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**ALLEN PARISH ASSESSOR**  
Oberlin, Louisiana  
Financial Report  
Year Ended December 31, 2004

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

Release Date 7-13-05

## TABLE OF CONTENTS

	<u>Page</u>
Independent Accountant's Report	1-2
<b>BASIC FINANCIAL STATEMENTS</b>	
<b>GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)</b>	
Statement of net assets	5
Statement of activities	6
<b>FUND FINANCIAL STATEMENTS (FFS)</b>	
Comparative balance sheet - governmental fund	8
Reconciliation of the governmental fund balance sheet to the statement of net assets	9
Comparative statement of revenues, expenditures, and changes in fund balance- governmental fund	10
Reconciliation of the statement of revenues, expenditures, and changes in fund balance of the governmental fund to the statement of activities	11
Notes to basic financial statements	12-22
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Budgetary comparison schedule: General Fund	24
<b>SUPPLEMENTARY INFORMATION</b>	
Independent Accountant's Report on Applying Agreed-Upon Procedures	26-28

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## INDEPENDENT ACCOUNTANT'S REPORT

Honorable Richard W. Karam, CLA  
Allen Parish Assessor  
Oberlin, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and major fund of the Allen Parish Assessor (the Assessor), a component unit of the Allen Parish Police Jury, as of and for the year ended December 31, 2004, which collectively comprise the Assessor's basic financial statements as listed in the table of contents, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the Allen Parish Assessor.

A review consists principally of inquiries of the Assessor's personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

The Allen Parish Assessor has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is required to supplement, although not required to be part of, the basic financial statements.

Our review was made for the purpose of expressing limited assurance that there are no material modifications that should be made to the financial statements in order for them to be in conformity with generally accepted accounting principles. The information included as "Supplementary Information" in the table of contents is presented only for supplementary analysis purposes. Such information has not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, but was compiled from information that is the representation of the Assessor, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on the supplementary information.

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The financial statements for the year ended December 31, 2003 were audited by us and we expressed an unqualified opinion on them in our report dated June 2, 2004, but we have not performed any auditing procedures since that date.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Oberlin, Louisiana  
June 7, 2005

**BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE  
FINANCIAL STATEMENTS (GWFS)**

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Statement of Net Assets  
December 31, 2004

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and interest-bearing deposits	\$ 118,952
Due from other governmental units	397,961
Prepaid items	4,675
Capital assets, net	<u>101,110</u>
Total assets	<u>622,698</u>
<b>LIABILITIES</b>	
Accounts and other payables	1,330
Interest payable	392
Note payable	100,035
Current portion of capital lease	20,286
Long-term portion of capital lease	<u>32,037</u>
Total liabilities	<u>154,080</u>
<b>NET ASSETS</b>	
Invested in capital assets	48,395
Unrestricted	<u>420,223</u>
Total net assets	<u>\$ 468,618</u>

The accompanying notes are an integral part of the basic financial statements.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Statement of Activities  
For the Year Ended December 31, 2004

Activities	Program Revenues		Net (Expense) Revenues and Changes in Net Assets
Governmental activities:	Charges for Services	Operating Grants and Contributions	Governmental Activities
General government	\$ 483,182	\$ 54,688	\$ (416,682)
Interest on long-term debt	<u>6,663</u>	-	<u>(6,663)</u>
Total governmental activities	<u>\$ 489,845</u>	<u>\$ 54,688</u>	<u>(423,345)</u>
General revenues:			
Taxes:			
Property taxes, levied for general purposes			347,882
State revenue sharing			36,501
Interest and investment earnings			1,403
Miscellaneous			<u>2,987</u>
Total general revenues			<u>388,773</u>
Change in net assets			(34,572)
Net assets - January 1, 2004			<u>503,190</u>
Net assets - December 31, 2004			<u>\$ 468,618</u>

The accompanying notes are an integral part of the basic financial statements.

**FUND FINANCIAL STATEMENTS (FFS)**

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Comparative Balance Sheet - Governmental Fund  
December 31, 2004 and 2003

	<u>General Fund</u>	
	<u>2004</u>	<u>2003</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 118,952	\$ 119,584
Prepaid expenditures	4,675	3,923
Receivables:		
<i>Due from other governmental units</i>	<u>397,961</u>	<u>378,127</u>
Total assets	<u>\$ 521,588</u>	<u>\$ 501,634</u>
<b>LIABILITIES AND FUND EQUITY</b>		
Liabilities:		
Accounts payable	\$ 1,330	\$ 7,700
Note payable	<u>100,035</u>	<u>50,000</u>
Total liabilities	<u>101,365</u>	<u>57,700</u>
Fund equity:		
Fund balance - unreserved, undesignated	415,548	440,011
Fund balance reserved for prepaids	<u>4,675</u>	<u>3,923</u>
Total fund equity	<u>420,223</u>	<u>443,934</u>
Total liabilities and fund equity	<u>\$ 521,588</u>	<u>\$ 501,634</u>

The accompanying notes are an integral part of the basic financial statements.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Reconciliation of the Governmental Fund Balance Sheet  
to the Statement of Net Assets  
December 31, 2004

Total fund balance for the governmental fund at December 31, 2004	\$ 420,223
Total net assets reported for governmental activities in the statement of net assets is different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:	
Equipment, furniture and fixtures, net of \$167,543 accumulated depreciation	101,110
Long-term liabilities at December 31, 2004:	
Capital lease payable	(52,323)
Accrued interest payable	<u>(392)</u>
Total net assets of governmental activities at December 31, 2004	<u>\$ 468,618</u>

The accompanying notes are an integral part of the basic financial statements.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Governmental Fund  
For the Years Ended December 31, 2004 and 2003

	General Fund	
	2004	2003
Revenues:		
Intergovernmental revenues -		
Ad valorem taxes	\$ 347,882	\$ 325,628
State revenue sharing	36,501	36,500
Gaming revenue	54,688	56,133
Other revenue - preparing tax rolls, etc.	14,799	14,708
Interest	1,403	2,659
Total revenues	455,273	435,628
Expenditures:		
Current -		
General government:		
Personnel services and related benefits	382,826	378,895
Operating services	29,563	29,828
Materials and supplies	30,742	38,519
Travel and other charges	8,490	6,937
Capital outlay	-	92,345
Debt service	27,363	12,086
Total expenditures	478,984	558,610
Deficiency of revenues over expenditures	(23,711)	(122,982)
Other financing sources:		
Proceeds from capital lease	-	80,944
Deficiency of revenues and other sources over expenditures	(23,711)	(42,038)
Fund balance, beginning of year	443,934	485,972
Fund balance, end of year	\$ 420,223	\$ 443,934

The accompanying notes are an integral part of the basic financial statements.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balance of the Governmental Fund  
to the Statement of Activities  
For the Year Ended December 31, 2004

Total net changes in fund balance at December 31, 2004 per Statement of Revenues, Expenditures and Changes in Fund Balance	\$(23,711)
The change in net assets reported for governmental activities in the statement of activities is different because:	
Less: Depreciation expense for the year ended December 31, 2004	(31,561)
Add: Principal retirement considered as an expenditure on Statement	20,018
Add: Difference between interest on long-term debt on modified accrual basis versus interest on long-term debt on accrual basis	<u>682</u>
Total changes in net assets at December 31, 2004 per Statement of Activities	<u>\$(34,572)</u>

The accompanying notes are an integral part of the basic financial statements.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, the Assessor is elected by the voters of the parish and serves a term of four years. The Assessor assesses all real and movable property in the parish, subject to ad valorem taxation. The Assessor is authorized to appoint as many deputies as necessary for the efficient operation of his office and to provide assistance to the taxpayers of the parish. The deputies are authorized to perform all functions of the office, but the Assessor is officially and pecuniarily responsible for the actions of the deputies.

The accounting and reporting policies of the Assessor conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statute 24:513, as well as any applicable requirements set forth by Audits of State and Local Governments, the industry audit guide issued by the American Institute of Certified Public Accountants and the Louisiana Governmental Audit Guide.

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

As the governing authority of the parish, for reporting purposes, the Allen Parish Police Jury is the financial reporting entity for Allen Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Because the Police Jury maintains and operates the parish courthouse in which the Assessor's office is located, the Assessor was determined to be a component unit of the Allen Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Assessor and do not present information on the Police Jury, the general government services provided by the Police Jury, or the other governmental units that comprise the financial reporting entity.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net assets and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Assessor's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

C. Fund Accounting

The accounts of the Assessor are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The Assessor maintains only one fund. It is categorized as a governmental fund. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The major fund of the Assessor is described below:

Governmental Fund -

General Fund

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

D. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

Measurement Focus

On the government-wide statement of net assets and the statement of activities, governmental activities are presented using the economic resources measurement focus as defined in item b. below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- a. The governmental fund utilizes a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on its balance sheet. Their operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of the period.
- b. The government-wide financial statement utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery) and financial position. All assets and liabilities (whether current or noncurrent) associated with its activities are reported. Government-wide fund equity is classified as net assets.

Basis of Accounting

In the government-wide statement of net assets and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

E. Assets, Liabilities and Equity

Cash and interest-bearing deposits

For purposes of the statement of net assets, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the Assessor.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Assessor maintains a threshold level of \$500 or more for capitalizing capital assets.

*The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.*

Depreciation of all exhaustible capital assets is recorded as an expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Furniture, fixtures and equipment	5-10 years
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Compensated Absences

Employees of the Assessor's office earn 12 days of emergency leave each year. Emergency leave is used for personal illness, family illness, and other personal problems. In addition to emergency leave, employees of the Assessor's office earn vacation leave at varying rates, depending on their length of service. Vacation leave is not cumulative from year to year.

At termination or retirement, employees are paid for vacation leave accumulated during the current year; however, emergency leave is not paid. At December 31, 2004, the Assessor has no material accumulated leave benefits.

Equity Classifications

In the government-wide statements, equity is classified as net assets and displayed in three components:

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

F. Revenues, Expenditures, and Expenses

Revenues

Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, attach as an enforceable lien, and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year.

Fees for preparing tax rolls are recorded in the year prepared. Interest income on time deposits is recorded when the time deposits have matured. Interest income on demand deposits is recorded monthly when the interest is earned and credited to the account.

Based on the above criteria, ad valorem taxes, state revenue sharing, and fees for preparing tax rolls have been treated as susceptible to accrual.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by character and function. In the fund financial statements, expenditures are classified by character.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

G. Budget Practices

The proposed budget for the General Fund, prepared on the modified accrual basis of accounting, is made available for public inspection at least fifteen days prior to the beginning of each fiscal year. The budget is then legally adopted by the Assessor and amended during the year, as necessary. The budget is established and controlled by the Assessor at the object level of expenditure. Appropriations lapse at year-end and must be reappropriated for the following year to be expended. The Assessor must approve all changes in the budget. Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying financial statement include the original and final adopted budget amounts.

H. Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

(2) Principal Taxpayers

The following are the principal taxpayers for the parish and their 2004 assessed valuation (amounts expressed in thousands):

	2004 Assessed Valuation (in thousands)	Percent of total Assessed Valuation
CLECO Corporation	\$ 3,980	4.48%
Transcontinental Gas Pipeline	3,029	3.41%
Texas Eastern Transmission Corporation	3,083	3.47%
Boise Cascade Corporation	2,430	2.74%
Labokay Corporation	1,199	1.35%
Union Pacific Railroad	1,664	1.87%
Coushatta Tribe of Louisiana	1,516	1.71%
CenturyTel of Southwest Louisiana, Inc.	1,279	1.44%
CenturyTel of Evangeline, Inc.	1,496	1.68%
Beauregard Electric Cooperative, Inc.	<u>1,247</u>	<u>1.40%</u>
	<u>\$ 20,923</u>	<u>23.55%</u>

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

(3) Cash and Interest-Bearing Deposits

Under state law, the Assessor may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Assessor may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2004, the Assessor had cash and interest-bearing deposits (book balances) totaling \$118,952, as follows:

Demand deposits	\$ 16,020
Time deposits	<u>102,932</u>
	<u>\$ 118,952</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. 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. Deposit balances (bank balances) at December 31, 2004, are secured as follows:

Bank balances	<u>\$ 135,606</u>
Federal deposit insurance	\$ 132,674
Pledged securities (Category 3)	<u>2,932</u>
Total	<u>\$ 135,606</u>

Pledged securities in Category 3 include uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the Assessor's name. Even though the pledged securities are considered uncollateralized (Category 3) Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Assessor that the fiscal agent has failed to pay deposited funds upon demand.

(4) Due from Other Governmental Units

Due from other governmental units of \$397,961 consisted of the following at December 31, 2003:

Ad valorem taxes	\$ 348,141
State revenue sharing	24,336
Preparation of tax rolls	11,812
Gaming revenue	<u>13,672</u>
Total	<u>\$ 397,961</u>

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

(5) Ad Valorem Taxes

Pursuant to Act 174 of 1990, Louisiana Revised State Statute 47:1925.2 created a special assessment district to provide ad valorem taxes revenue to fund the Assessor's office.

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. During the current fiscal year, taxes were levied in June and billed to the taxpayers by the Allen Parish Sheriff in October. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year.

The taxes are based on assessed values determined by the Allen Parish Assessor and are collected by the Sheriff. The taxes are remitted to the Assessor net of deductions for pension fund contributions.

Ad valorem taxes are budgeted and recorded in the year levied and billed. For the years ended December 31, 2004 and 2003, special assessment district taxes were levied at the rate of 5.23 mills, on property with assessed valuations totaling \$88,784,180 and \$85,251,570, respectively.

Total special assessment district taxes levied during 2004 and 2003 were \$348,140 and \$332,301, respectively.

(6) Capital Assets

Capital asset balances and activity for the year ended December 31, 2004 is as follows:

	<u>Balance</u> <u>01/01/04</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2004</u>
Capital assets:				
Equipment, furniture and fixtures	\$ 268,653	\$ -	\$ -	\$ 268,653
Less accumulated depreciation:				
Equipment, furniture and fixtures	<u>135,982</u>	<u>31,561</u>	<u>-</u>	<u>167,543</u>
Net capital assets	<u>\$ 132,671</u>	<u>\$ (31,561)</u>	<u>\$ -</u>	<u>\$ 101,110</u>

Depreciation expense of \$31,561 was charged to the general government function.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

(7) Long-term Debt

The following is a summary of long-term debt transactions of the Assessor for the year ended December 31, 2004:

Capital lease payable, December 31, 2003	\$ 72,341
Retired	<u>(20,018)</u>
Capital lease payable, December 31, 2004	<u>\$ 52,323</u>

Long-term debt payable at December 31, 2004 is comprised of the following:

Capital lease -

\$80,944 equipment lease dated May 3, 2003, due in monthly installments of \$2,014, including interest at 9.0%, through May, 3, 2007, secured by General Fund revenues	<u>\$ 52,323</u>
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The capital lease is due as follows:

Year ending December 31,	Principal payments	Interest payments
2005	\$ 20,286	\$ 3,886
2006	22,188	1,983
2007	<u>9,849</u>	<u>222</u>
Total	<u>\$ 52,323</u>	<u>\$ 6,091</u>

(8) Short-term Debt

The Allen Parish Assessor borrowed \$100,000 in two installments of \$50,000 from First Federal Bank of Louisiana on 11/08/04 and 11/12/04 as a short-term loan. The loan had an interest rate of 4.02% per annum on the outstanding principal balance. The debt was repaid on 1/25/05.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

(9) Pension Plan

Substantially all employees of the Allen Parish Assessor's office are members of the Louisiana Assessor's Retirement System (System), a multiple-employer (cost-sharing), defined benefit plan administered by a separate board of trustees.

All full-time employees who are under the age of 60 at the time of original employment and are not drawing retirement benefits from any other public retirement system in Louisiana are required to participate in the system. Employees who retire at or after age 55 with at least 12 years of credited service or at or after age 50 with at least 30 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each year of credited service, not to exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Assessors' Retirement System, Post Office Box 14699, Baton Rouge, Louisiana 70898-4699.

Plan members are required by state statute to contribute 8.0 percent of their annual covered salary and the Allen Parish Assessor is required to contribute at an actuarially determined rate. The current rate is 14.13 percent of annual covered payroll. Effective July 2, 1999, Act 818 of the 1999 regular session of the Legislature authorized the Assessor, at his discretion, to pay all or a portion of the employees' contribution, provided that the Assessor notify the Assessor's Retirement Fund fifteen days prior to the beginning of a calendar year. For the year 2004, the Assessor elected to pay 5% of the employees' contributions, with the employees paying 3%. Contributions to the System also include one-fourth of one percent (one percent for Orleans Parish) of the taxes shown to be collectible by the tax rolls on each parish, plus revenue sharing funds appropriated by the legislature. The contribution requirements of plan members and the Allen Parish Assessor are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Allen Parish Assessor's contributions to the System for the years ending December 31, 2004, 2003 and 2002, were \$51,962, \$51,150 and \$42,840, respectively, equal to the required contributions for each year.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

(10) Deferred Compensation Plan

The Allen Parish Assessor offers its employees participation in the State of Louisiana Public Employees Deferred Compensation Plan adopted by the Louisiana Deferred Compensation Commission and established in accordance with Internal Revenue Code Section 457. The plan is reported as an agency fund in the State of Louisiana's financial statements. The plan, available to all Assessors' employees, permits the employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or proof of hardship.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the state of Louisiana (without being restricted to the provisions of benefits under the plan) subject only to the claims of the general creditors of the State of Louisiana. Participants' rights under the plan are equal to those of general creditors of the State of Louisiana in an amount equal to the fair market value of the deferred account for each participant.

It is the opinion of management, after consulting with legal counsel, that the Allen Parish assessor has no liability for losses under the plan.

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

The Allen Parish Police Jury provided the office space and utilities for the Assessor's office for the year ended December 31, 2004. These expenditures are not reflected in the accompanying financial statements.

(12) Litigation

There is no litigation pending against the Assessor's office at December 31, 2004.

(13) Risk Management

The Assessor is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Assessor has obtained coverage from various commercial insurance companies to reduce his exposure to these risks.

**REQUIRED  
SUPPLEMENTARY INFORMATION**

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana  
General Fund

Budgetary Comparison Schedule  
For the Year Ended December 31, 2004  
With Comparative Actual Amounts for the Year Ended December 31, 2003

	2004				
	Budget		Actual	Variance - Favorable (Unfavorable)	2003 Actual
	Original	Final			
<b>Revenues:</b>					
Intergovernmental revenues -					
Ad valorem taxes	\$ 340,000	\$ 332,500	\$ 347,882	\$ 15,382	\$ 325,628
State revenue sharing	36,000	36,300	36,501	201	36,500
Gaming revenue	55,000	61,700	54,688	(7,012)	56,133
Other revenue - preparing tax rolls, etc.	15,000	13,300	14,799	1,499	14,708
Interest	10,100	272	1,403	1,131	2,659
Total revenues	<u>456,100</u>	<u>444,072</u>	<u>455,273</u>	<u>11,201</u>	<u>435,628</u>
<b>Expenditures:</b>					
General government:					
Personnel services and related benefits -					
Salaries:					
Assessor	92,000	91,740	87,740	4,000	87,740
Deputy Assessors	144,020	148,464	158,460	(9,996)	157,454
Allowance	8,774	8,774	8,774	-	8,774
Other	5,000	6,000	4,862	1,138	4,723
Group insurance	43,000	47,091	47,090	1	43,096
Pension	52,000	51,623	51,962	(339)	51,150
Medicare tax	9,250	9,150	7,214	1,936	9,234
Deferred compensation	16,720	16,720	16,724	(4)	16,724
Total personnel services and related benefits	<u>370,764</u>	<u>379,562</u>	<u>382,826</u>	<u>(3,264)</u>	<u>378,895</u>
Operating services -					
Accounting and auditing	10,500	11,500	10,547	953	10,516
Attorney fees	500	-	-	-	-
Contract services	2,500	1,900	3,896	(1,996)	2,764
Insurance	2,750	2,750	2,499	251	2,681
Leases and rentals	1,000	-	-	-	1,321
Telephone	12,000	12,000	11,350	650	12,546
Training	3,000	1,500	1,271	229	-
Total operating services	<u>32,250</u>	<u>29,650</u>	<u>29,563</u>	<u>87</u>	<u>29,828</u>
Materials and supplies -					
Office supplies and expense	16,500	14,900	14,516	384	16,347
Automobile supplies and maintenance	3,000	3,000	1,836	1,164	2,470
Bank fees	160	219	266	(47)	237
Computer operation and maintenance	20,000	9,000	8,718	282	15,683
Dues and subscriptions	2,010	2,203	2,203	-	2,007
Uniforms	1,000	150	3,203	(3,053)	1,775
Total materials and supplies	<u>42,670</u>	<u>29,472</u>	<u>30,742</u>	<u>(1,270)</u>	<u>38,519</u>
Travel and other charges -					
Travel	8,000	12,750	8,490	4,260	6,937
Total travel and other charges	<u>8,000</u>	<u>12,750</u>	<u>8,490</u>	<u>4,260</u>	<u>6,937</u>
Capital outlay -					
Capital outlay - office equipment	-	-	-	-	4,796
Capital outlay - computer equipment	-	-	-	-	87,549
Total capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>92,345</u>
Debt service -					
Principal retirement	-	20,000	20,018	(18)	8,603
Interest and fiscal charges	-	7,380	7,345	35	3,483
Total debt service	<u>-</u>	<u>27,380</u>	<u>27,363</u>	<u>17</u>	<u>12,086</u>
Total expenditures	<u>453,684</u>	<u>478,814</u>	<u>478,984</u>	<u>(170)</u>	<u>558,610</u>
Excess (deficiency) of revenues over expenditures	2,416	(34,742)	(23,711)	11,031	(122,982)
Other financing sources:					
Proceeds from capital lease	-	-	-	-	80,944
Excess (deficiency) of revenues and other sources over expenditures	2,416	(34,742)	(23,711)	11,031	(42,038)
Fund balance, beginning of year	443,934	443,934	443,934	-	485,972
Fund balance, end of year	<u>\$ 446,350</u>	<u>\$ 409,192</u>	<u>\$ 420,223</u>	<u>\$ 11,031</u>	<u>\$ 443,934</u>

**SUPPLEMENTARY INFORMATION**

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA\*  
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AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

\* A Professional Accounting Corporation

## Independent Accountant's Report on Applying Agreed-Upon Procedures

Honorable Richard W. Karam, CLA  
Allen Parish Assessor  
Oberlin, Louisiana

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the Allen Parish Assessor and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Allen Parish Assessor's compliance with certain laws and regulations during the year ended December 31, 2004 included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of Government Auditing Standards. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

### *Public Bid Law*

1. Select all expenditures made during the year for material and supplies exceeding \$20,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

There were no expenditures exceeding the \$20,000 and \$100,000 thresholds during the fiscal year ended December 31, 2004.

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

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

Management provided us with the required list including the noted information.

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

Management provided us with the required list.

183 South Beadle  
Lafayette, LA 70508  
Phone (337) 232-4141  
Fax (337) 232-8660

113 East Bridge Street  
Breaux Bridge, LA 70517  
Phone (337) 332-4020  
Fax (337) 332-2867

133 East Waddil  
Marksville, LA 71351  
Phone (318) 253-9252  
Fax (318) 253-8681

1234 David Drive, Suite 105  
Morgan City, LA 70380  
Phone (985) 384-2020  
Fax (985) 384-3020

408 W. Cotton Street  
Ville Platte, LA 70586  
Phone (337) 363-2792  
Fax (337) 363-3049

332 W. Sixth Avenue  
Oberlin, LA 70655  
Phone (337) 639-4737  
Fax (337) 639-4568

200 South Main Street  
Abbeville, LA 70510  
Phone (337) 893-7944  
Fax (337) 893-7946

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

None of the employees included on the list of employees provided by management [agreed-upon procedure (3)] appeared on the list provided by management in agreed-upon procedure (2).

#### *Budgeting*

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

Management provided us with the required list.

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

The budget was adopted in accordance with the Local Government Budget Act.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceed budgeted amounts by 5% or more.

The budget was in compliance with the Local Government Budget Act.

#### *Accounting and Reporting*

8. Randomly select 6 disbursements made during the period under examination and:
  - (a) trace payments to supporting documentation as to proper amount and payee;

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

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

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

- (c) determine whether payments received approval from proper authorities.

No exceptions were noted.

#### *Meetings*

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

This procedure was not applicable.

*Debt*

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

The Assessor borrowed \$100,000 on anticipation of collection of property taxes, but the debt was paid back within ninety days.

*Advances and Bonuses*

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

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

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

This report is intended solely for the use of the Allen Parish Assessor and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Oberlin, Louisiana  
June 7, 2005

LOUISIANA ATTESTATION QUESTIONNAIRE  
(For Attestation Engagements of Government)

Kolda, Slav. Chinyane 10/1/04 (Date Transmitted)

Lafayette La 70501 (Auditors)

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

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

**Public Bid Law**

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

Yes [] No [ ]

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

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

Yes [  ] No [ ]

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

Yes [] No [ ]

**Budgeting**

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

Yes [] No [ ]

**Accounting and Reporting**

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

Yes [] No [ ]

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

Yes [] No [ ]

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.  
Yes [] No [ ]

**Meetings**

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.  
Yes [] No [ ]

**Debt**

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.  
Yes [] No [ ]

**Advances and Bonuses**

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.  
Yes [] No [ ]

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

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

<u>Richard Tootie" Kara</u>	ASSESSOR Secretary	<u>10-1-04</u>	Date
<u>Buzz Anderson</u>	Treasurer	<u>10/1/04</u>	Date
_____	President	_____	Date