

## **OTHER FINANCING SOURCES**

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## SALE OF GENERAL FIXED ASSETS

| REVENUE TYPE            | FUND . . OBJECT   |
|-------------------------|---|
| Other Financing Sources | City            001 . . 491001<br>Parish           002 . . 491001 |

### LEGAL AUTHORIZATION

| FEDERAL | STATE | LOCAL  |
|---------|-------|--|
| N/A     | N/A   | Code of Ordinances<br>Title I, § 719<br><br><i>The Plan of Government</i><br>§4.08 |

### INTERPRETATION OF LEGAL AUTHORIZATION:

**Federal:** N/A

**State:** N/A

**Local:** **Section 719 of Title I of the Code of Ordinances** of the City of Baton Rouge and Parish of East Baton Rouge provides for the sale of buildings or immovable property owned by the city and/or parish. **Section 4.08 of *The Plan of Government*** authorizes the purchasing agent to sell materials, supplies, and equipment with the approval of the Mayor-President.

### COLLECTION AND TRANSMITTAL OF FUNDS:

**Collector:** Purchasing Division.

**Transmittal:** Recorded as received by Finance Department–Accounting Division.

### DISTRIBUTION OF PROCEEDS:

Gross revenues are distributed to the fund from which the equipment was purchased. Prior to November 1994, expenses of the sale were recorded first, and only the net proceeds were recognized as revenues.

### PAYOR OF FEE:

Most items are sold at an annual or bi-annual auction. **Any person desiring to purchase a building or tract of land owned by the City-Parish** must first apply to the Planning Commission, which submits its recommendation thereon to the Metropolitan Council, after which the Council may authorize the purchasing agent to advertise for bids. Bids received are submitted to the Metropolitan Council, which then makes a decision on acceptance. No buildings or immovable property belonging to the city or parish may be sold except pursuant to a resolution or ordinance of the Metropolitan Council authorizing the Mayor-President to execute the sale.

**Any person desiring to purchase materials, supplies, or equipment** may obtain a bid package from the purchasing agent and go through the competitive bidding process.

### COMPUTATION OF FEE:

The sale of fixed assets belonging to the city and/or parish is made to the highest responsible bidder who has bid in accordance with the required conditions and procedures. All assets must be advertised prior to being sold.

## MONTHLY COLLECTIONS WITH CUMULATIVE PERCENTAGES FOR THE LAST FOUR YEARS:

| SALE OF GENERAL FIXED ASSETS (CITY) |         |        |         |        | ACCOUNT NUMBER 001 . . 491001 |        |           |        |
|-------------------------------------|---------|--------|---------|--------|-------------------------------|--------|-----------|--------|
| MONTH                               | 2000    |        | 2001    |        | 2002                          |        | 2003      |        |
|                                     | AMOUNT  | %      | AMOUNT  | %      | AMOUNT                        | %      | AMOUNT    | %      |
| January                             | 0       | 0.0%   | 0       | 0.0%   | 0                             | 0.0%   | 48,200    | 4.7%   |
| February                            | 0       | 0.0%   | 0       | 0.0%   | 0                             | 0.0%   | 22,500    | 6.9%   |
| March                               | 4,250   | 1.3%   | 37,000  | 6.7%   | 3,500                         | 1.3%   | 579,175   | 63.0%  |
| April                               | 42,000  | 14.0%  | 74,501  | 20.1%  | 591                           | 1.5%   | 70,000    | 69.8%  |
| May                                 | 0       | 14.0%  | 42,575  | 27.7%  | 100,731                       | 38.8%  | 28,500    | 72.5%  |
| June                                | 30,500  | 23.2%  | 0       | 27.7%  | 0                             | 38.8%  | 7,500     | 73.2%  |
| July                                | 5,000   | 24.7%  | 9,000   | 29.4%  | 3,850                         | 40.3%  | 0         | 73.2%  |
| August                              | 148,400 | 69.4%  | 7,262   | 30.7%  | 18,500                        | 47.1%  | 12,000    | 74.4%  |
| September                           | 0       | 69.4%  | 7,500   | 32.0%  | 0                             | 47.1%  | 13,500    | 75.7%  |
| October                             | 5,500   | 71.1%  | 368,519 | 98.4%  | 64,500                        | 71.0%  | 0         | 75.7%  |
| November                            | 95,760  | 100.0% | 10,000  | 100.2% | 43,250                        | 87.0%  | 250,579   | 100.0% |
| December                            | 0       | 100.0% | (1,062) | 100.0% | 35,000                        | 100.0% | 0         | 100.0% |
| TOTAL                               | 331,410 |        | 555,295 |        | 269,922                       |        | 1,031,954 |        |

| SALE OF GENERAL FIXED ASSETS (PARISH) |         |         |         |         | ACCOUNT NUMBER 002 . . 491001 |         |           |         |
|---------------------------------------|---------|---------|---------|---------|-------------------------------|---------|-----------|---------|
| MONTH                                 | 2000    |         | 2001    |         | 2002                          |         | 2003      |         |
|                                       | AMOUNT  | %       | AMOUNT  | %       | AMOUNT                        | %       | AMOUNT    | %       |
| January                               | 0       | 0.00%   | 0       | 0.00%   | 75                            | 0.72%   | 75        | 0.10%   |
| February                              | 0       | 0.00%   | 0       | 0.00%   | 0                             | 0.72%   | 0         | 0.10%   |
| March                                 | 0       | 0.00%   | 75      | 0.11%   | 0                             | 0.72%   | 8,915     | 11.53%  |
| April                                 | 0       | 0.00%   | 0       | 0.11%   | 5,644                         | 54.90%  | 0         | 11.53%  |
| May                                   | 0       | 0.00%   | 0       | 0.11%   | 3,198                         | 85.60%  | 0         | 11.53%  |
| June                                  | 0       | 0.00%   | 0       | 0.11%   | 0                             | 85.60%  | 75        | 11.62%  |
| July                                  | 0       | 0.00%   | 0       | 0.11%   | 1,200                         | 97.12%  | 0         | 11.62%  |
| August                                | 98,933  | 62.18%  | 60,800  | 90.49%  | 0                             | 97.12%  | 7,123     | 20.75%  |
| September                             | 0       | 62.18%  | 0       | 90.49%  | 0                             | 97.12%  | 0         | 20.75%  |
| October                               | 0       | 62.18%  | 2,940   | 94.86%  | 0                             | 97.12%  | 0         | 20.75%  |
| November                              | 60,173  | 100.00% | 0       | 94.86%  | 0                             | 97.12%  | 3,809     | 25.64%  |
| December                              | 0       | 100.00% | 3,460   | 100.00% | 300                           | 100.00% | 58,000    | 100.00% |
| TOTAL                                 | 159,106 |         | 67,275  |         | 10,417                        |         | 77,997    |         |
| COMB/% Chg                            | 490,516 | -63.69% | 622,570 | 26.92%  | 280,339                       | -54.97% | 1,109,951 | 295.93% |

NOTES: The negative revenue shown in the City revenue account above for December 2001 represents the correction of entries erroneously posted in this account. There was a large increase in 1999 revenues due to the sale of the City Club building in February; this explains the significant decrease in 2000. One auction was held in 2002, which netted \$98,429 for the General Fund. In 2003 two auctions were held; together they netted \$784,384 for the General Fund.

## PROCEEDS FROM SALE OF ADJUDICATED PROPERTY

| REVENUE TYPE            | FUND . . OBJECT                            |
|-------------------------|--|
| Other Financing Sources | Parish                      002 . . 491101 |

### LEGAL AUTHORIZATION

| FEDERAL | STATE   | LOCAL                        |
|---------|---|------------------------------|
| N/A     | Louisiana Revised Statutes<br>33:4720.13<br>33:4720.15<br>Act 48 of the Third Extraordinary<br>Session of the Legislature, 1994 | Resolution<br>36873, 5/22/96 |

### INTERPRETATION OF LEGAL AUTHORIZATION:

**Federal:** N/A

**State:** L.R.S. 33:4720.13 provides that an adjudication of property to a political subdivision for nonpayment of taxes shall be deemed a tax sale. L.R.S. 33:4720.15 authorizes the political subdivision to sell the abandoned property by public or private sale. Act 48 of the Third Extraordinary Session of the 1994 Legislature transfers the responsibility of adjudication of property from the state to the parish where the property is located.

**Local:** Resolution 36873 of May 22, 1996, authorizes City-Parish participation in a local services agreement with other taxing bodies to provide for distribution of proceeds and payment of property taxes, charges, and liens from the proceeds of the sale of adjudicated surplus property.

### COLLECTION AND TRANSMITTAL OF FUNDS:

**Collector:** Parish Attorney--Administration/ Property Section.

**Transmittal:** Transmitted as received to Finance--Accounting.

### DISTRIBUTION OF PROCEEDS:

Not applicable.

### PAYOR OF FEE:

**Every purchaser** of adjudicated property pays the agreed-upon price to the City-Parish. After taxes and lien payments are subtracted from the purchase price, any amount remaining is considered proceeds of the sale.

### COMPUTATION OF FEE:

Property is sold to the highest bidder for a price approved by the Metro Council. **Any amount remaining from the purchase price after taxes are paid and liens satisfied** constitutes the proceeds from the sale.

MONTHLY COLLECTIONS WITH CUMULATIVE PERCENTAGES FOR THE LAST FOUR YEARS:

| PROCEEDS FROM SALE OF ADJUDICATED PROPERTY (PARISH) |        |         |         |         | ACCOUNT NUMBER 002 . . 491101 |         |         |         |
|---|--------|---------|---------|---------|-------------------------------|---------|---------|---------|
| MONTH   | 2000   |         | 2001    |         | 2002                          |         | 2003    |         |
|   | AMOUNT | %       | AMOUNT  | %       | AMOUNT                        | %       | AMOUNT  | %       |
| January   | 252    | 0.37%   | 167     | 0.17%   | 2,976                         | 1.50%   | 5,934   | 3.01%   |
| February  | 4,918  | 7.66%   | 4,423   | 4.58%   | 6,121                         | 4.60%   | 0       | 3.01%   |
| March   | 667    | 8.65%   | 15,433  | 19.98%  | 3,828                         | 6.54%   | 2,367   | 4.21%   |
| April   | 0      | 8.65%   | 43,942  | 63.84%  | 130,243                       | 72.39%  | 33,693  | 21.28%  |
| May   | 2,150  | 11.83%  | 1,846   | 65.68%  | 4,792                         | 74.81%  | 7,557   | 25.11%  |
| June  | 3,172  | 16.53%  | 22,436  | 88.08%  | 10,347                        | 80.05%  | 22,000  | 36.26%  |
| July  | 5,451  | 24.60%  | 2,077   | 90.15%  | 950                           | 80.53%  | 947     | 36.74%  |
| August  | 868    | 25.89%  | 167     | 90.31%  | 10,071                        | 85.62%  | 1,000   | 37.25%  |
| September   | 11,513 | 42.95%  | 0       | 90.31%  | 4,824                         | 88.06%  | 17,916  | 46.33%  |
| October   | 2,297  | 46.35%  | 8,022   | 98.32%  | 10,937                        | 93.59%  | 3,142   | 47.92%  |
| November  | 23,121 | 80.60%  | 0       | 98.32%  | 0                             | 93.59%  | 0       | 47.92%  |
| December  | 13,098 | 100.00% | 1,682   | 100.00% | 12,679                        | 100.00% | 102,771 | 100.00% |
| TOTAL/% Chg   | 67,507 | -64.61% | 100,195 | 48.42%  | 197,768                       | 97.38%  | 197,327 | -0.22%  |

NOTES: The large difference in yearly collections is due to the fact that these revenues fluctuate depending on the properties sold during the year.