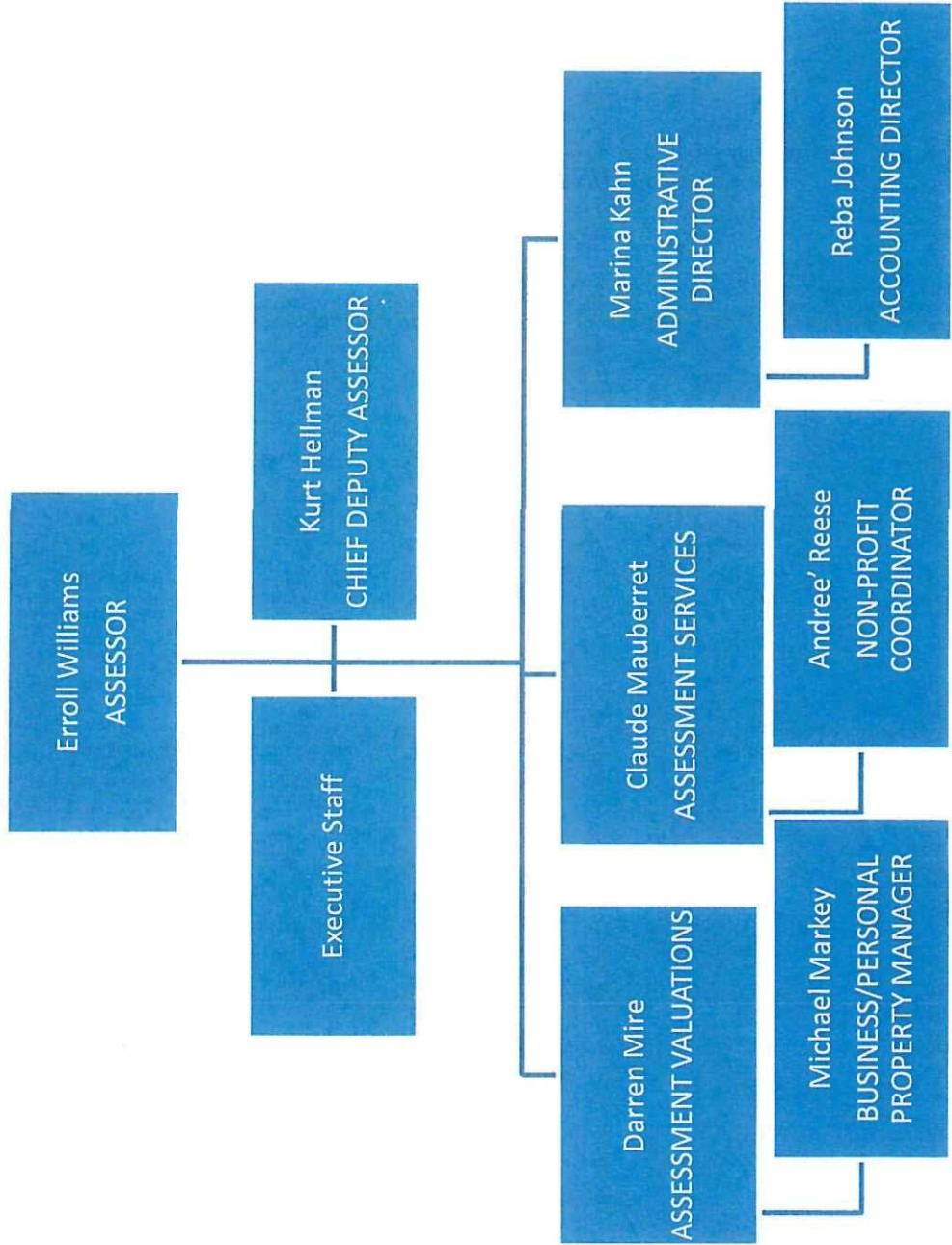
**Andree' Reese
NON-PROFIT COORDINATOR**

**Marina Kahn
ADMINISTRATIVE DIRECTOR**

**Michael Markey
BUSINESS/PERSONAL PROPERTY MANAGER**

**Reba Johnson
ACCOUNTING DIRECTOR**

**ORLEANS PARISH ASSESSOR'S OFFICE
ORGANIZATIONAL CHART
DECEMBER 31, 2012**



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FINANCIAL SECTION

CASCIO & SCHMIDT, LLC

CERTIFIED PUBLIC ACCOUNTANTS

FRANCIS J. CASCIO, CPA
STEVEN A. SCHMIDT, CPA

MEMBERS
AMERICAN INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA CERTIFIED
PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Orleans Parish Assessor's Office

We have audited the accompanying financial statements of the governmental activities ,of Orleans Parish Assessor's Office, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Orleans Parish Assessor's Offices's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entities preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the Orleans Parish Assessor's Office, as of December 31, 2012, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 11 through 17 and page 48, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Orleans Parish Assessor's Office's basic financial statements. The introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 30, 2013, on our consideration of the Orleans Parish Assessor's Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, an grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Orleans Parish Assessor's Office's internal control over financial reporting and compliance.

Cassio + Schmidt, LLC.

Metairie, Louisiana
April 30, 2013

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ORLEANS PARISH ASSESSOR'S OFFICE
ERROLL G. WILLIAMS, ASSESSOR

1300 Perdido Street | City Hall-Room 4E01 | New Orleans, Louisiana 70112

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Orleans Parish Assessor's Office (Assessor), New Orleans, Louisiana's annual financial report, provides the narrative discussion and analysis of the financial activities of the Assessor for the year ended December 31, 2012. The discussion focuses on the Assessor's basic financial statements which include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The Assessor's assets exceeded its liabilities by \$8,647,355 (net position) for the year ended December 31, 2012.
- The Net Position are comprised principally of the following:
 1. Investments of \$7,280,813 (money held in Louisiana Asset Management Pool)
 2. Capital assets of \$8,226,325, including property and equipment, net of accumulated depreciation.
 3. Accounts payable and accrued liabilities (primarily Other Post-employment Benefit Obligation) of \$1,935,733.
 4. Revenue Bonds Payable amounted to \$5,015,000.
 5. Unassigned net position of \$5,436,030 represent amounts available to maintain the Assessor's continuing obligations to the citizens of Orleans Parish.
- Net Position increased by \$794,529 for the year ended December 31, 2012.
- At December 31, 2012, the fund balance of the General Fund amounted to \$7,164,721, or 76.3% of total General Fund annual expenditures.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The Assessor also includes in this report additional information to supplement the basic financial statements, such as the required supplementary information. Comparative data is presented when available.

Government-wide Financial Statements

The Assessor's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Assessor's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the Statement of Net Position. This is the government-wide statement of position presenting information that includes all of the Assessor's assets and liabilities, with the difference reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Assessor as a whole is improving or deteriorating. Evaluation of the overall health of the Assessor would extend to other non-financial factors such as diversification of the taxpayer base, in addition to the financial information provided in this report.

The second government-wide statement is the Statement of Activities, which reports how the Assessor's net position changed during the current calendar year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the Assessor's distinct activities or functions on revenues provided by the Assessor's taxpayers. See pages 21 to 22.

Fund Financial Statements

A Fund is an accountability unit used to maintain control over resources that have been segregated for specific activities or objectives. The Assessor uses a single fund to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Assessor's only fund, the General Fund. The Assessor uses only one fund type: "Governmental Funds".

Governmental funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different, with fund statements providing a distinctive view of the Assessor's governmental funds. These statements report short-term accountability focusing on the use of spendable resources available at the end of the fiscal year. They are useful in evaluating annual financial requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the statement of revenue, expenditures, and changes in fund balances provide a reconciliation to the government-wide statements to assist in understanding the differences between these two perspectives. See pages 23 to 26.

Notes to the Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin immediately following the basic financial statements as titled in the table of contents. See pages 27 to 46.

Other Information

The Assessor provides budgetary comparison schedules for its General Fund as required supplementary information. See page 49.

FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE ACTIVITIES

The government-wide financial statements are designed to provide readers with a broad overview of the Assessor's finances in a manner similar to a private-sector business. The assets at the fiscal year-end exceeded liabilities by \$8,647,355. The following table provides a summary of the Assessor's net assets:

**ORLEANS PARISH ASSESSOR'S OFFICE
CONDENSED STATEMENTS OF NET POSITION**

| | <u>2012</u> | <u>2011</u> |
|---|---------------------|---------------------|
| Assets | | |
| Current and Other Assets | \$ 7,563,241 | \$ 5,414,853 |
| Capital Assets, Net of Accumulated Depreciation | 8,226,325 | 9,771,362 |
| Total Assets | <u>15,789,566</u> | <u>15,186,215</u> |
| Liabilities | | |
| Current Liabilities | 2,127,211 | 1,448,389 |
| Revenue Bonds Payable | 5,015,000 | 5,885,000 |
| Total Liabilities | <u>7,142,211</u> | <u>7,333,389</u> |
| Net Position | | |
| Invested in Capital Assets | 8,226,325 | 3,886,362 |
| Unrestricted | 421,030 | 3,966,464 |
| Total Net Position | <u>\$ 8,647,355</u> | <u>\$ 7,852,826</u> |

The Statement of Activities reflect a net change in position of \$794,529. The following is the Government-wide condensed Statement of Activities:

**ORLEANS PARISH ASSESSOR'S OFFICE
CONDENSED STATEMENTS OF ACTIVITIES**

| | <u>2012</u> | <u>2011</u> |
|---|--------------|---------------|
| Revenues | | |
| Charges for Services | \$ 72,148 | \$ 35,239 |
| Intergovernmental Revenue - millage allocation | 8,638,642 | 8,362,816 |
| Interest and Other Income | 9,577 | 5,850 |
| Total Revenues | 8,648,219 | 8,368,666 |
| Expenses | | |
| General Government | | |
| Salaries and Benefits | 4,161,141 | 3,891,217 |
| Operating Expenses | 3,290,812 | 3,062,653 |
| Other | 223,434 | 128,271 |
| Interest on Long-Term Debt | 250,451 | 291,386 |
| Total Expenses | 7,925,838 | 7,373,527 |
| Change in Net Position Before Significant Item | 794,529 | 1,030,378 |
| Significant Item | | |
| Transferred Equity From Former Assessors | 0 | 6,822,448 |
| Change in Net Assets | 794,529 | 7,852,826 |
| Net Assets - Beginning of Year | 7,852,826 | 0 |
| Net Assets - End of Year | \$ 8,647,355 | \$7,852,826 |

FINANCIAL ANALYSIS OF THE ASSESSOR'S FUNDS

As noted earlier, the Assessor uses fund accounting to ensure and demonstrate compliance with financial-related legal requirements. The focus of the governmental fund is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the financing requirements. In particular, the unrestricted fund balance serves as a useful measure of a government's net resources available.

General Fund

The General Fund is the chief operating fund of the Orleans Parish Assessor's Office. At the end of the current fiscal year, unassigned and total fund balance of the general fund was \$5,436,030. As a measure of the general fund's liquidity, it may be useful to compare the unassigned fund balance to total fund expenditures. Unassigned and total fund balance represents 88.7 percent of total General Fund expenditures.

General Fund Revenues

General Fund revenues totaled \$8,720,367 for 2012, an increase of \$316,462. The primary source of these revenues is the statutory percentage of the millage allocation received from the City of New Orleans tax rolls. As provided by Act 433 of the Regular Session of 2005, the funding of the office of the assessor for Orleans Parish was changed. The provision of the act applies to all taxable years beginning on or after December 31, 2005. Under these statutes, the office of the Assessor shall be funded annually no later than March 1st by the City of New Orleans with no less than two percent (2%) of the ad valorem taxes levied on property in the City of New Orleans and the Parish of Orleans. Such funding shall produce in the initial year revenue equal to or greater than that which was received from the City of New Orleans for the previous year. The total amount of revenue received by the office of the Assessor shall never be less than that received in the initial year. Total revenue received for the year 2012 from the City of New Orleans as provided by Act 433 amounted to \$8,638,642 (or 99.1 percent of the total revenues received by the Assessor).

General Fund Functional Expenses

For 2012, expenditures totaled 5,468,101, a decrease of \$582,042 from the prior year. The Assessor's operations are administrative in nature. For the current year, personnel and related benefits are 64.0% of the fund's expenditures, while professional fees are 25.6%. The remaining 10.4% is made up of miscellaneous operating costs (supplies, occupancy, travel, etc.).

Debt Service Fund

The Debt Service Fund presents the principal and interest payments for the current year on the long-term revenue bond debt. For 2012, payments of \$870,000 in principal and \$250,451 in interest were made. These costs were funded by operating transfers from the General Fund.

General Fund Budgetary Highlights

Budget to Actual Variances

The variances between budgeted and actual amounts are summarized below:

Revenue - Actual amounts exceeded budgeted amounts by \$318,338. The primary reason for revenues coming in over budget was that the amount received through the Orleans Parish Millage Allocation exceeded the amount expected. Given that this was only the second year of operations, this amount was difficult to estimate.

Expenditures - Actual amounts were below budgeted amounts by \$1,069,807. The primary reason personal services came in 24% under budget was the difficulties encountered by the office in filling open positions during its second year of operation. As noted earlier, seven separate assessors offices were consolidated into one in 2011. The staffing structure of the office continues to evolve as the daily operations of the consolidated office is firmed up. For 2012, benefits were under budget by 27% due to the decrease in salary costs already noted. Salaries and benefits are the areas that make up most of the under budget amount. These changes were offset by an overage in Professional Services caused by the number of consultants used to fill the void in staffing after the consolidation of the offices.

Amendments to the Budget

There were no amendments made during the year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The capital assets consist principally of office equipment and the property assessment database. The investment in capital assets, net of accumulated depreciation, for governmental activities as of December 31, 2012 was \$8,226,325. In 2012, depreciation expense amounted to \$1,545,037. A detailed description of the Capital Assets may be found in Note C.3 of the financial statements

Long-term Debt - Revenue Bonds Payable

Revenue Bonds Series 2009, in the amount of \$8,995,000 were issued in August 2009 by the former Board of Assessors, with interest at 4.81%, to provide funds for the Real Property Data Collection Project. The debt service requirement is approximately \$1,152,000, annually to maturity in the year 2017. This debt was transferred to the new Assessor's Office on January 1, 2011. For 2012, payments on principal of \$870,000 and interest of \$250,451 were made, leaving a balance of bonds payable of \$5,015,000. A detailed description of the Revenue Bond payable may be found in Note C.4 of the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The unemployment rate for the New Orleans Metropolitan area is currently 5.8 %, which is 0.6% lower than last year's rate of 6.4%. This reflects the continuing recovery in the national and local economies from the 2010 recession.
- Inflationary trends in the region compare favorably to national indices. The rebuilding effort in the region from Hurricane Katrina continues to buffer the region somewhat from national trends. The response to the BP oil spill also bolstered the local economy for awhile.
- The rate of Ad Valorem Tax Assessments that is allocated to the Assessor remains at two (2) percent of the tax roll. The property tax values appear to be consistent with the prior year, thus, they are expected to be at or above the amounts levied in 2012. This amount is used for next year's budget.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Orleans Parish Assessor's Office finances for all those with an interest in this government's finances and activities. Questions concerning the information provided in this report or requests for additional information should be addressed to Errol Williams, Orleans Parish Assessor, New Orleans City Hall, New Orleans, LA 70000. The financial report is also available as a public record via the Louisiana Legislative Auditor's website at www.la.gov.

BASIC FINANCIAL STATEMENTS

ORLEANS PARISH ASSESSOR'S OFFICE

STATEMENT OF NET POSITION

December 31, 2012

ASSETS

| | |
|--|----------------------|
| Cash and cash equivalents (Note C.1) | \$ 240,474 |
| Investments (Note C.2) | 7,280,813 |
| Bond issuance costs, net of accumulated amortization of \$52,648 (Note C.4) | 41,954 |
| Capital assets, net of accumulated depreciation (Note C.3) | <u>8,226,325</u> |
| Total Assets | \$ <u>15,789,566</u> |

LIABILITIES

| | |
|---|------------------|
| Accounts payable | \$ 207,042 |
| Post-employment benefits payable (Note E) | 1,728,691 |
| Noncurrent Liabilities: | |
| Due within one year: | |
| Revenue Bonds Payable (Note C.4) | 910,000 |
| Bond Interest Payable (Note C.4) | 191,478 |
| Due in more than one year: | |
| Revenue Bonds payable (Note C.4) | <u>4,105,000</u> |
| Total liabilities | <u>7,142,211</u> |

NET POSITION

| | |
|---|---------------------|
| Investment in capital assets, net of related debt | 3,211,325 |
| Unassigned net position | <u>5,436,030</u> |
| Total Net Position | \$ <u>8,647,355</u> |

The accompanying notes are an integral part of this statement.

ORLEANS PARISH ASSESSOR'S OFFICE

STATEMENT OF ACTIVITIES

For the year ended December 31, 2012

| <u>FUNCTIONS/PROGRAMS</u> | <u>EXPENSES</u> | <u>PROGRAM REVENUES CHARGES FOR SERVICES</u> | <u>NET (EXPENSE) REVENUES AND CHANGES IN NET ASSETS PRIMARY GOVERNMENT GOVERNMENTAL ACTIVITIES</u> |
|------------------------------------|---------------------|--|--|
| Primary Government | | | |
| Governmental Activities | | | |
| General | \$ 7,675,387 | \$ 72,148 | \$(7,603,239) |
| Interest on long-term debt | <u>250,451</u> | <u>-</u> | <u>(250,451)</u> |
| Total Governmental Activities | <u>\$ 7,925,838</u> | <u>\$ 72,148</u> | <u>\$ (7,853,690)</u> |
| General Revenues: | | | |
| Orleans Parish, millage allocation | | | 8,638,642 |
| Unrestricted investment earnings | | | <u>9,577</u> |
| Total general revenues | | | <u>8,648,219</u> |
| Change in net position | | | 794,529 |
| Net position | | | |
| Beginning of year | | | <u>7,852,826</u> |
| End of year | | | <u>\$ 8,647,355</u> |

The accompanying notes are an integral part of this statement.

ORLEANS PARISH ASSESSOR'S OFFICE

**BALANCE SHEET
GOVERNMENTAL FUNDS**

December 31, 2012

| | <u>General</u> | <u>Debt Service</u> | <u>Total Governmental Funds</u> |
|---|----------------------------|-------------------------|---|
| ASSETS | | | |
| Cash and cash equivalents | \$ 240,474 | \$ - | \$ 240,474 |
| Investments | 7,280,813 | - | 7,280,813 |
| Bond issuance costs, net of accumulated amortization | <u>41,954</u> | <u>-</u> | <u>41,954</u> |
| Total Assets | <u>\$ 7,563,241</u> | <u>\$ -</u> | <u>\$ 7,563,241</u> |
| LIABILITIES AND FUND BALANCE | | | |
| Liabilities | | | |
| Accounts payable and accrued liabilities | \$ 207,042 | - | \$ 207,042 |
| Bond interest payable | <u>191,478</u> | <u>-</u> | <u>191,478</u> |
| Total Liabilities | <u>398,520</u> | <u>-</u> | <u>398,520</u> |
| Fund Balances | | | |
| Non-spendable | - | - | - |
| Restricted | - | - | - |
| Committed | - | - | - |
| Assigned | - | - | - |
| Unassigned | <u>7,164,721</u> | <u>-</u> | <u>7,164,721</u> |
| Total fund balances | <u>7,164,721</u> | <u>-</u> | <u>7,164,721</u> |
| Total liabilities and fund balances | <u>\$ 7,563,241</u> | <u>\$ -</u> | <u>\$ 7,563,241</u> |

The accompanying notes are an integral part of this statement.

ORLEANS PARISH ASSESSOR'S OFFICE

**RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION**

December 31, 2012

Total Government Fund Balance at December 31, 2012 \$ 7,164,721

Amounts reported in governmental activities in the
statement of net position are different because:

Capital assets used in the governmental activities are
not financial resources and, therefore, are not reported
in the governmental fund balance sheet

8,226,325

Long-term liabilities, including bonds payable and
post-employment benefits, are not due and payable
in the current period and therefore, are not reported in
the funds. Long-term liabilities at year end consist of:

Revenue bonds payable

(5,015,000)

Unfunded annual required contribution for OPEB

(1,728,691)

Net Position of Governmental Activities at December 31, 2012

\$ 8,647,355

The accompanying notes are an integral part of this statement.

ORLEANS PARISH ASSESSOR'S OFFICE

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

For the year ended December 31, 2012

| | <u>General</u> | <u>Debt Service</u> | <u>Total Governmental Funds</u> |
|--|---------------------|-------------------------|---|
| REVENUES | | | |
| Intergovernmental revenue | | | |
| Orleans Parish, millage allocation | \$ 8,638,642 | \$ - | \$ 8,638,642 |
| Investment income | 9,577 | - | 9,577 |
| Charges for services | <u>72,148</u> | <u>-</u> | <u>72,148</u> |
| Total Revenues | <u>8,720,367</u> | <u>-</u> | <u>8,720,367</u> |
| EXPENDITURES | | | |
| Current: | | | |
| General government: | | | |
| Personnel | 2,453,596 | - | 2,453,596 |
| Fringe benefits | 1,045,296 | - | 1,045,296 |
| Operating services | 371,499 | - | 371,499 |
| Professional fees | 1,399,967 | - | 1,399,967 |
| Material and supplies | 173,498 | - | 173,498 |
| Equipment | 24,245 | - | 24,245 |
| Debt service: | | | |
| Principal | - | 870,000 | 870,000 |
| Interest | <u>-</u> | <u>250,451</u> | <u>250,451</u> |
| Total expenditures | <u>5,468,101</u> | <u>1,120,451</u> | <u>6,588,552</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | 3,252,266 | (1,120,451) | 2,131,815 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | - | 1,120,451 | 1,120,451 |
| Transfers out | <u>(1,120,451)</u> | <u>-</u> | <u>(1,120,451)</u> |
| Total other financing sources and uses | <u>(1,120,451)</u> | <u>1,120,451</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCE | 2,131,815 | - | 2,131,815 |
| FUND BALANCES | | | |
| Beginning of year, as restated | <u>5,032,906</u> | <u>-</u> | <u>5,032,906</u> |
| End of year | <u>\$ 7,164,721</u> | <u>\$ -</u> | <u>\$ 7,164,721</u> |

The accompanying notes are an integral part of this statement.

ORLEANS PARISH ASSESSOR'S OFFICE

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES**

For the year ended December 31, 2012

| | |
|--|--------------------|
| Net Change in Governmental Fund Balance | \$ 2,131,815 |
| Amount reported for the governmental activities in the statement of activities are different because: | |
| Capital outlays are reported in governmental fund as expenditures. However, in the Statement of Activities, the cost of those assets are allocated over the estimated useful lives as depreciation expense. This is the amount of depreciation expenses in the current period. There were no capital outlays for the current period. | (1,545,037) |
| The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. | 870,000 |
| Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds (net change in OPEB liability). | (<u>662,249</u>) |
| Change in Net Position of Governmental Activities | \$ <u>794,529</u> |

The accompanying notes are an integral part of this statement.

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ORLEANS PARISH ASSESSOR'S OFFICE

NOTES TO FINANCIAL STATEMENTS

December 31, 2012

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Orleans Parish Assessor's Office (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. A summary of the Assessor's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

1. Reporting Entity

Under GASB's Codification of Governmental Accounting and Financial Reporting Standards Section 2100, the financial reporting entity consists of the primary government and its component units. As the governing authority of the City/Parish of Orleans, the City of New Orleans is considered to be the primary government for financial reporting purposes for the City/Parish of New Orleans.

For reporting purposes, the Assessor is not considered to be a component unit of the City/Parish of New Orleans. Instead, the Assessor is considered to be a "stand-alone" special purpose government. This decision is based on the following:

- 1) The Assessor enjoys a separate legal standing from the City/Parish of New Orleans and other governmental entities. The Assessor has the ability to sue or be sued in its own name.
- 2) The Assessor is a separately elected official, elected by the citizenry in a general popular election.
- 3) The City/Parish of New Orleans does not have the ability to impose its will on the Assessor. The City Council cannot remove the Assessor from office. The Assessor adopts its own budget separate and apart from the City Council and other local governmental entities. The day-to-day operations of the Assessor are under the responsibility and control of no one other than the Assessor.
- 4) The Assessor does not provide a significant financial benefit or burden to the City Council. The Assessor is primarily funded by a special allocation of ad valorem taxes collected throughout the City. While the City Council does provide office space to the Assessor at no cost, this transaction is not considered significant enough to make the City Council financially accountable for the Assessor.

ORLEANS PARISH ASSESSOR'S OFFICE

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2012

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Therefore, the financial report of the Assessor is separate and apart from the City of New Orleans and includes the funds only for which the Assessor is financially accountable.

2. Description of Activities

As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, the Assessor is elected by the parish voters and serves for a term of four years. Prior to the year 2012, there were seven assessors and a board of assessors for Orleans Parish. Effective January 1, 2012, RS 47:1903.2, amended prior statutes and provided for the consolidation of the assessors of Orleans Parish into a single assessor.

The Assessor assesses all real and moveable property in the parish subject to ad valorem taxation, and is authorized to appoint as many deputies as may be necessary to perform the functions of the Assessor's Office and to provide assistance to the property owners.

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 August 1 of the tax year and submits the list to the parish governing authority (Orleans Parish Board of Review) and the Louisiana Tax Commission, as prescribed by law. Once the assessment listing is approved by the Orleans Parish Board of Review, the Assessor submits the assessment roll to the Louisiana Tax Commission and the parish tax collector, who is responsible for collecting and distributing the taxes.

3. Government-wide and Fund Financial Statements

The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, issued in June 1999. As established by GASB Statement No. 34, the financial report is divided into the following sections: (a) Management's Discussion and Analysis, (b) Basic Financial Statements, and (c) Required Supplementary Information (other than MD&A). The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) and the fund financial statements comprise the basic financial statements.

ORLEANS PARISH ASSESSOR'S OFFICE

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2012

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Assessor. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Because of the nature of the Assessor's operations, the Assessor reports only governmental activities.

The statement of activities demonstrates the degree to which the direct expense of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Fund Financial Statements

Separate financial statements are provided for the governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements of the Assessor. Funds are used by the Assessor 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. The funds of the Assessor are classified into three categories: *governmental, proprietary and fiduciary*. Each category, in turn, is divided into separate "fund types".

ORLEANS PARISH ASSESSOR'S OFFICE

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2012

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Fund Financial Statements - Continued

Governmental funds are used to account for all or most of the Assessor's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital project funds), and the servicing of general long-term debt (debt service funds). The General Fund is used to account for all financial activities of the Assessor accounted for in some other fund. Major individual governmental funds are reported as separate columns in the fund financial statements. The Assessor reports the following "major" governmental funds:

The *General Fund* is the general operating fund of the Assessor. The General Fund, as provided by Louisiana Revised Statute 47:1906, is the principal operating fund of the Orleans Parish Assessor's Office and accounts for all financial resources, except those required to be accounted for in another fund. Revenues are accounted for in the General 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 taxing body, prescribed by formula in Louisiana Revised Statutes 47:1907-1908 is accounted for in the fund. Capital outlay is not an expenditure of the General fund. It is used to account for all financial resources except those required to be accounted for in another fund.

The *Debt Service Fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

ORLEANS PARISH ASSESSOR'S OFFICE

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2012

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

4. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes allocations are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Amounts reported as *program revenues* on the Statement of Activities include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues.

Within the fund financial statements, the accounting and financial reporting treatment applied to a fund is determined by its measurement focus and basis of accounting.

Governmental fund financial statements are reported using a *current financial resources measurement focus* and the *modified accrual basis of accounting*. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Assessor considers revenues as available if they are collected within 60 days of year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, which is recognized when due, and certain compensated absences, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

ORLEANS PARISH ASSESSOR'S OFFICE

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2012

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

5. Cash and Investments

For reporting purposes, cash and cash equivalents include amounts in demand deposit accounts and petty cash (if used).

Under State Law, the Assessor's Office 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 principal offices in Louisiana. These deposits are stated at cost, which approximate market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities, plus the federal deposit insurance must at all times equal or exceed 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.

6. Interfund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at year end are referred to as either "due to/due from other funds" (i.e., the current portion of interfund loans) or "advances to/advances from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/due from other funds". As a general rule, all interfund balances are eliminated in the government-wide financial statements.

7. Capital Assets

The capital assets used in the governmental - type activities are included in the Statement of Net Position and are capitalized at historical cost. Depreciation of all exhaustible capital assets with an acquisition cost in excess of \$5,000 is charged as an expense against operations. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives, principally on the straight-line method.

The estimated useful lives of the capital assets follow:

| <u>Description</u> | <u>Life</u> |
|-------------------------|-------------|
| Furniture and equipment | 3 - 7 years |
| Database of properties | 7 years |

ORLEANS PARISH ASSESSOR'S OFFICE

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2012

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

8. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are recognized as liabilities in the applicable governmental activities statement of net assets. Revenue Bonds Payable, if any, are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize the face amount of debt issued as other financing sources in the period of issuance. Payments of principal and interest are recorded as expenditures only when due. The outstanding balance of debt is not reported in the fund financial statements.

9. Compensated Absences (Vacation and Sick Leave)

The employees of the Assessor's Office, earn two weeks of vacation leave each year and earn one day of sick leave each month. Vacation leave not used at the end of the year is not carried over to the next year, consequently vacation leave is not accrued at the end of the year. Sick leave is limited to 180 days. Vacation and sick pay expenditures are charged to operations when taken by the employees of the Assessor. Unused sick leave can be taken only in the event of illness and is not convertible to pay upon termination of employment or retirement, accordingly, no accruals are reflected in the accounts.

10. Fund Equity

The Assessor follows the requirements of Government Accounting Standards Board (GASB) Statement No. 54 - *Fund Balance Reporting and Governmental Fund-Type Definitions*. In accordance with this statement, in the fund financial statements, fund balances of the governmental fund types are now categorized into one of five categories - Non-spendable, Restricted, Committed, Assigned, or Unassigned.

While the Assessor has not established a policy for its use of unrestricted fund balance, it does consider that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

11. Use of 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 those estimates.

ORLEANS PARISH ASSESSOR'S OFFICE

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2012

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

12. Subsequent Events

The subsequent events of the municipal district were evaluated through the date the financial statements were available to be issued (April 30, 2013).

NOTE B - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

1. Budgetary Information

The Orleans Parish Assessor's Office, legally adopts an annual budget, which authorizes the annual appropriation of the Assessor's office for its General Fund. Budgeted amounts cannot exceed the budgeted appropriation at the fund level. Management of the Assessor may make line-item adjustments within a fund without the Assessor's approval as long as the total revenues and expenditures of the fund do not change. Appropriations which are neither expended nor encumbered lapse at year end.

In accordance with state laws, the budgetary practices include public notice, participation and inspection.

Budgeted amounts included in the accompanying financial statements reflect the originally adopted budget on November 30, 2011. There were no amendments to the budget made during the year.

2. Expenditures in Excess of Appropriations

For the year ended December 31, 2012, expenditures exceeded budget in the following object levels within the General Fund:

| | Expenditures | Budget | Excess |
|-----------------------|--------------|------------|-------------|
| General Fund | | | |
| Operating Services | \$ 371,499 | \$ 275,000 | \$ (96,499) |
| Professional Services | 1,399,967 | 1,252,000 | (147,967) |

ORLEANS PARISH ASSESSOR'S OFFICE

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2012

NOTE B - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - Continued

2. Expenditures in Excess of Appropriations - Continued

Since January 1, 2011, the restructuring of the Assessor's offices into one has been an ongoing process. Operating services exceeded budget primarily due to the increase in office expenses as a result of merging the Assessor's offices into one. Professional services exceeded budget primarily due to legal services related to assessing properties. All of the amounts noted above were absorbed by available revenues or fund balance.

NOTE C - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

1. Cash and Cash Equivalents

At December 31, 2012, deposits with financial institutions consisted of the following:

| | Cash | Certificates of Deposit | Other | Total |
|--|------------|----------------------------|-------|------------|
| Book Value of Deposits in Banks | \$ 190,230 | \$ 50,244 | \$ 0 | \$ 240,474 |
| Bank Balances of Deposits Exposed to Custodial Credit Risk: | | | | |
| A. Uninsured and uncollateralized | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| B. Uninsured and collateralized with securities held by pledging institution | 0 | 0 | 0 | 0 |
| C. Uninsured and collateralized with securities held by the pledging financial institution's trust department or agent but not in the Town's name | 0 | 0 | 0 | 0 |
| Total Bank Balances Exposed to Custodial Credit Risk | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Total Bank Balances - All Deposits | \$ 190,230 | \$ 50,244 | \$ 0 | \$ 240,474 |

ORLEANS PARISH ASSESSOR'S OFFICE

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2012

NOTE C - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS - Continued

2. Investments

Custodial Credit Risk

Investments can be exposed to custodial credit risk if the securities underlying the investment are uninsured, not registered in the name of the entity, and are either held by the counterparty or the counterparty's trust department or agent but not in the entity's name. The following table lists each type of investment exposed to custodial credit risk and the reported amount and fair value of all investments regardless of custodial credit risk exposure.

| Type of Investment | Investments Exposed to Custodial Credit Risk | | All Investments Regardless of Custodial Credit Risk Exposure | |
|--|--|--|---|---------------------|
| | Uninsured, Unregistered, and Held by Counterparty | Uninsured, Unregistered, and Held by Counterparty's Trust Department or Agent, but Not in the Entity's Name | Reported Amount | Fair Value |
| US Instrumentalities | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Louisiana Asset Management Pool (LAMP) | | | 7,280,813 | 7,280,813 |
| Total Investments | | | \$ 7,280,813 | \$ 7,280,813 |

As shown above, the Assessor has investments in shares of the Louisiana Asset Management Pool (LAMP), a state sponsored external investment pool. Because these investments are not evidenced by securities that exist in physical or book entry form, they are not categorized for the purposes of this note. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local governments may participate in LAMP. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in. The dollar weighted average portfolio maturity of LAMP is restricted to no more than 60 days, and consists of no securities with a maturity in excess of 397 days. The fair value of a share in LAMP is the same as the book value (i.e., a share in the pool is always worth \$1.00 per share).

ORLEANS PARISH ASSESSOR'S OFFICE

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2012

NOTE C - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS - Continued

Credit Risk of Investments

State law limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized statistical rating organizations. It is the Assessor's policy to limit its investments in these investment types to the top ratings group. State statutes also allow the Assessor to invest in the Louisiana Asset Management Pool (LAMP). The following table lists the Assessor's investments by credit quality rating, whether held directly or indirectly (i.e., LAMP):

| <u>Rating</u> | <u>Fair Value</u> |
|---------------|---------------------|
| AAAm (LAMP) | \$ 7,280,813 |
| Total | <u>\$ 7,280,813</u> |

Interest Rate Risk

In accordance with the Assessor's investment policy, exposure to declines in fair values is managed by limiting the maturity of its investments to less than one year. By investing most of its funds in LAMP, the Assessor is even less exposed to long-term interest rate risk.

Concentrations of Credit Risk

The Assessor does not limit how much can be invested in a particular issuer as long as the limits set forth in State Statutes are met. At December 31, 2012, the Assessor's investments in a single issuer (i.e., LAMP) totaled \$7,280,813 or 100.0 percent of the total portfolio.

ORLEANS PARISH ASSESSOR'S OFFICE

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2012

NOTE C - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS - Continued

3. Capital Assets

Capital assets and depreciation as of and for the year ended December 31, 2012, are as follows:

| Governmental Activities: | Balance January 1, 2012 | Additions | Deletions | Balance December 31, 2012 |
|--|------------------------------------|-----------------------|------------------|--------------------------------------|
| Capital Assets Being Depreciated: | | | | |
| Furniture and equipment | \$ 122,641 | \$ 0 | \$ 0 | \$ 122,641 |
| Database of properties | 10,790,000 | 0 | 0 | 10,790,000 |
| Total Capital Assets Being Depreciated | 10,912,641 | 0 | 0 | 10,912,641 |
| Less Accumulated Depreciation: | | | | |
| Furniture and equipment | (100,181) | (3,608) | 0 | (103,789) |
| Database of properties | (1,041,098) | (1,541,429) | 0 | (2,582,527) |
| Total Accumulated Depreciation | (1,141,279) | (1,545,037) | 0 | (2,686,316) |
| Net Capital Assets Being Depreciated - Governmental Funds | \$ 9,771,362 | \$ (1,545,037) | \$ 0 | \$ 8,226,325 |

The depreciation expense for the year ended December 31, 2012 totaled \$1,545,037. Since the Assessor's office is deemed general, depreciation expense is fully allocated to general activities.

ORLEANS PARISH ASSESSOR'S OFFICE

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2012

NOTE C - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS - Continued

4. Long-term Debt

Revenue Bonds Payable

To provide funds for the Real Property Data Collection Project, \$8,995,000 of revenue bonds Series 2009 were issued in August 2009 by the previous Board of Assessor, interest at 4.81%. As part of the consolidation of the assessors offices, all assets and liabilities were transferred to the Orleans Parish Assessor's Office. The Bonds will be secured by and payable solely by a pledge of all revenues of the newly created Orleans Parish Assessor's Office including, without limitation, those revenues received from the statutory reimbursement revenues due from the City of New Orleans. The Revenue Bonds Payable at December 31, 2012 was \$5,015,000.

The Revenue Bond debt service requirements to maturity are as follows:

| Fiscal Year Ending | Principal | Interest | Total |
|---------------------------|---------------------|-------------------|---------------------|
| Dec 31, 2013 | \$ 910,000 | \$ 241,222 | 1,151,222 |
| Dec 31, 2014 | 955,000 | 197,451 | 1,152,451 |
| Dec 31, 2015 | 1,000,000 | 151,515 | 1,151,515 |
| Dec 31, 2016 | 1,050,000 | 103,415 | 1,153,415 |
| Dec 31, 2017 | 1,100,000 | 52,910 | 1,152,910 |
| | <u>\$ 5,015,000</u> | <u>\$ 746,513</u> | <u>\$ 5,761,513</u> |

Bond issuance costs amounted to \$94,602, of which \$52,648 was amortized as of December 2012.

ORLEANS PARISH ASSESSOR'S OFFICE

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2012

NOTE C - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS - Continued

Changes in Long-term Debt

Long-term debt changed as follows:

| | Beginning Balance January 1, 2012 | Current Additions | Current Payments | Ending Balance December 31, 2012 |
|-----------------------|--|------------------------------|-----------------------------|---|
| Revenue Bonds Payable | \$ 5,885,000 | \$ 0 | \$ (870,000) | \$ 5,015,000 |

Of the amount outstanding, \$910,000 in Revenue Bonds Payable is included on the Statement of Net Position in non-current liabilities due within one year. The remaining balance on the bonds of \$4,105,000 are shown as being due in more than one year on the Statement of Net Position.

5. Restrictions on Net Position and Fund Balance

The government-wide statement of net position does not include any restrictions on net position. Thus, these funds are available to the government for future spending.

Likewise, the fund financial statements do not include any commitments or assignments of its fund balance. Thus, the entire fund balance falls into the category of unassigned and is available to the government for future spending on any purpose.

6. Orleans Parish Millage Allocation

The Orleans Parish Assessor's Office shall be funded annually no later than March first by the City of New Orleans with no less than two (2) percent of the ad valorem taxes levied on property in the City of New Orleans and Parish of Orleans. Such funding shall produce in the initial year, revenue equal to or greater than that which was received by the Orleans Parish Assessor's Office for Orleans Parish from the City of New Orleans for the previous year. The total amount of revenue received by the board shall never be less than that received by the board in the initial year.

For 2012, the percentage of the ad valorem tax allocation totaled \$8,638,642.

ORLEANS PARISH ASSESSOR'S OFFICE

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2012

NOTE C - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS - Continued

7. Interfund Transfers

\$1,120,451 was transferred from the General Fund to the Debt Service Fund for the payment of bond principal and interest.

8. Expenditures of the Assessor Paid by the City Council

The City donates office space, telephone, and utilities to the Orleans Parish Assessor's Office. The office space is located in the Orleans Parish City Office. The value of these donations are not recorded in the financial statements.

NOTE D - PENSION PLAN

Plan Description and Provisions

All full-time employees of the Orleans Parish Assessor's Office, are members of the Louisiana Assessor's Retirement Fund (the "Retirement System"), a cost-sharing multiple-employer defined benefit public employee retirement system. The Retirement System is a state-wide public retirement system for the benefit of Assessor's and their staffs, which is administered and controlled by a separate board of trustees. The System is established and provided for under Louisiana Revised Statutes 11:1401 through 1494.

Contributions of participating Assessors and their employees, together with shared and local and state revenues (state revenue sharing, ad valorem taxes, and interest), are pooled within the Retirement System to fund accrued benefits. Both employer and employee contribution rates are approved by the Louisiana Legislature. The System provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. The Orleans Parish Assessor's Office does not guarantee the benefits granted by the retirement system.

Information on the Retirement System is based on the most recent valuation date, which was September 30, 2012. The System issues a publicly available financial report that includes financial statements and required supplementary and historical information for the System. That report may be obtained by writing to the Louisiana Assessor's Retirement Fund, PO Box 14699, Baton Rouge, LA 70898.

ORLEANS PARISH ASSESSOR'S OFFICE

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2012

NOTE D - PENSION PLAN - Continued

Funding Policy

The Retirement System also received one-fourth of one percent of the property taxes assessed in each parish of the state as well as a state revenue sharing appropriation. According to state statutes, in the event that contributions for ad valorem taxes and state revenue sharing are insufficient to provide for the gross employer actuarially required contribution, the employer is required to make direct contributions as determined by the Public Retirement System's Actuarial Committee. Although the direct employer actuarially required contribution rate for fiscal year 2012 was 9.49 percent, the actual employer contribution rate adopted by the State Legislature was 13.50 percent. Plan members (i.e., employees) are required by state statute to contribute 8.00 percent of their gross salary. The contributions for 2012 were as follows:

| Source | Amount Contributed | Covered Payroll | Percent of Covered Payroll |
|---------------|-------------------------------|----------------------------|---------------------------------------|
| Employer | \$ 320,813 | \$ 2,376,393 | 13.50% |
| Employee | \$ 190,111 | \$ 2,376,393 | 8.00% |

The Assessor's contributions for the previous fiscal year was \$281,566 (13.5%), which equaled the required contributions for the year. Last year was the first year of operations as a consolidated Assessor, thus, only one previous year is noted.

ORLEANS PARISH ASSESSOR'S OFFICE

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2012

NOTE E - POST EMPLOYMENT HEALTH CARE BENEFITS

Plan Description - The Orleans Parish Assessor's Office (Assessor), participates in a comprehensive medical plan sponsored by the Louisiana Assessor's Association. The post employment health care plan is a cost - sharing multiple - employer plan. Medical benefits are made available to employees upon actual retirement.

Contribution Rates - Retirees do not contribute to their post employment benefits costs. The plan provisions are contained in the official plan documents.

Funding Policy - Government Accounting Standard Board (GASB) Statement 45, Accounting and Financial Reporting by Employers for Post Employment Benefits Other Than Pension (GASB 45) was implemented effective January 1, 2010. The funding policy, thus far, is not to fund the Annual Required Contribution (ARC). The Assessor's portion of the health care premiums totaled \$662,249 for 2012, and this amount is applied towards the net Other Post-employment Benefit Obligation (OPEB) in the table below. While the Assessor has determined not to fund the plan, the actual liability has been recorded for 2012.

Annual Required Contribution - The Orleans Parish Assessor's Office, ARC is an amount actuarially determined in accordance with GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The total ARC for the calendar year 2012 is \$827,729, as set forth below:

| | |
|------------------------------|-------------------|
| | <u>Medical</u> |
| Normal Cost | \$ 450,367 |
| 30 year Amortization of UAAL | <u>377,362</u> |
| Annual required contribution | \$ <u>827,729</u> |

Net Post-employment Benefit Obligation - The table below shows the Orleans Parish Assessor's Office net OPEB for the year December 31, 2012:

| | |
|---|---------------------|
| | <u>Medical</u> |
| Beginning Net OPEB Obligation at 1/1/12 | \$ <u>1,066,442</u> |
| Annual required contribution | 827,729 |
| Interest on net OPEB Obligation | 42,658 |
| ARC Adjustment | <u>(24,515)</u> |
| Annual OPEB cost | 845,872 |
| Contribution | <u>(183,623)</u> |
| Changes in net OPEB Obligation | <u>662,249</u> |
| Ending net OPEB Obligation at 12/31/12 | \$ <u>1,728,691</u> |

ORLEANS PARISH ASSESSOR'S OFFICE

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2012

NOTE E - POST EMPLOYMENT HEALTH CARE BENEFITS - Continued

The following table presents the Assessor's annual post employment benefits (OPEB) cost, percentage of the cost contributed, and the net unfunded OPEB liability as of December 31, 2012:

| Year Ending <u>December 31,</u> | Annual OPEB <u>Cost</u> | Contribution <u>Made</u> | Annual Cost <u>Contributed</u> | Net OPEB <u>Obligation</u> |
|---------------------------------------|-------------------------------|-----------------------------|--------------------------------------|----------------------------------|
| 2011 | \$ 820,170 | \$ (177,639) | 21.6% | \$ 1,066,442 |
| 2012 | 845,872 | (183,623) | 21.7% | 1,728,691 |

The unfunded post-employment health benefit obligation at December 31, 2012 includes \$423,911 of post-employment health benefits transferred from the predecessor Assessor (See Note A.2).

Funded Status and Funding Progress - During 2012, the Assessor made no contributions to its post-employment health care plan. The plan was not funded and has no assets, thus, the funded ratio was zero. As of December 31, 2012, the most recent actuarial valuation, the actuarial accrued liability (AAL) was approximately \$1,728,691, which is defined as that portion, as determined by a particular actuarial cost method (the Assessor uses the unit credit cost method), of the actuarial present value of post-employment health care plan benefits and expenses which is not provided by normal cost.

Since the plan was not funded since inception, the entire actuarial accrued liability of \$1,728,691 was considered unfunded. The Assessor has recorded a liability for the unfunded actuarial liability (AAL).

| | |
|--------------------------------------|-------------------------------|
| Actuarial Accrued Liability (AAL) | <u>Mutual</u> \$ 1,728,691 |
| Actual value of plan assets | - |
| Unfunded actuarial accrued liability | <u>1,728,691</u> |
| Funded Ratio | 0% |

All members are retirees, therefore there was no payroll for active employees covered by the plan. Accordingly, the ratio of the UAAL to the covered payroll is not applicable.

ORLEANS PARISH ASSESSOR'S OFFICE

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2012

NOTE E - POST EMPLOYMENT HEALTH CARE BENEFITS - Continued

Actuarial Methods and Assumptions - Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumptions); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the Orleans Parish Assessor's Office, and its plan members at the time of the valuation. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the Orleans Parish Assessor's Office, and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

Actuarial Cost Method - the ARC is determined using the Projected Unit Credit Cost Method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality, and turnover.

Actuarial Value of Plan Assets - are equal to the market value of assets as of the valuation date (December 31, 2012). Since the plan is not funded by the Orleans Parish Assessor's Office, there are no assets.

Post-employment Health Care Plan Eligibility Requirement - Medical benefits are provided to employees upon actual retirement, provided, that they have accumulated 30 years of service at any age, or after age 55 with 12 years of service.

Mortality Rates - The Mortality rates used the Six District RP2000 combined Healthy Mortality Table with floating scale AA projections for males and females.

ORLEANS PARISH ASSESSOR'S OFFICE

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2012

NOTE E - POST EMPLOYMENT HEALTH CARE BENEFITS - Continued

Method of Determining Value of Benefits - The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The assessor pays 100% of the cost of the health care premium for the retirees only. The discount rate for valuing liabilities is 4% per annum, compounded annually.

Amortization Period - The multiple - employer post-employment health care plan utilized the maximum period of 30 years under GASB 45.

Health Cost Trend Rate - The expected rate of increase in medical costs is based upon 6.9% for 2012 graduated down to an ultimate annual rate of 4.7% for 2083 and later.

Audit Report - Since the plan is not funded by the Assessor, and has no assets, a separate audit report of the plan is not available.

NOTE F - PRIOR-PERIOD ADJUSTMENT

In 2011, the Assessor included a liability for Other Post-Employment Benefits (OPEB) on the balance sheet of its General Fund. Under generally accepted accounting principles, long-term liabilities that are not due and payable in the current period should not be reported in the fund financial statements. The July 1, 2011 fund balance of the General Fund (fund balance at the beginning of the year) has been restated to account for the removal of this liability from the fund financial statements as follows:

| <u>Reason for Adjustment</u> | <u>General Fund</u> |
|---|---------------------|
| Beginning Fund balance, as previously reported | \$ 3,966,464 |
| To remove the OPEB liability at June 30, 2011 from the fund financial statements | <u>1,066,442</u> |
| Beginning Fund Balance, as restated | \$ <u>5,032,906</u> |

This liability is only shown on the Statement of Net Position for the Governmental Activities.

REQUIRED SUPPLEMENTARY INFORMATION

ORLEANS PARISH ASSESSOR'S OFFICE

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**

For the year ended December 31, 2012

| | ORIGINAL AND FINAL BUDGETED AMOUNTS | ACTUAL AMOUNTS (GAAP) BASIS | VARIANCE FINAL BUDGET POSITIVE (NEGATIVE) |
|--|--|--|--|
| Revenues | | | |
| Intergovernmental: | | | |
| Orleans Parish millage allocation | \$ 8,362,029 | \$ 8,638,642 | \$ 276,613 |
| Investment income | 5,000 | 9,577 | 4,577 |
| Other income | <u>35,000</u> | <u>72,148</u> | <u>37,148</u> |
| Total revenues | <u>8,402,029</u> | <u>8,720,367</u> | <u>318,338</u> |
| Expenditures | | | |
| Current: | | | |
| Personal services | 3,239,852 | 2,453,596 | 786,256 |
| Fringe benefits | 1,430,656 | 1,045,296 | 385,360 |
| Operating services | 275,000 | 371,499 | (96,499) |
| Professional services | 1,252,000 | 1,399,967 | (147,967) |
| Material and supplies | 250,400 | 173,498 | 76,902 |
| Equipment | <u>90,000</u> | <u>24,245</u> | <u>65,755</u> |
| Total expenditures | <u>6,537,908</u> | <u>5,468,101</u> | <u>1,069,807</u> |
| Excess (deficiency) of revenues over (under) expenditures | 1,864,121 | 3,252,266 | 1,388,145 |
| Other financing sources (uses) | | | |
| Transfers out | <u>(1,094,157)</u> | <u>(1,120,451)</u> | <u>(26,294)</u> |
| Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses | 769,964 | 2,131,815 | 1,361,851 |
| Fund Balance | | | |
| Beginning of year, as restated | <u>1,864,550</u> | <u>5,032,906</u> | <u>3,168,356</u> |
| End of year | <u>\$ 2,634,514</u> | <u>\$ 7,164,721</u> | <u>\$ 4,530,207</u> |

STATISTICAL SECTION

STATISTICAL SECTION NARRATIVE

This part of the Assessor's Comprehensive Annual Financial Report represents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Assessor's overall financial health. It should be noted that since this is the first year of the newly consolidated Assessor's Office, the majority of these tables contain only one year's worth of data.

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Financial Trends

These schedules contain trend information to help the reader understand how the Assessor's Office's financial performance and well being have changed over time.

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Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the Assessor's ability to generate its operating revenues (primarily the two percent allocation of millage money).

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Debt Capacity

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Demographic and Economic Information

These schedules offer demographics and economic indicators to help the reader understand the environment within which the Assessor's Office's financial activities take place and to help make comparisons over time with other governments.

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|---|----|

Operating Information

These schedules contain information about the Assessor's operations and resources to help the reader understand how the Assessor's financial information relates to the services the Assessor provides and the activities it performs.

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NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

(UNAUDITED)

| | (1) 2003 | (1) 2004 | (1) 2005 | (1) 2006 | (1) 2007 | (1) 2008 | (1) 2009 | (1) 2010 | 2011 | 2012 |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|
| Governmental Activities | | | | | | | | | | |
| Invested in capital assets, net of related debt | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,886,362 | \$ 3,211,325 |
| Restricted | | | | | | | | | | |
| Debt Service | - | - | - | - | - | - | - | - | - | - |
| Construction | - | - | - | - | - | - | - | - | - | - |
| Claims and Judgments | - | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - | - |
| Unrestricted | - | - | - | - | - | - | - | - | 3,966,464 | 5,436,030 |
| Total Governmental Activities Net Position | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 7,852,826 | \$ 8,647,355 |

NOTES:

(1)- The Assessor began operating on a consolidated basis on January 1, 2011. Thus, prior year data is not available.

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

(UNAUDITED)

| | (1) 2003 | (1) 2004 | (1) 2005 | (1) 2006 | (1) 2007 | (1) 2008 | (1) 2009 | (1) 2010 | 2011 | 2012 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|----------------|----------------|
| Expenses | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| General Government | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 7,082,141 | \$ 7,675,387 |
| Interest on long-term debt | - | - | - | - | - | - | - | - | 291,386 | 250,451 |
| Total Governmental Activities Expenses | - | - | - | - | - | - | - | - | 7,373,527 | 7,925,838 |
| Total Primary Government Expenses | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 7,373,527 | \$ 7,925,838 |
| Program Revenues (See Table 3) | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| Charges for Services | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 35,239 | \$ 72,148 |
| Operating Grants and Contributions | - | - | - | - | - | - | - | - | - | - |
| Capital Grants and Contributions | - | - | - | - | - | - | - | - | - | - |
| Total Governmental Activities Program Revenues | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 35,239 | \$ 72,148 |
| Net (Expense) Revenue | | | | | | | | | | |
| Governmental Activities | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (7,338,288) | \$ (7,853,690) |
| Total Primary Government Net (Expense) Revenue | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (7,338,288) | \$ (7,853,690) |
| Governmental Activities: | | | | | | | | | | |
| General Revenues | | | | | | | | | | |
| Orleans Parish millage allocation | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 8,362,816 | \$ 8,638,642 |
| Unrestricted Interest | - | - | - | - | - | - | - | - | 5,850 | 9,577 |
| Total Governmental Activities General Revenues | - | - | - | - | - | - | - | - | 8,368,666 | 8,648,219 |
| Total Primary Government General Revenues | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 8,368,666 | \$ 8,648,219 |
| Special Items | | | | | | | | | | |
| Transfers from Board of Assessors and former Assessors | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 6,822,448 | \$ - |
| Total Special Items | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 6,822,448 | \$ - |
| Changes in Net Position | | | | | | | | | | |
| Governmental Activities | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 7,852,826 | \$ 794,529 |
| Total Primary Government | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 7,852,826 | \$ 794,529 |
| Net Position | | | | | | | | | | |
| Beginning of Year | - | - | - | - | - | - | - | - | - | 7,852,826 |
| End of Year | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 7,852,826 | \$ 8,647,355 |

NOTES:

(1) The Assessor began operating on a consolidated basis on January 1, 2011. Thus, prior year data is not available.

ORLEANS PARISH ASSESSOR'S OFFICE
New Orleans, Louisiana

TABLE 3

PROGRAM EXPENSES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

(UNAUDITED)

| Function/Program | (1) 2003 | (1) 2004 | (1) 2005 | (1) 2006 | (1) 2007 | (1) 2008 | (1) 2009 | (1) 2010 | 2011 | 2012 |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|
| Governmental Activities: | | | | | | | | | | |
| General Government | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 7,373,527 | \$ 7,925,838 |
| Total Governmental Activities Expenses | - | - | - | - | - | - | - | - | 7,373,527 | 7,925,838 |
| Total Primary Government Program Revenues | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 7,373,527 | \$ 7,925,838 |

NOTES:

(1) The Assessor began operating on a consolidated basis on January 1, 2011. Thus, prior year data is not available.

ORLEANS PARISH ASSESSOR'S OFFICE
New Orleans, Louisiana

TABLE 4

FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

(UNAUDITED)

| | (1) | (1) | (1) | (1) | (1) | (1) | (1) | (1) | (1) | (As Restated) | (2) |
|--------------------------------|------|------|------|------|------|------|------|------|------|---------------|--------------|
| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2010 | 2011 | 2012 |
| General Fund | | | | | | | | | | | |
| Non-spendable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Restricted | - | - | - | - | - | - | - | - | - | - | - |
| Committed | - | - | - | - | - | - | - | - | - | - | - |
| Assigned | - | - | - | - | - | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | - | - | - | - | 5,032,906 | 7,164,721 |
| Total General Fund | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 5,032,906 | \$ 7,164,721 |
| Major Funds | | | | | | | | | | | |
| Non-spendable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Restricted | - | - | - | - | - | - | - | - | - | - | - |
| Committed | - | - | - | - | - | - | - | - | - | - | - |
| Assigned | - | - | - | - | - | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | - | - | - | - | - | - |
| Total Major Funds | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other Governmental Funds | | | | | | | | | | | |
| Non-spendable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Restricted | - | - | - | - | - | - | - | - | - | - | - |
| Committed | - | - | - | - | - | - | - | - | - | - | - |
| Assigned | - | - | - | - | - | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | - | - | - | - | - | - |
| Total Other Governmental Funds | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total All Funds | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 5,032,906 | \$ 7,164,721 |

(3)

(1) - The Assessor began operating on a consolidated basis on January 1, 2011. Thus, prior year data is not available.

(2) - The Assessor implemented GASB Statement No. 54 in FY 2011.

(3) - 2011 Fund Balances were restated to remove the OPEB liability from the governmental fund statements.

CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

(UNAUDITED)

| | (1) 2003 | (1) 2004 | (1) 2005 | (1) 2006 | (1) 2007 | (1) 2008 | (1) 2009 | (1) 2010 | 2011 | 2012 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|---------------------|---------------------|
| REVENUES | | | | | | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental (See Table 6) | - | - | - | - | - | - | - | - | 8,362,816 | 8,638,642 |
| Investment Income | - | - | - | - | - | - | - | - | 5,850 | 9,577 |
| Charges for Services | - | - | - | - | - | - | - | - | 35,239 | 72,148 |
| Fines and forfeitures | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - | - | - | - | - |
| TOTAL REVENUES | - | - | - | - | - | - | - | - | 8,403,905 | 8,720,367 |
| EXPENDITURES | | | | | | | | | | |
| Current | | | | | | | | | | |
| General Government | | | | | | | | | | |
| Personnel and related benefits | - | - | - | - | - | - | - | - | 2,824,775 | 3,498,892 |
| Operating Services | - | - | - | - | - | - | - | - | 167,876 | 371,499 |
| Professional fees | - | - | - | - | - | - | - | - | 1,427,554 | 1,399,967 |
| Supplies | - | - | - | - | - | - | - | - | 193,116 | 173,498 |
| Equipment | - | - | - | - | - | - | - | - | 162,132 | 24,245 |
| Occupancy | - | - | - | - | - | - | - | - | 208,248 | - |
| Debt Service: | | | | | | | | | | |
| Principal | - | - | - | - | - | - | - | - | 830,000 | 870,000 |
| Interest | - | - | - | - | - | - | - | - | 291,386 | 250,451 |
| TOTAL EXPENDITURES | - | - | - | - | - | - | - | - | 6,105,087 | 6,588,532 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | - | - | - | - | - | - | - | - | 2,298,818 | 2,131,815 |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | | |
| Transfers in | - | - | - | - | - | - | - | - | 1,121,386 | 1,120,451 |
| Transfers out | - | - | - | - | - | - | - | - | (1,121,386) | (1,120,451) |
| Capital leases | - | - | - | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - | - | - | - |
| Proceeds from Sales of Bonds | - | - | - | - | - | - | - | - | - | - |
| Bond Issue Costs | - | - | - | - | - | - | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | - | - | - | - | - | - | - | - | - | - |
| SPECIAL ITEMS | | | | | | | | | | |
| Transfers from Board of Assessors and former Assessors | - | - | - | - | - | - | - | - | 2,734,088 | - |
| Insurance Proceeds | - | - | - | - | - | - | - | - | - | - |
| NET CHANGE IN FUND BALANCES | - | - | - | - | - | - | - | - | 5,032,906 | 2,131,815 |
| FUND BALANCES | | | | | | | | | | |
| Beginning of year, as restated | - | - | - | - | - | - | - | - | - | 5,032,906 |
| End of year | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 5,032,906 | \$ 7,164,721 |
| | | | | | | | | | | (2) |
| Debt Service as a percentage of noncapital expenditures | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 18.37% | 17.01% |

(1) The Assessor began operating on a consolidated basis on January 1, 2011. Thus, prior year data is not available.

(2) - The beginning 2012 Fund Balances were restated to remove the OPEB liability from the governmental fund statements.

INTERGOVERNMENTAL REVENUES BY SOURCE - GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

(UNAUDITED)

| | (1) 2003 | (1) 2004 | (1) 2005 | (1) 2006 | (1) 2007 | (1) 2008 | (1) 2009 | (1) 2010 | 2011 | 2012 |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|
| INTERGOVERNMENTAL REVENUES BY SOURCE | | | | | | | | | | |
| Intergovernmental | | | | | | | | | | |
| Orleans Parish millage allocation | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 8,362,816 | \$ 8,638,642 |
| Other | - | - | - | - | - | - | - | - | - | - |
| Total Intergovernmental Revenues | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 8,362,816 | \$ 8,638,642 |

(1) The Assessor began operating on a consolidated basis on January 1, 2011. Thus, prior year data is not available.

(2) The Assessor receives an allocation of property taxes levied by the City of New Orleans. This allocation is two (2) percent of the Assessed Rolls as per statutes.

ORLEANS PARISH ASSESSOR'S OFFICE
New Orleans, Louisiana

TABLE 7

ASSESSED VALUE OF TAXABLE PROPERTY (1)
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

(UNAUDITED)

| Calendar Year | Tax Roll | (1) Real Estate | (1) Personal Property | (1) Public Service Corporations | Total Assessments | (2) Homestead Exempt | Total Taxable Assessed Value | Total Direct Tax Rate | Estimated Actual Taxable Value (3) | Taxable Assessed Value as a Percentage of Taxable Value |
|---------------|----------|--------------------|--------------------------|------------------------------------|-------------------|-------------------------|------------------------------|-----------------------|------------------------------------|---|
| 2003 | (1) 2003 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | 0.00% |
| 2004 | (1) 2004 | - | - | - | - | - | - | - | - | 0.00% |
| 2005 | (1) 2005 | - | - | - | - | - | - | - | - | 0.00% |
| 2006 | (1) 2006 | - | - | - | - | - | - | - | - | 0.00% |
| 2007 | (1) 2007 | - | - | - | - | - | - | - | - | 0.00% |
| 2008 | (1) 2008 | - | - | - | - | - | - | - | - | 0.00% |
| 2009 | (1) 2009 | - | - | - | - | - | - | - | - | 0.00% |
| 2010 | (1) 2010 | - | - | - | - | - | - | - | - | 0.00% |
| 2011 | 2011 | 2,586,082 | 385,700 | 167,557 | 3,139,339 | 384,017 | 2,755,322 | 0.06 | 29,549,200 | 9.32% |
| 2012 | 2012 (R) | 2,784,868 | 390,952 | 183,004 | 3,358,824 | 385,257 | 2,973,567 | 0.05 | 31,675,053 | 9.39% |

Source: Orleans Parish Assessor's Office

NOTES:

- (1) The Assessor began operating on a consolidated basis on January 1, 2011. Thus, prior year data is not available.
- (1) Per the constitution, all land and residential improvements are assessed at 10% of its fair market value and all other property at 15% of its fair market value.
- (2) Homestead exemption rate is \$7,500 of assessed value
- (3) Includes tax-exempt property. Estimated Actual Taxable Value is calculated by dividing taxable assessed value by the percentages noted in Note (2). Tax rates are per \$1,000 of assessed value.
- (R)- Indicates a "reassessment" year
- (K)- The tax rolls were reassessed in the aftermath of Hurricanes Katrina and Rita to allow for storm damage

ORLEANS PARISH ASSESSOR'S OFFICE
New Orleans, Louisiana

TABLE 8

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

(UNAUDITED)

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <u>DIRECT</u> | | | | | | | | | | |
| Orleans Parish Assessor's Office | - | - | - | - | - | - | - | - | - | - |
| <u>OVERLAPPING</u> | | | | | | | | | | |
| City of New Orleans | | | | | | | | | | |
| General Alimony | 14.91 | 14.91 | 14.91 | 16.10 | 16.10 | 11.72 | 11.72 | 11.72 | 15.10 | 15.10 |
| Fire & Police | 6.40 | 6.40 | 6.40 | 6.40 | 6.40 | 4.66 | 4.66 | 4.66 | 6.40 | 6.40 |
| Public Library | 4.32 | 4.32 | 4.32 | 4.32 | 4.32 | 3.14 | 3.14 | 3.14 | 3.14 | 3.14 |
| Board of Liquidation | 28.40 | 28.40 | 28.40 | 38.20 | 31.70 | 23.80 | 23.80 | 25.50 | 25.50 | 25.50 |
| Sewerage & Water Board | 22.59 | 22.59 | 22.59 | 22.59 | 22.59 | 16.43 | 16.03 | 16.43 | 16.43 | 16.43 |
| Audubon Park - Zoo | 0.44 | 0.44 | 0.44 | 0.44 | 0.44 | 0.32 | 0.32 | 0.32 | 0.32 | 0.32 |
| Audubon Park - Aquarium | 4.11 | 4.11 | 4.11 | 4.11 | 4.11 | 2.99 | 2.99 | 2.99 | 2.99 | 2.99 |
| Board of Assessors | 1.19 | 1.19 | 1.19 | - | - | - | - | - | - | - |
| Orleans Parish School Board | 52.83 | 52.80 | 52.80 | 58.55 | 52.90 | 38.47 | 38.47 | 44.12 | 44.12 | 43.60 |
| Levee Boards | | | | | | | | | | |
| Orleans Levee Board | 12.76 | 12.76 | 12.76 | 12.76 | 12.76 | 9.65 | 10.95 | 11.67 | 11.67 | 11.67 |
| Algiers Levee Board | - | - | - | - | - | 9.28 | 12.76 | 12.76 | 12.76 | 12.76 |
| Law Enforcement District | 3.00 | 3.00 | 3.00 | 4.50 | 3.50 | 2.90 | 2.90 | 2.90 | 2.90 | 2.90 |
| Economic Development and Housing | 2.50 | 2.50 | 2.50 | 2.50 | 2.50 | 1.82 | 1.82 | 1.82 | 1.82 | 1.82 |
| Parkway & Recreation | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 2.18 | 2.18 | 2.18 | 3.00 | 3.00 |
| Capital Improvements Trust Fund | 2.50 | 2.50 | 2.50 | 2.50 | 2.50 | 1.82 | 1.82 | 1.82 | 1.82 | 1.82 |
| Street & Traffic - Device Maintenance | 1.90 | 1.90 | 1.90 | 1.90 | 1.90 | 1.38 | 1.38 | 1.38 | 1.90 | 1.90 |
| Police & Fire (Not Covered by Exemption) | 10.47 | 10.47 | 10.47 | 10.47 | 10.47 | 7.92 | 7.92 | 9.19 | 10.47 | 10.47 |
| | 171.32 | 171.29 | 171.29 | 188.34 | 175.19 | 138.48 | 142.86 | 152.60 | 160.34 | 159.82 |

Source: Orleans Parish Assessor's Office

ORLEANS PARISH ASSESSOR'S OFFICE
New Orleans, Louisiana

TABLE 9

PRINCIPAL TAXPAYERS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012
(amounts expressed in thousands)

(UNAUDITED)

| Taxpayer | Type of Business | 2012 Tax Roll | | |
|--------------------------------------|--------------------------------|----------------------------|------|-------------------------------------|
| | | Taxable Assessed Valuation | Rank | Percent of Total Assessed Valuation |
| Harrah's Jazz Company - Canal Street | Gaming/Casino | \$ 22,896 | 1 | 0.68% |
| International Rivera Center | Hotel | 19,083 | 2 | 0.57% |
| CS&M Associates | Hotel | 14,651 | 3 | 0.44% |
| Marriott Hotel Properties II | Hotel | 14,486 | 4 | 0.43% |
| 201 St. Charles Place, LLC | Real Estate | 13,000 | 5 | 0.39% |
| CW NOLA Properties, LLC | Real Estate | 12,300 | 6 | 0.37% |
| Poydras Properties, LLC | Real Estate | 8,841 | 7 | 0.26% |
| Earl Shelly, LLC | Real Estate | 8,297 | 8 | 0.25% |
| WH Holdings, LLC | Hotel | 7,917 | 9 | 0.24% |
| Sterling 601 Polydras, LLC | Real Estate | 7,488 | 10 | 0.22% |
| TOTAL | | \$ 128,959 | | 3.86% |
| | Total Assessed Value (Table 7) | \$ 3,358,824 | | |

Source: Jefferson Parish Assessor's Office

(1) - The Assessor began operating on a consolidated basis on January 1, 2011. Thus, prior year data is not available.

RATIOS OF OUTSTANDING DEBT BY TYPE
 LAST TEN FISCAL YEARS
 (amounts expressed in thousands, except per capita)

(UNAUDITED)

| Fiscal Year | Governmental Activities | | (2) Total Primary Government | (3) Percentage of Personal Income | (3) Per Capita |
|-------------|-------------------------|-------|---------------------------------------|--|----------------------|
| | Revenue Bonds | Other | | | |
| 2002 (1) | \$ - | \$ - | \$ - | 0.00% | \$ - |
| 2003 (1) | - | - | - | 0.00% | - |
| 2004 (1) | - | - | - | 0.00% | - |
| 2005 (1) | - | - | - | 0.00% | - |
| 2006 (1) | - | - | - | 0.00% | - |
| 2007 (1) | - | - | - | 0.00% | - |
| 2008 (1) | - | - | - | 0.00% | - |
| 2009 (1) | - | - | - | 0.00% | - |
| 2010 (1) | - | - | - | 0.00% | - |
| 2011 | 5,885 | - | 5,885 | 0.01% | 16.31 |
| 2012 | 5,015 | - | 5,015 | 0.01% | 13.58 |

NOTES:

- (1) The Assessor began operating on a consolidated basis on January 1, 2011. Thus, prior year data is not available.
- (2) Details regarding the Assessor's outstanding debt can be found in the notes to the financial statements
- (2) See Table 14 for personal income and population data.

ORLEANS PARISH ASSESSOR'S OFFICE
New Orleans, Louisiana

TABLE 11

COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT (1)
DECEMBER 31, 2012
(amounts expressed in thousands)

(UNAUDITED)

| <u>g Jurisdiction</u> | <u>Net Bonded Debt</u> | <u>Percent Overlapping</u> | <u>Overlapping Debt</u> |
|---|----------------------------|--------------------------------|-----------------------------|
| Direct Bonded Debt: | | | |
| Orleans Parish Assessor | \$ 5,015 (2) | 100.00% | \$ 5,015 |
| Overlapping: | | | |
| City of New Orleans - Board of Liquidation of City Debt | 112,890 (3) | 100.00% | 112,890 |
| Orleans Parish School Board | 183,797 (4) | 100.00% | 183,797 |
| Total Overlapping | <u>296,687</u> | | <u>296,687</u> |
| Total Direct and Overlapping | <u>\$ 301,702</u> | | <u>\$ 301,702</u> |
| | | 2012 Population | <u>369,250</u> |
| | | Per Capita | <u>\$ 817</u> |

NOTES:

- (1) - Only those issuances that are considered "parish-wide" and funded as general obligations of the agencies are reported.
- (2) - The Bonds were issued by the Assessor to fund a new computer system.
- (3) - These amounts are as of December 31, 2012. The Board of Liquidation of City Debt is a component unit of the City and has control over all matters relating to bonded debt of the City. All of the City's General Obligation bonds, the limited tax bonds of the Sewerage & Water Board of New Orleans, the Downtown Development District of New Orleans, and the Audubon Park Commission of New Orleans are included.
- (4) - Includes refunding and revenue bonds outstanding as of June 30, 2012.

ORLEANS PARISH ASSESSOR'S OFFICE
New Orleans, Louisiana

TABLE 12

COMPUTATION OF LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

(UNAUDITED)

| | (1) 2003 | (1) 2004 | (1) 2005 | (1) 2006 | (1) 2007 | (1) 2008 | (1) 2009 | (1) 2010 | 2011 | 2012 |
|---------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|
| Assessed value | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,139,339 | \$ 3,358,824 |
| Times 10 percent | (2) 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% |
| Debt Limit | - | - | - | - | - | - | - | - | 313,934 | 335,882 |
| Bonded Debt Applicable to Limit | - | - | - | - | - | - | - | - | 5,885 | 5,015 |
| Legal Debt Margin | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 308,049 | \$ 330,867 |

(1)- The Assessor began operating on a consolidated basis on January 1, 2011. Thus, prior year data is not available.

(2)- State statutes limit bonded debt to 10 percent of assessed value.

ORLEANS PARISH ASSESSOR'S OFFICE
New Orleans, Louisiana

TABLE 13

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

(UNAUDITED)

| Fiscal Year | (2) Population | (3) School Enrollment | (4) Per Capita Income | (5) (in \$1,000's) Personal Income | (6) Unemployment Rate |
|-------------|-------------------|--------------------------|--------------------------|--|--------------------------|
| 2002 (1) | - | - | \$ - | \$ - | 0.00% |
| 2003 (1) | - | - | - | - | 0.00% |
| 2004 (1) | - | - | - | - | 0.00% |
| 2005 (1) | - | - | - | - | 0.00% |
| 2006 (1) | - | - | - | - | 0.00% |
| 2007 (1) | - | - | - | - | 0.00% |
| 2008 (1) | - | - | - | - | 0.00% |
| 2009 (1) | - | - | - | - | 0.00% |
| 2010 (1) | 343,829 | - | - | - | 7.20% |
| 2011 | 360,740 | 44,180 | \$ 24,929 | 49,859,192 | 6.50% |
| 2012 | 369,250 | 45,279 | \$ 25,668 | 51,934,794 | 5.80% |

Source:

- (1) The Assessor began operating on a consolidated basis on January 1, 2011. Thus, some prior year data is not available.
- (2) - US Census - quickfacts.census.gov
- (3) - Louisiana Department of Education (includes Orleans Parish School Board and Recovery School District)
- (4) - US Census - quickfacts.census.gov
- (5) - Economagic website - for New Orleans, Metairie, Kenner (MSA) - Annual
- (6) - Economagic website

ORLEANS PARISH ASSESSOR'S OFFICE
New Orleans, Louisiana

TABLE 14

FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

(UNAUDITED)

| | (1) 2003 | (1) 2004 | (1) 2005 | (1) 2006 | (1) 2007 | (1) 2008 | (1) 2009 | (1) 2010 | 2011 | 2012 |
|-----------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|------|------|
| General Government | | | | | | | | | | |
| Assessor | - | - | - | - | - | - | - | - | 1 | 1 |
| Deputy Directors | - | - | - | - | - | - | - | - | 2 | 3 |
| Managers | - | - | - | - | - | - | - | - | 3 | 4 |
| Appraisers | - | - | - | - | - | - | - | - | 15 | 14 |
| Customer Service Rep | - | - | - | - | - | - | - | - | 18 | 17 |
| Abstractors | - | - | - | - | - | - | - | - | 5 | 5 |
| Support Staff | - | - | - | - | - | - | - | - | 5 | 4 |
| Accountants | - | - | - | - | - | - | - | - | 1 | 1 |
| Market Analysts | - | - | - | - | - | - | - | - | 1 | 1 |
| Field Data Collectors | - | - | - | - | - | - | - | - | 5 | 4 |
| | - | - | - | - | - | - | - | - | 56 | 54 |

SOURCE: Assessor's Personnel Department

NOTES:

(1) - The Assessor began operating on a consolidated basis on January 1, 2011. Thus, prior year data is not available.

OPERATING INDICATORS
Last Ten Fiscal Years

(UNAUDITED)

Form of Government

| | (1) June 30, 2003 | (1) June 30, 2004 | (1) June 30, 2005 | (1) June 30, 2006 | (1) June 30, 2007 | (1) June 30, 2008 | (1) June 30, 2009 | (1) June 30, 2010 | June 30, 2011 | June 30, 2012 | % Change |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-------------------------|-------------------------|-------------|
| Population-total | - | - | - | - | - | - | - | 343,829 | 360,740 | 369,250 | 2.4% |
| \$ Value of Assessment Roll (net of homestead exemptions) | | | | | | | | | | | |
| Ward 1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 692,626,954 | \$ 715,579,132 | |
| Ward 2 | - | - | - | - | - | - | - | - | 435,774,266 | 475,289,890 | |
| Ward 3 | - | - | - | - | - | - | - | - | 666,008,170 | 709,362,930 | |
| Ward 4 | - | - | - | - | - | - | - | - | 125,363,810 | 138,428,595 | |
| Ward 5 | - | - | - | - | - | - | - | - | 212,392,520 | 232,512,160 | |
| Ward 6 | - | - | - | - | - | - | - | - | 466,018,400 | 499,250,870 | |
| Ward 7 | - | - | - | - | - | - | - | - | 157,137,830 | 203,143,240 | |
| | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,755,321,950</u> | <u>\$ 2,973,566,817</u> | |
| # of Parcels Assessed | | | | | | | | | | | |
| Ward 1 | - | - | - | - | - | - | - | - | 12,372 | 11,389 | |
| Ward 2 | - | - | - | - | - | - | - | - | 17,867 | 17,159 | |
| Ward 3 | - | - | - | - | - | - | - | - | 73,574 | 78,379 | |
| Ward 4 | - | - | - | - | - | - | - | - | 7,349 | 7,668 | |
| Ward 5 | - | - | - | - | - | - | - | - | 20,300 | 21,479 | |
| Ward 6 | - | - | - | - | - | - | - | - | 18,160 | 17,927 | |
| Ward 7 | - | - | - | - | - | - | - | - | 11,935 | 12,368 | |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>161,557</u> | <u>166,369</u> | |

(1) - The Assessor began operating on a consolidated basis on January 1, 2011. Thus, prior year data is not available.

ORLEANS PARISH ASSESSOR'S OFFICE
New Orleans, Louisiana

TABLE 16

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN YEARS

(UNAUDITED)

| | (1) 2003 | (1) 2004 | (1) 2005 | (1) 2006 | (1) 2007 | (1) 2008 | (1) 2009 | (1) 2010 | 2011 | 2012 |
|-------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|------|------|
| Program/Function | | | | | | | | | | |
| Public Safety | | | | | | | | | | |
| Number of Buildings | | | | | | | | | | |
| General and Support | - | - | - | - | - | - | - | - | 1 | 1 |
| Satellite Offices | - | - | - | - | - | - | - | - | 1 | 1 |
| | - | - | - | - | - | - | - | - | 2 | 2 |

(1) The Assessor began operating on a consolidated basis on January 1, 2011. Thus, prior year data is not available.

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COMPLIANCE SECTION

CASCIO & SCHMIDT, LLC

CERTIFIED PUBLIC ACCOUNTANTS

FRANCIS J. CASCIO, CPA
STEVEN A. SCHMIDT, CPA

MEMBERS
AMERICAN INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA CERTIFIED
PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Independent Auditor's Report

Orleans Parish Assessor's Office
New Orleans, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of Orleans Parish Assessor's Office, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise Orleans Parish Assessor's Office's basic financial statements, and have issued our report thereon dated April 30, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Orleans Parish Assessor's Office's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Orleans Parish Assessor's Office's internal control. Accordingly, we do not express an opinion on the effectiveness of Orleans Parish Assessor's Office's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Orleans Parish Assessor's Office's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, 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 or other matters that is required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Cassio + Schmidt, PLLC

Metairie, Louisiana
April 30, 2013

ORLEANS PARISH ASSESSOR'S OFFICE
SCHEDULE OF FINDINGS AND RESPONSES

Year Ended December 31, 2012

A. SUMMARY OF AUDITOR'S REPORT

The auditor's report expresses an unqualified opinion on the financial statements.

B. FINDINGS AND QUESTIONED COSTS

There were no findings or questioned costs for the year ended December 31, 2012.

C. STATUS OF PRIOR YEAR FINDINGS

There were no prior year audit findings.

CONFIDENTIAL - SECURITY INFORMATION
EXCLUDED FROM AUTOMATIC DOWNGRADING AND
DECLASSIFICATION

CONFIDENTIAL - SECURITY INFORMATION

CONFIDENTIAL - SECURITY INFORMATION (END OF REPORT) CONFIDENTIAL - SECURITY INFORMATION

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