

Belinda Hazel

PLAQUEMINES PARISH ASSESSOR

P.O. BOX 7129 • BELLE CHASSE LA 70037-7129 • (504) 934-6570

December 1, 2021

Honorable Belinda Hazel
Plaquemines Parish Assessor
106 Avenue G
Belle Chasse, Louisiana 70037

RE: Budget Message for the Proposed Budget
For the Fiscal Year January 1, 2022 – December 31, 2022

Dear Assessor, Belinda Hazel,

In accordance with LA RS: 39:1305, I submit to you the Budget Message for the Proposed Budget for the Fiscal Year of January 1, 2022 through December 31, 2022. The official budget has been prepared in accordance with Louisiana Revised Statutes 39:1301, et seq. The enclosed presentation details the financial plan, policies, objectives, assumptions, budgetary basis and a discussion of the most important features.

An important undertaking of the accounting function is to safeguard the assets of the Assessor's Office through proper accounting procedures and good internal controls. During the fiscal year ending December 31, 2021, the recording of financial transactions of the General Fund was moved from the Sage computerized system to Quickbooks software to properly manage the financial data of the Assessor's office.

Louisiana Revised Statutes require all political subdivisions and local governmental agencies to adopt operating budgets for their general funds and their special revenue funds. Each agency is required to adopt a proposed budget prior to the beginning of their fiscal year. The Plaquemines Parish Assessor's Office adopts a proposed budget at a public hearing in December of each year.

The attached proposed Fiscal Year 2022 Operating Budget for the General Fund shows a beginning fund balance of \$2,334,550, revenues of \$899,961 and expenditures of \$1,019,711. The result is a projected budgeted deficit of \$119,750 and a projected ending fund balance of \$2,214,800

2021- 2022 BUDGET MESSAGE CONTINUED

This is a decrease of \$313,281 in revenues from the previous fiscal year amended budget, and a decrease increase of expenditures of \$196,930, when compared to the previous fiscal year amended budget.

In projecting the anticipated revenues for the up-coming fiscal year, we have taken into consideration the following factors: (1) the projected collections of ad valorem taxes (2) a decline in revenue is projected due to the decline in the recent ad valorem tax assessment (3) a decline in pro rata reimbursement in 2022 as the Assessor will not use the services of the valuation consultant in the upcoming fiscal year.

In projecting our anticipated expenditures, we have taken into consideration the following factors: (1) a change in salaries and benefits due to a decrease in retirement benefit cost and an increase in health insurance in benefit cost; (2) an overall expected increase in operating costs due to the economic impact of the COVID-19 (Coronavirus) virus, inflation and the current economic environment.

2021-2022 ANTICIPATED REVENUES

The majority of the General Fund revenues come from ad valorem assessment and fees for copies. A synopsis of the anticipated revenues are shown below:

	Original Annual Budget - 2021	Amended Budget - 2021	Proposed 2022 Budget	\$ Increase / (Decrease) from prior	% Increase / (Decrease)
Revenue:					
Advalorem	\$ 1,050,000	\$ 961,000	\$ 893,392	\$ (67,608)	-7.0%
Intergovernmental					
Parish reimbursements	246,000	245,075	-	(245,075)	-100.0%
State revenue sharing	6,700	4,104	4,069	(35)	-0.9%
Self-generated fees	-	563	500	(63)	-11.2%
Interest income	2,500	2,500	2,000	(500)	-20.0%
Total Revenue	<u>\$ 1,305,200</u>	<u>\$ 1,213,242</u>	<u>\$ 899,961</u>	<u>\$ (313,281)</u>	<u>-25.8%</u>

2021- 2022 BUDGET MESSAGE CONTINUED

2021 - 2022 ANTICIPATED EXPENDITURES

As stated above, the General Fund expenditures are expected to decrease by \$196,960 from the previous year's amended budget. A synopsis of each expenditure by category is shown below:

	Original Annual Budget - 2021	Amended Budget - 2021	Proposed 2022 Budget	\$ Increase / (Decrease) from prior year amended budget	% Increase / (Decrease) from prior year amended budget
Expenditures:					
Personel Services	\$ 843,500	\$ 837,950	\$ 837,796	\$ (154)	0.0%
Operating Services	439,660	356,310	164,515	(191,795)	-53.8%
Materials & Supplies	16,500	14,100	12,400	(1,700)	-12.1%
Capital Outlay	250	8,281	5,000	(3,281)	-39.6%
Total Expenditures	<u>\$ 1,299,910</u>	<u>\$ 1,216,641</u>	<u>\$ 1,019,711</u>	<u>\$ (196,930)</u>	<u>-16.2%</u>

Formal budgetary accounting is employed as a management control device during the year. Expenditures may not exceed budgetary appropriations at the category level. Management is allowed to transfer funds between line items as long as the bottom line of the general fund is not affected. Appropriations which are neither expended nor encumbered lapse at year end.

Budgets are adopted for the General Fund on a basis consistent with generally accepted accounting principles (GAAP), with the exception of: (1) expenditures represented by unpaid invoices received after the year-end budgetary cut-off and which had not been encumbered are recognized when paid; (2) encumbrances are recorded as expenditures. (3) revenues are budgeted when received not earned.

Sincerely,

Jamie G. Rogers, CPA
Accounting Consultant