

**GRANT PARISH ASSESSOR**  
**ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**

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 7/14/10

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RETIRED - 2005

May 13, 2010

### Independent Accountants' Report

The Honorable. H. Walker Wright  
Grant Parish Assessor

We have reviewed the accompanying basic financial statements of the governmental activities and each major fund of the Grant Parish Assessor, as of and for the year ended December 31, 2009, 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 management of the Grant Parish Assessor's Office.

A review consists principally of inquiries of 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 an opinion.

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

Our review was made for the purpose of expressing limited assurance that there are no material modifications that should be made to the basic financial statements in order to conform with generally accepted accounting principles. The management's discussion and analysis and budgetary comparison information listed in the accompanying table of contents are not a required part of the financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the required supplemental information, without audit our review. Accordingly, we do not express any opinion or any other form of assurance on the supplementary information.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, we have issued a report dated May 13, 2010, on the results of our agreed-upon procedures.

  
ROZIER, HARRINGTON & MCKAY  
Certified Public Accountants

-Members-

American Institute of Certified Public Accountants • Society of Louisiana CPAs

# **GRANT PARISH ASSESSOR**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**December 31, 2009**

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This section of annual financial report presents our discussion and analysis of the Grant Parish Assessor's financial performance during the fiscal year ended December 31, 2008.

### **OVERVIEW OF FINANCIAL STATEMENTS**

The basic financial statements include government-wide financial statements and fund financial statements. These two types of financial statements present the Assessor's Office's financial position and results of operations from differing perspectives which are described as follows:

#### **Government –Wide Financial Statements**

The government-wide financial statements report information about the Assessor's Office as a whole using accounting methods similar to those used by private-sector companies. These report all revenues and expenses regardless of when cash is received or paid. Furthermore, the government-wide statements include all of the Office's assets and all of its liabilities. All of the Office's activities are classified as governmental activities in the government-wide financial statements. The governmental activities are financed primarily by property taxes and related revenue sharing.

#### **Fund Financial Statements**

Fund financial statements provide detailed information regarding the Office's most significant activities and are not intended to provide information for the Office as a whole. Funds are accounting devices that are used to account for specific sources of funds. All of the Office's funds are limited to its general fund, which is classified as a Governmental Funds. This fund is used to account for essentially the same functions that are reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, the governmental fund uses a modified accrual basis of accounting that provides a short-term view of the Office's finances. Assets reported by the governmental fund are limited to amounts that are available for current needs. In addition, liabilities are limited to amounts that are expected to be paid from currently available assets.

### **FINANCIAL ANALYSIS OF THE ASSESSOR'S OFFICE AS A WHOLE**

An analysis of the government-wide Statement of Net Assets is presented as follows:

	<u>December 31,</u>	
	<u>2009</u>	<u>2008</u>
<b><u>Assets:</u></b>		
Cash	\$ 107,766	\$ 118,067
Receivables	257,703	270,649
Depreciable Capital Assets, Net	21,045	25,268
<b>Total Assets</b>	<b>\$ 386,514</b>	<b>\$ 413,984</b>
<b><u>Liabilities:</u></b>		
Accounts Payable	3,101	---
Payroll Liabilities	653	3,058
Net Other Post Employment Benefits	65,370	---
<b>Total Liabilities</b>	<b>\$ 69,124</b>	<b>\$ 3,058</b>

# **GRANT PARISH ASSESSOR**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**December 31, 2009**

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	December 31,	
	2009	2008
<b>Net Assets:</b>		
Unrestricted	296,345	385,658
Invested in Capital Assets	21,045	25,268
<b>Total Net Assets</b>	<b>\$ 317,390</b>	<b>\$ 410,926</b>

As the presentation appearing above demonstrates, with the exception of \$21,045 invested in capital assets, the net assets of the Assessor's Office are unrestricted and may be used to meet the Assessor's Office's ongoing obligations.

A comparative analysis of the government-wide Statement of Activities is presented as follows:

	For the Year Ended December 31,	
	2009	2008
<b>Revenues:</b>		
Program Revenue:		
Charges for Services	\$ 3,882	\$ 5,271
Capital Grants and Contributions	3,100	19,455
General Revenue:		
Ad Valorem Taxes	294,501	283,198
State Revenue Sharing	31,663	33,235
Interest	2,761	9,346
<b>Total Revenue</b>	<b>335,907</b>	<b>350,505</b>
<b>Program Expenses:</b>		
General Government	429,442	386,541
Change in Net Assets	(93,535)	(36,036)
Net Assets Beginning	410,925	446,962
<b>Net Assets Ending</b>	<b>\$ 317,390</b>	<b>\$ 410,926</b>

A portion of the decrease in net assets amounting to \$65,370 is due to new accounting standards that require the Office's obligation to provide benefits to retirees to be reported as a liability. The remaining decrease is attributable consuming a portion of the Office's reserves. Despite incurring expenses in excess of current revenue, the Office continues to have a substantial amount of net assets. Furthermore, financial trends that have resulted in excess expenses are expected to reverse in the succeeding year.

### **FINANCIAL ANALYSIS OF THE ASSESSOR'S OFFICE'S FUNDS**

For the year ended December 31, 2009, differences between the government-wide presentation and the fund financial statements were limited to depreciation associated with capital assets and reporting the obligation to provide post retirement benefits.

# **GRANT PARISH ASSESSOR**

## ***MANAGEMENT'S DISCUSSION AND ANALYSIS***

***December 31, 2009***

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### **BUDGET HIGHLIGHTS**

For the year ended December 31, 2009, no budget amendments were necessary.

### **CAPITAL ASSET ADMINISTRATION**

For the year ended December, 31, 2009, capital asset activity was limited to the acquisition of new office computers and a new digital camera and scanner used in the assessment process.

### **DEBT ADMINISTRATION**

For the year ended December 31, 2009, there was no debt activity and no debts are outstanding at year end. Long-term liabilities are limited to the obligation to provide benefits to retirees.

### **FACTORS EXPECTED TO EFFECT FUTURE OPERATIONS**

At the present time, no known issues are expected to have a significant impact on future operations.

# **Grant Parish Assessor**

## **Statement of Net Assets**

**December 31, 2009**

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	<u>Governmental Activities</u>
<b><u>ASSETS</u></b>	
Cash and Cash Equivalents	\$ 107,766
Accounts Receivable	257,703
Depreciable Capital Assets	<u>21,045</u>
<b>Total assets</b>	<u>386,514</u>
<b><u>LIABILITIES</u></b>	
Accounts Payable	3,101
Payroll Liabilities	653
Net Other Post Employment Benefits	<u>65,370</u>
<b>Total liabilities</b>	<u>69,124</u>
<b><u>NET ASSETS</u></b>	
Unrestricted	296,345
Invested in Capital Assets	<u>21,045</u>
<b>Total net assets (deficit)</b>	<u>\$ 317,390</u>

See accompanying notes and accountants' report

# **Grant Parish Assessor**

## ***Statement of Activities*** ***Year Ended December 31, 2009***

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	<u>Governmental Activities</u>
Expenses:	
General Government	
Payroll & Related Benefits	\$ 397,319
Operating Services	23,009
Travel and Other	960
Depreciation	<u>8,154</u>
Total Expenses	<u>429,442</u>
Program Revenues:	
Charges for Services	3,882
Capital Grants and Contributions	<u>3,100</u>
Total Program Revenues	<u>6,982</u>
Net Expenses - Governmental Activities	<u>(422,460)</u>
General Revenues:	
Ad Valorem Taxes	294,501
State Revenue Sharing	31,663
Interest	<u>2,761</u>
Total General Revenues	<u>328,925</u>
Change in Net Assets	(93,535)
Net Assets - Beginning	<u>410,925</u>
Net Assets - Ending	<u>\$ 317,390</u>

See accompanying notes and accountants' report

# **Grant Parish Assessor**

## **Balance Sheet**

### **Governmental Funds**

**Year Ended December 31, 2009**

	<b>General Fund</b>
<b><u>Assets</u></b>	
Cash and Cash Equivalents	\$ 107,766
Accounts Receivables	<u>257,703</u>
<b>Total Assets</b>	<b><u>365,469</u></b>
<b><u>Liabilities and Fund Balance</u></b>	
<b>Liabilities</b>	
Accounts Payable	3,101
Payroll Liabilities	<u>653</u>
<b>Total Liabilities</b>	<b><u>3,754</u></b>
<b>Fund Balance</b>	
Unreserved	<u>361,715</u>
<b>Total Liabilities and Fund Balance</b>	<b><u>\$ 365,469</u></b>

Fund Balance	\$ 361,715
Long-term liabilities are not due and payable in the current period and therefore they are not reported in the Governmental Fund Balance Sheet	(65,370)
Amounts reported for governmental activities in the statement of net assets are different because capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	<u>21,045</u>
<b>Net Assets of Governmental Activities</b>	<b><u>\$ 317,390</u></b>

See accompanying notes and accountants report

## **Grant Parish Assessor**

### **Statement of Revenue, Expenditures and Changes in Fund Balance Governmental Funds Year Ended December 31, 2009**

	<b>General Fund</b>
<b>Revenues:</b>	
Ad Valorem Taxes	\$ 294,501
State Revenue Sharing	31,663
Interest	2,761
Other	6,982
<b>Total revenues</b>	<b>335,907</b>
<b>Expenditures:</b>	
General Government	
Payroll & Related Benefits	331,949
Operating Services	23,009
Travel and Other	960
Capital Outlay	3,932
<b>Total expenditures</b>	<b>359,850</b>
<b>Change in Fund Balance</b>	<b>(23,943)</b>
<b>Fund balance - beginning of year</b>	<b>385,658</b>
<b>Fund balance - end of year</b>	<b>\$ 361,715</b>

Net change in fund balances of Governmental Funds	\$ (23,943)
Some transactions reported in the statement of activities do not require the use of current financial resources. Accordingly, a timing difference exist between when transaction affect the governmental funds and government-wide activities.	(65,370)
Amounts reported for governmental activities in the statement of activities are different because governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.	(4,222)
Change in net assets of governmental activities	\$ (93,535)

See accompanying notes and accountants' report

# **GRANT PARISH ASSESSOR**

## **NOTES TO FINANCIAL STATEMENTS**

**December 31, 2009**

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### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Assessor is elected by the voters of Grant Parish and serves a four year term. The Assessor's Office assesses real and movable property in the parish based on conditions that exist at January 1<sup>st</sup> of each year. The Assessor's Office prepares its financial statements in accordance with standards established by the Governmental Accounting Standards Board (GASB).

#### **Reporting Entity**

The assessor is an independently elected official; however, the assessor is fiscally dependent on the Grant Parish Police Jury. The police jury maintains and operates the parish courthouse in which the assessor's office is located. In addition, the police jury's general purpose financial statements would be incomplete or misleading without inclusion of the assessor. For these reasons, the assessor was determined to be a component unit of the Grant 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 that governmental unit, or the other governmental units that compromise the financial reporting entity.

#### **Basic Financial Statements**

The basic financial statements include both government-wide and fund financial statements. Both government-wide and fund financial statements categorize all of the Office's operations as governmental activities. Governmental activities involve government services that are normally supported by taxes and intergovernmental revenues.

The government-wide and fund financial statements present the Office's financial position and results of operations from differing perspectives which are described as follows:

#### **Government-Wide Financial Statements**

The Statement of Net Assets and the Statement of Activities display information about the Office as a whole. The effect of most interfund activity is eliminated from these financial statements. Furthermore, government-wide financial statements exclude any fiduciary activities which are reported in the fund financial statements.

Program revenues reported in the Statement of Activities consist of amounts that are directly associated with a governmental service. Program revenues include charges for services, and any grants.

#### **Fund Financial Statements**

Funds are separate accounting entities that are designed to assist with demonstrating legal compliance and segregating transactions by activity. Major individual funds are

# **GRANT PARISH ASSESSOR**

## **NOTES TO FINANCIAL STATEMENTS**

***December 31, 2009***

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reported as separate columns in the fund financial statements. The Office's major funds are described as follows:

- General Fund – This fund is the primary operating fund of the Office is used to account for all resources.

### **Basis of Accounting and Measurement Focus**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The basis of accounting and measurement focus used for various financial statement presentations are described as follows:

<u>Financial Statement Presentation</u>	<u>Basis of Accounting</u>	<u>Measurement Focus</u>
Government-Wide Financial Statements	Accrual Basis	Economic Resources
Fund Financial Statements	Modified Accrual Basis	Current Financial Resources

Under the accrual basis of accounting and the economic resources measurement focus, revenues are recorded when earned and expenses are recorded when a liability is incurred.

Under the modified accrual basis of accounting and the current financial resources measurement focus revenue is recognized when it is considered measurable and available. Revenue is considered available if it is collected within 60 days of year end. In addition, expenses are generally recorded when a liability has been incurred. Furthermore, when the current financial resources measure focus is used, amounts recorded as assets exclude capital assets and the acquisition of capital assets is treated as an expenditure. In addition, any long-term debts are excluded from amounts reported as liabilities. Proceeds from issuing long-term debt is reported as an other financing source and repayment of long-term debt is reported as an expenditure.

### **Use of Estimates**

The preparation of financial statement 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.

### **Budget Practices**

As an independently elected official, the Assessor is solely responsible for adopting annual budgets for the general fund. Budgets present revenue and expenditures on a basis which is consistent with generally accepted accounting principles.

### **Capital Assets**

Capital assets include significant acquisitions of equipment that are expected to remain in service for a period of years. Capital assets are reported in the government-wide financial statements but are excluded from the fund financial statements. Instead, the funds report the acquisition of capital assets as expenditures rather than asset acquisitions.

# **GRANT PARISH ASSESSOR**

## **NOTES TO FINANCIAL STATEMENTS**

**December 31, 2009**

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All capital assets are reported at historical cost less accumulated depreciation. Depreciated is computed using the straight-line method and estimated useful lives that are based on the expected durability of the particular asset. A useful life of five years is typically used.

### **Cash**

Amounts reported as cash and cash equivalents (restricted and unrestricted) include all cash on hand, cash in bank accounts, certificates of deposit and highly liquid investments. The Assessor's Office has not formally adopted deposit and investment policies that address specific types of risk to which the office is exposed. In general, the Office manages risk as follows:

- Credit and custodial risk is limited by investing in FDIC insured instruments and requiring a pledge of investment securities to protect deposits in excess of FDIC limits.
- Interest rate risk is minimized by limiting the maturity duration associated with deposits.

### **NOTE 2 - CASH**

Deposits are stated at cost, which approximates 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 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.

At December 31, 2009, the Assessor's Office has \$113,241 in deposits (collected bank balance). These deposits are fully secured by FDIC insurance coverage.

### **NOTE 3 - RECEIVABLES**

Receivables at December 31, 2009, consisted entirely of amounts due from governmental sources, which are described as follows:

	<u>Ad Valorem Taxes</u>	<u>Miscellaneous</u>	<u>Total</u>
Grant Parish Sheriff's Office	\$ 253,284	\$ ---	\$ 253,284
Grant Parish Police Jury		3,100	3,100
Retired Employees	---	1,319	1,319
Total	\$ 253,284	\$ 4,419	\$ 257,703

### **NOTE 4 - CAPITAL ASSETS**

A summary of the Office's capital assets is provided as follows:

# **GRANT PARISH ASSESSOR**

## **NOTES TO FINANCIAL STATEMENTS**

**December 31, 2009**

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	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
<u>Capital Assets Being Depreciated:</u>				
Furniture, Fixtures and Equipment	\$ 185,942	\$ 3,931	\$ ----	\$ 189,873
Less Accumulated Depreciation	160,674	8,154	----	168,828
Total Net of Depreciation	\$ 25,268	\$ (4,223)	\$ ----	\$ 21,045

### **NOTE 5 - RISK MANAGEMENT**

The Office is exposed to various risks of loss related to torts; theft, damage or destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The Office insures against these risks by participating in a public entity risk pool that operates as a common insurance program and by purchasing commercial insurance. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

### **NOTE 6 - PENSION PLAN**

Substantially all employees of the Office are members of the Louisiana Assessors' Retirement System (System), a cost-sharing, multiple-employer defined benefit pension 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 and 1/3% of their final-average salary for each year of credited service, not to exceed 100% 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, or by calling (225) 928-8886.

Plan members are required by state statute to contribute 8.0% of their annual covered salary and the Office is required to contribute at an actuarially determined rate. Contributions to the System also include one-fourth of 1% (1% for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each parish, plus revenue sharing funds appropriated by the legislature. The contribution

# **GRANT PARISH ASSESSOR**

## **NOTES TO FINANCIAL STATEMENTS**

***December 31, 2009***

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requirements of plan members and the Office are established and may be amended by state statute. As provided by R.S. 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 Office's contributions to the System for the years ending December 31, 2007, 2008 and 2009, were \$36,484, \$39,061 and \$41,242 respectively, equal to the required contributions for each year.

### **NOTE 7 - AD VALOREM TAXES**

The Assessor serves as the ex officio chief executive officer of a special taxing district known as an assessment district. The assessment district encompasses all of Grant Parish and is authorized by State law to levy a tax on the assessed valuation of all taxable property appearing on the tax rolls. Proceeds of the tax levy are used exclusively to fund the operation of the Assessor's Office and the amount levied is governed by statute. For the year ended December 31, 2009, the Assessment District was authorized to levy 7.87 mills.

Property taxes are assessed on a calendar year basis and are due on or before December 31 in the year the tax is levied. Revenues from property taxes are recognized as revenue in the year billed.

### **NOTE 8 - OTHER POST EMPLOYMENT BENEFITS**

Details regarding other post employment benefits that the Assessor's Office provides for its workforce are provided as follows:

#### **Plan Description**

The Assessor's Office's established policies and procedures include providing certain healthcare benefits for retirees. This policy amounts to a single-employer defined benefit healthcare plan (the Plan) administered by the Assessor's Office. The Plan provides medical benefits through the Assessor's Office's group health insurance plan which covers both active and retired members. Benefits under the plan are made available to employees upon eligibility to receive retirement benefits from the Louisiana Assessors' Retirement System. The Plan does not issue a publicly available financial report.

Employees are eligible to elect medical coverage upon retiring. Eligibility for medical coverage is summarized as follows:

- 55 years old and 12 years of service
- 30 years of service at any age

Employees do not contribute to their post employment benefits costs until they become retirees and begin receiving those benefits. Until January 1, 2009, the Assessor's Office recognized the cost of providing post-employment medical benefits (the Assessor's Office's portion of the retiree medical benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. For the year ended December 31, 2009, the

# **GRANT PARISH ASSESSOR**

## **NOTES TO FINANCIAL STATEMENTS**

**December 31, 2009**

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Assessor's Office's portion of health care funding cost for retired employees totaled approximately \$12,660.

Effective with the Fiscal Year beginning January 1, 2009, the Assessor's Office implemented Government Accounting Standards for Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions. The provisions have been implemented on a prospective basis.

### **Annual Required Contribution**

The Assessor's Office's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with Governmental Accounting Standards Board (GASB) Pronouncements. The Annual Required Contribution (ARC) is the sum of the Normal Cost plus the contribution to amortize the Actuarial Accrued Liability (AAL). A level dollar, closed amortization period of 30 years (the maximum amortization period allowed) has been used for the post-employment benefits. The total ARC for the fiscal year beginning January 1, 2009 is \$1,203,565, as set forth below:

Normal Cost	\$ 38,320
<u>30-year UAL amortization amount</u>	<u>39,710</u>
<u>Annual required contribution (ARC)</u>	<u>\$ 78,030</u>

### **Net Post Employment Benefit Obligation (Asset)**

The table below shows the Assessor's Office's Net Other Post-employment Benefit (OPEB) Obligation (Asset) for fiscal year ending December 31, 2009:

Annual required contribution	\$ 78,030
Interest on Net OPEB Obligation	---
<u>ARC Adjustment</u>	<u>---</u>
OPEB Cost	78,030
<u>Current year retiree premium</u>	<u>(12,660)</u>
Change in Net OPEB Obligation	65,370
<u>Beginning Net OPEB Obligation</u>	<u>---</u>
<u>Ending Net OPEB Obligation</u>	<u>\$ 65,370</u>

The following table shows the Assessor's Office's annual post employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded post employment benefits (PEB) liability (asset):

# **GRANT PARISH ASSESSOR**

## **NOTES TO FINANCIAL STATEMENTS**

**December 31, 2009**

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<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual Cost Contributed</u>	<u>Net OPEB Obligation (Asset)</u>
December 31, 2009	\$ 78,030	16.22%	\$ 65,370

### **Funded Status and Funding Progress**

In the fiscal year ending December 31, 2009, the Assessor's Office made no contributions to its post employment benefits plan. The plan was not funded at all, has no assets, and hence has a funded ratio of zero. As of January 1, 2009, the first and most recent actuarial valuation, the Actuarial Accrued Liability (AAL) was \$686,677, which is defined as that portion, as determined by a particular actuarial cost method (the Assessor's Office uses the Unit Credit Actuarial Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost. Since the plan was not funded in fiscal year 2008, the entire actuarial accrued liability of \$686,677 was unfunded.

Actuarial Accrued Liability (AAL)	\$ 686,677
Actuarial Value of Plan Assets	---
<hr/>	
Unfunded Act. Accrued Liability (UAAL)	\$ 686,677
Funded Ratio	0%
<hr/>	
Covered Payroll (active plan members)	\$ 219,418
UAAL as a percentage of covered payroll	313.0%

### **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 assumption); 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 Assessor's Office and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the Assessor's Office and its plan members to that point. 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 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

# **GRANT PARISH ASSESSOR**

## **NOTES TO FINANCIAL STATEMENTS**

**December 31, 2009**

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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 Unit Credit Actuarial 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**

The plan has not been funding accordingly there are no plan assets.

### **Turnover Rate**

Actuarial assumptions include projected turnover rates that include turnover resulting from withdrawal or disability. Disability rates for males and females range from 0.006% to 0.195% depending on age. Assumed withdrawal rates are summarized below:

Years of Service	Withdrawal Rates	
	Males	Females
0 - 1	12.0%	12.0%
2 - 6	5.0%	5.0%
7 - 8	4.0%	4.0%
9 - 12	3.0%	3.0%
13 - 14	2.0%	2.0%
15 & Up	1.0%	1.0%

### **Post employment Benefit Plan Eligibility Requirements**

Eligibility for benefits begins at retirement and entitlement to benefits continues through to death.

### **Investment Return Assumption (Discount Rate)**

Generally Accepted Accounting Principles state that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC will not be funded, a 4% annual discount rate has been used in this valuation based on anticipated returns from short-term investment pools.

### **Health Care Cost Trend Rate**

The expected rate of increase in medical cost is initially assumed to be 6.5% and is graduated downward until it eventually reaches 4.5%.

# **GRANT PARISH ASSESSOR**

## **NOTES TO FINANCIAL STATEMENTS**

**December 31, 2009**

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### **Mortality Rate**

The expected rate of mortality is based on published tables described as follows:

- Male – RP 2000 system table with floating Scale AA projections for males.
- Female – RP 2000 system table with floating Scale AA projections for females.

## **Grant Parish Assessor**

### **Statement of Revenues, Expenditures and Changes in Fund Balances Budget and Actual Year Ended December 31, 2009**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues:</u></b>				
Ad Valorem Taxes	\$ 290,000	\$ 290,000	\$ 294,501	\$ 4,501
State Revenue Sharing	30,000	30,000	31,663	1,663
Interest	3,000	3,000	2,761	(239)
Other	3,000	3,000	6,982	3,982
<b>Total revenues</b>	<u>326,000</u>	<u>326,000</u>	<u>335,907</u>	<u>9,907</u>
<b><u>Expenditures:</u></b>				
General Government				
Payroll & Related Benefits	340,000	340,000	331,949	8,051
Operating Services	21,000	21,000	23,009	(2,009)
Materials & Supplies	500	500	-	500
Travel and Other	1,500	1,500	960	540
Capital Outlay	<u>2,000</u>	<u>2,000</u>	<u>3,932</u>	<u>(1,932)</u>
<b>Total expenditures</b>	<u>365,000</u>	<u>365,000</u>	<u>359,850</u>	<u>5,150</u>
<b>Net Change in Fund Balances</b>	(39,000)	(39,000)	(23,943)	15,057
<b>Fund balance - beginning of year</b>	<u>385,658</u>	<u>385,658</u>	<u>385,658</u>	<u>-</u>
<b>Fund balance - end of year</b>	<u>\$ 346,658</u>	<u>\$ 346,658</u>	<u>\$ 361,715</u>	<u>\$ 15,057</u>

**See accompanying accountants' report**

**Grant Parish Assessor**

**Schedule of Funding Progress**  
**Retiree Healthcare Plan**

	<b>Actuarial Valuation Date January 1, 2009</b>
Actuarial Value of Assets	\$ -
Actuarial Accrued Liability	\$ 686,677
Unfunded Actuarial Accrued Liability	\$ 686,677
Funded Ratio	0.00%
Covered Payroll	\$ 219,418
Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll	313.0%

**Supplemental Disclosures:**

At December 31, 2009, management was not aware of any factors expected to significantly affect the identification of trends in the amounts reported

# ROZIER, HARRINGTON & MCKAY

## CERTIFIED PUBLIC ACCOUNTANTS

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M. DALE HARRINGTON, CPA  
RETIRED - 2005

May 13, 2010

### INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

The Honorable H. Walker Wright  
Grant Parish Assessor

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of the Grant Parish Assessor and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Grant Parish Assessor's compliance with certain laws and regulations during the year ended December 31, 2008, included in the *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

#### PUBLIC BID LAW:

1. Select all expenditures made during the year for material and supplies exceeding \$7,500, 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).

*During the year, there were no expenditures meeting the scope of the public bid law.*

#### CODE OF ETHICS FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES

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

-Members-

American Institute of Certified Public Accountants • Society of Louisiana, CPAs

**Grant Parish Assessor**  
**May 13, 2010**

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*Management provided us with all payroll records.*

4. Determine whether any of those employees included in the records 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 in agreed-upon procedure (3) appeared on the reports 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 a copy of the budget.*

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

**Not Applicable:**

*The Grant Parish Assessor is an independently elected official; therefore, no meetings or minutes are necessary to adopt the budget.*

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

*We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Unfavorable variances did not exceed five percent (5%).*

**ACCOUNTING AND REPORTING**

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

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

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

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

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

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

**Grant Parish Assessor**  
**May 13, 2010**

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*Inspection of documentation supporting each of the six selected disbursements indicated that each check was signed by the proper official or other form of approval.*

**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).

Not Applicable:

*The Grant Parish Assessor is an independently elected official; therefore, no meetings are required.*

**DEBT**

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

*We inspected the cash receipts journal for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.*

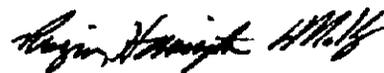
**ADVANCES AND BONUSES**

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advance, 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 management of the Grant 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. However, this report is a matter of public record and its distribution is not limited.



ROZIER, HARRINGTON & MCKAY  
CERTIFIED PUBLIC ACCOUNTANTS

# **GRANT PARISH ASSESSOR**

## **MANAGEMENT'S CORRECTIVE ACTION PLAN**

***For the Year Ended December 31, 2009***

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<b><u>SECTION I</u></b> <b>REVIEW REPORT</b>	
No findings of this nature were reported	Response – N/A
<b><u>SECTION II</u></b> <b>ATTESTATION REPORT</b>	
No findings of this nature were reported	Response – N/A
<b><u>SECTION III</u></b> <b>MANAGEMENT LETTER</b>	
No management letter was issued with this report.	Response – N/A

# **GRANT PARISH ASSESSOR**

## ***SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COST For the Year Ended December 31, 2009***

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<b><u>SECTION I</u></b> <b>REVIEW REPORT</b>	
No findings of this nature were reported	Response – N/A
<b><u>SECTION II</u></b> <b>ATTESTATION REPORT</b>	
No findings of this nature were reported	Response – N/A
<b><u>SECTION III</u></b> <b>MANAGEMENT LETTER</b>	
No management letter was issued with the previous report.	Response – N/A

LOUISIANA ATTESTATION QUESTIONNAIRE  
FOR THE YEAR ENDED DECEMBER 31, 2009

**LOUISIANA ATTESTATION QUESTIONNAIRE  
(For Attestation Engagements of Government)**

5-6-2010 (Date Transmitted)

Rozier, Harrington & McKay  
Post Office Box 12178  
Alexandria, Louisiana 71315

In connection with your compilation of our financial statements as of December 31, 2009 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 the date transmitted as presented above.

**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 38:1410.60-1410.65.

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.

Walker Wright Assessor 5/6/2010 Date