ST. TAMMANY PARISH ASSESSOR

Annual Financial Statements

December 31, 2022

LAPORTE
CPAs & BUSINESS ADVISORS

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LAPORTE
CPAs & BUSINESS ADVISORS

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Independent Auditor's Report

To the Honorable Louis Fitzmorris
St. Tammany Parish Assessor

Opinions
We have audited the financial statements of the governmental activities and the major fund of the St. Tammany Parish Assessor (the Assessor), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Assessor's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Assessor as of December 31, 2022, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions
We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Assessor and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Assessor's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Assessor's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Assessor's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis beginning on page 5, the budgetary comparison schedule on page 39, the pension schedules on pages 40 and 41, and the schedule of changes in net OPEB liability and related ratios on page 42, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in the appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Assessor's basic financial statements. The schedule of compensation, benefits, and other payments to agency head is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of compensation, benefits, and other payments to agency head is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*
In accordance with *Government Auditing Standards*, we have also issued our report dated June 1, 2023 on our consideration of the Assessor's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Assessor's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Assessor's internal control over financial reporting and compliance.

LaPorte

A Professional Accounting Corporation

Baton Rouge, LA
June 1, 2023

REQUIRED SUPPLEMENTARY INFORMATION (PART I)
MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis (MD&A) of the St. Tammany Parish Assessor's (the Assessor) financial statements presents a narrative overview and analysis of the Assessor's financial activities for the year ended December 31, 2022. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with the additional information contained in the basic financial statements. The MD&A is an element of the reporting model adopted by the Government Accounting Standards Board (GASB) in its Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, issued June 1999. Certain comparative information between the current year and prior year has been presented in the MD&A.

FINANCIAL HIGHLIGHTS

The minimum requirements for financial reporting on the St. Tammany Parish Assessor's financial statements that were established by GASB No. 34 are divided into the following sections:

(a) Management's Discussion and Analysis

(b) Basic Financial Statements

(c) Required Supplementary Information (Other than MD&A)

(d) Other Supplementary Information

Basic Financial Statements

The basic financial statements present information for the Assessor as a whole, in a format designed to make the statements easier for the reader to understand. The financial statements in this section are divided into the two following types:

(1) Government-wide financial statements, which include a statement of net position and a statement of activities. These statements present information for all activities of the Assessor from an economic resources measurement focus using the accrual basis of accounting and providing both short-term and long-term information about the Assessor's overall financial status.

(2) Fund financial statements, which include a balance sheet and a statement of revenues, expenditures, and changes in fund balance for the General Fund (a governmental fund). These financial statements present information on the individual fund of the Assessor allowing for more detail. The current financial resources measurement focus and the accrual basis of accounting used to prepare these statements are dependent on the fund type. The Assessor's only governmental fund is the General Fund.

FINANCIAL ANALYSIS OF THE ASSESSOR

Condensed Statements of Net Position
As of December 31, 2022 and 2021

	2022	2021
Current Assets	**$ 9,411,299**	$ 8,711,585
Noncurrent Assets	**-**	1,859,300
Capital Assets	**934,782**	741,746
Total Assets	**10,346,081**	11,312,631
Deferred Outflows of Resources	**5,685,778**	3,911,317
Total Deferred Outflows of Resources	**5,685,778**	3,911,317
Current Liabilities	**117,505**	92,476
Noncurrent Liabilities	**7,811,689**	4,854,508
Total Liabilities	**7,929,194**	4,946,984
Deferred Inflows of Resources	**1,491,678**	3,653,358
Total Deferred Inflows of Resources	**1,491,678**	3,653,358
Net Position		
Net Investment in Capital Assets	**934,782**	741,746
Unrestricted	**5,676,205**	5,881,860
Total Net Position	**$ 6,610,987**	$ 6,623,606

The Assessor does not have any "restricted" net position. It does have "unrestricted" net position, which is net position that does not have any limitations on what these amounts may be used for.

Net position of the Assessor decreased by $52,619 from the prior year.

At December 31, 2022, the Assessor's governmental fund reported an ending fund balance of $9,104,724. Compared to the prior year, the fund balance increased by $633,192, due primarily to an increase in ad valorem tax revenue.

Condensed Statements of Activities
For the Years Ended December 31, 2022 and 2021

	2022	2021
Revenues	$ 7,760,872	$ 7,405,666
Expenditures	(7,773,491)	(6,098,425)
Changes in Net Position	**$ (12,619)**	$ 1,307,241

The Assessor's total revenues increased by $355,206, or 5%, which was mostly due to an increase in ad valorem taxes. Total expenditures increased by $1,715,066, due primarily to increases in pension and OPEB expenses.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At December 31, 2022, the Assessor had $934,782 invested in capital assets, including office furniture and equipment and vehicles. This amount represents the total original cost of the capital assets, less accumulated depreciation on those assets. The table below lists capital assets and accumulated depreciation:

Capital Assets
December 31, 2022 and 2021

	2022	2021
Office Furniture and Equipment	$ 1,897,317	$ 1,390,588
Vehicles	152,759	152,759
Construction in Progress	20,375	-
	2,070,451	1,543,347
Less: Accumulated Depreciation	(1,135,669)	(801,601)
Total Capital Assets, Net of Accumulated Depreciation	**$ 934,782**	$ 741,746

Debt Administration

The Assessor had no debt outstanding at year-end.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Assessor considered the following factors and indicators when setting up next year's budget: (1) the consistency of revenues to be received from the collection of ad valorem taxes and state revenue sharing; (2) additional salaries and related costs due to increases in health care, retirement contributions, and other salary-related benefits and costs; and (3) operating expenses of the office incurred in the process of providing services to the public. The Assessor expects that next year's revenues, plus existing available net position carried forward from the previous year, will be sufficient to cover its expenses throughout the year.

CONTACTING THE ASSESSOR

This financial report is designed to provide the citizens, taxpayers, customers, investors, and creditors with a general overview of the Assessor's finances, and to show the Assessor's accountability for the money it receives. If you have any questions about this report or need additional financial information, please contact Mr. Louis Fitzmorris, St. Tammany Parish Assessor, St. Tammany Parish Courthouse, 701 North Columbia Street, Covington, Louisiana 70433, or call the office at 985-809-8180.

BASIC FINANCIAL STATEMENTS
GOVERNMENT-WIDE FINANCIAL STATEMENTS

ST. TAMMANY PARISH ASSESSOR
Statement of Net Position
December 31, 2022

		Governmental Activities
Assets		
Current Assets		
Cash and Cash Equivalents	$	2,361,124
Investments		759,879
Receivables		
Ad Valorem Taxes, Net		6,036,990
State Revenue Sharing		74,263
Other		50,653
Prepaid Expenses		128,390
Total Current Assets		9,411,299
Noncurrent Assets		
Capital Assets, Net of Accumulated Depreciation		934,782
Total Noncurrent Assets		934,782
Total Assets		10,346,081
Deferred Outflows of Resources		
Deferred Outflows on Pension Obligation		4,198,001
Deferred Outflows on Other Postemployment Benefits		1,487,777
Total Deferred Outflows of Resources		5,685,778

The accompanying notes are an integral part of these financial statements.

ST. TAMMANY PARISH ASSESSOR
Statement of Net Position (Continued)
December 31, 2022

	Governmental Activities
Liabilities	
Current Liabilities	
Accounts Payable	56,282
Accrued Payroll	61,223
Total Current Liabilities	117,505
Long-Term Liabilities	
Net Other Postemployment Benefit (OPEB) Liability	3,772,020
Net Pension Liability	3,723,436
Accrued Annual Leave Payable	316,233
Total Long-Term Liabilities	7,811,689
Total Liabilities	7,929,194
Deferred Inflows of Resources	
Deferred Inflows on Pension Obligation	417,639
Deferred Inflows on Other Postemployment Benefits	1,074,039
Total Deferred Inflows of Resources	1,491,678
Net Position	
Net Investment in Capital Assets	934,782
Unrestricted	5,676,205
Total Net Position	$ 6,610,987

The accompanying notes are an integral part of these financial statements.

ST. TAMMANY PARISH ASSESSOR
Statement of Activities
For the Year Ended December 31, 2022

	Governmental Activities
Program Expenses	
General Government	
Salaries and Related Expenses	$ 6,224,799
Professional Services	546,493
Operating Services	587,400
Depreciation Expense	348,452
Education	66,347
Total Program Expenses	7,773,491
Program Revenues	
Operating Grants and Contributions	843,359
Net Program Expense	6,930,132
General Revenues	
Ad Valorem Taxes, Net	6,163,767
Contributions from St. Tammany Parish, Louisiana	500,000
State Revenue Sharing	111,395
Other	60,000
Interest Earnings	82,351
Total General Revenues	6,917,513
Change in Net Position	(12,619)
Net Position, Beginning of Year	6,623,606
Net Position, End of Year	$ 6,610,987

The accompanying notes are an integral part of these financial statements.

BASIC FINANCIAL STATEMENTS
FUND FINANCIAL STATEMENTS
GOVERNMENTAL FUND

ST. TAMMANY PARISH ASSESSOR
Balance Sheet
Governmental Fund
December 31, 2022

	General Fund
Assets	
Cash and Cash Equivalents	$ 2,361,124
Investments - Louisiana Asset Management Pool	759,879
Receivables	
Ad Valorem Taxes, Net	6,036,990
State Revenue Sharing	74,263
Other	50,653
Prepaid Expenses	128,390
Total Assets	$ 9,411,299
Liabilities	
Accounts Payable	$ 56,282
Accrued Payroll	61,223
Total Liabilities	117,505
Deferred Inflows of Resources	
Unavailable Ad Valorem Taxes	189,070
Total Deferred Inflows of Resources	189,070
Fund Balance	
Nonspendable Amounts	
Not in Spendable Form	128,390
Unassigned	8,976,334
Total Fund Balance	9,104,724
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 9,411,299

The accompanying notes are an integral part of these financial statements.

ST. TAMMANY PARISH ASSESSOR
Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Position
December 31, 2022

Total Fund Balance - Governmental Fund	$	9,104,724
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental fund balance sheet. This amount represents capital assets, net of accumulated depreciation.		934,782
Deferred inflows of resources - unavailable ad valorem taxes are not reported on government-wide financial statements.		189,070
The Assessor follows the requirements of GASB Statement No. 68, which provides for the recognition of pension obligations. This includes the recognition of related deferred outflows of resources and deferred inflows of resources.		3,780,362
The Assessor follows the requirements of GASB Statement No. 75, which provides for the recognition of OPEB and related deferred outflows of resources and inflows of resources.		413,738
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. Those liabilities consist of:		
Net Other Postemployment Benefit Obligation (OPEB)		(3,772,020)
Net Pension Liability		(3,723,436)
Accrued Annual Leave Payable		(316,233)
Total Net Position of Governmental Activities	$	6,610,987

The accompanying notes are an integral part of these financial statements.

ST. TAMMANY PARISH ASSESSOR
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Fund
For the Year Ended December 31, 2022

	General Fund
Revenues	
Ad Valorem Taxes, Net	$ 6,122,274
Contributions from St. Tammany Parish, Louisiana	500,000
State Revenue Sharing	111,395
Other	60,000
Interest Earnings	82,351
Total Revenues	6,876,020
Expenditures	
Salaries and Related Expenditures	4,501,100
Operating Services	1,128,888
Professional Services	546,493
Education	66,347
Total Expenditures	6,242,828
Net Change in Fund Balance	633,192
Fund Balance, Beginning of Year	8,471,532
Fund Balance, End of Year	$ 9,104,724

The accompanying notes are an integral part of these financial statements.

ST. TAMMANY PARISH ASSESSOR
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, 2022

Net Change in Fund Balance - Total Governmental Fund	$	633,192
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 their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.		193,036
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds:		
Change in Unavailable Ad Valorem Taxes		41,493
Contributions Made to the Retirement Plan by Other Governments		843,359
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental fund:		
Accrued Annual Leave Payable		(41,999)
Change in the Net Pension Liability and Related Deferred Amounts		(1,290,277)
Change in the Other Postemployment Benefit (OPEB) Liability		(391,423)
Change in Net Position of Governmental Activities	$	(12,619)

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

Introduction

As provided by Article VII, Section 24, of the Louisiana Constitution of 1974, St. Tammany Parish Assessor (the Assessor) is elected by the voters of the parish and serves a four-year term. 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 may be necessary for efficient operation of the 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 Assessor has an office in Covington and an office in Slidell within St. Tammany Parish, Louisiana (the Parish). In accordance with Louisiana law, the Assessor bases real and movable property assessments on conditions existing on January 1st of the tax year. The Assessor completes an assessment listing for the tax year and submits the list to the parish governing authority and the Louisiana Tax Commission, as prescribed by state law. Once the assessment listing is approved, the Assessor submits the assessment roll to the parish tax collector, who is responsible for collecting and distributing taxes to the various taxing bodies located in the Parish.

Reporting Entity

For financial reporting purposes, in conformity with Governmental Accounting Standards Board (GASB) Codification Section 2100, the Assessor is an independently elected official who operates his office without oversight responsibility to the Parish. Louisiana Revised Statutes give each Assessor control over all of their operations. This includes the hiring and retention of employees, authority over budgeting, responsibility for funding deficits and operating deficiencies, and fiscal management for controlling the collection and disbursement of funds.

Therefore, the Assessor reports as an independent reporting entity and the financial statements include only the transactions of the Assessor. Furthermore, the Parish does not include the Assessor as a component unit in its comprehensive annual financial report.

Basis of Presentation

The accompanying basic financial statements of the Assessor have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments,* as amended by GASB Statement No. 63. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statute (R.S.) 24:513 and to the guidance set forth in the *Louisiana Governmental Audit Guide*, and to the industry audit guide, *Audits of State and Local Governmental Units.*

Note 1. Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)
The Assessor's basic financial statements include both government-wide and fund financial statements. The Assessor currently has only one fund, the General Fund, which is reported as a governmental activity.

Government-Wide and Fund Financial Statements
The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on the governmental activities using the full accrual, economic resource basis, which recognizes all long-term assets and receivables, as well as long-term debt and obligations.

The statement of activities demonstrates the degree to which the direct expenses of the Assessor's primary function are offset by program revenues. Direct expenses are those that are clearly identifiable to the Assessor's program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by the Assessor's program; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of the Assessor's program. Taxes and other items not considered program revenues are reported as general revenues.

The Assessor uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by separate transactions related to certain assessor functions and activities. A fund is a segregating fiscal and accounting entity with a self-balancing set of accounts. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity or the total assets, liabilities, revenues, or expenditures of the individual governmental fund is at least 10 percent of the corresponding total for all governmental funds.

The General Fund is the primary operating and sole fund of the Assessor. It accounts for all the financial transactions and is classified as a governmental fund type. The focus of the governmental funds' measurement is upon the determination of financial position and changes in financial position rather than upon net income.

Measurement Focus/Basis of Accounting
The governmental activities in the government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Intergovernmental revenues and grants are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Note 1. Summary of Significant Accounting Policies (Continued)

Measurement Focus/Basis of Accounting (Continued)

The amounts reflected in the governmental fund financial statements are accounted for using the current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to the government-wide financial statements.

The amounts reflected in the governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined, and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Assessor considers all revenues available if they are collected within 60 days after the fiscal year-end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on any general long-term debt, which would be recognized when payment is due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Ad valorem taxes are considered to be collected when they are collected by the St. Tammany Parish Sheriff. Ad valorem taxes collected after 60 days are recorded as a deferred inflow on the governmental fund balance sheet. State revenue sharing associated with the current fiscal period is considered susceptible to accrual and so has been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Assessor.

Budget

The original budget for the year ended December 31, 2022 was made available for public inspection at the Assessor's office and advertised on October 27, 2021. The original budget was subsequently adopted on November 18, 2022, after a public hearing on that day.

The budget was prepared on the modified accrual basis of accounting. The Assessor reserves all authority to make changes to the budget. Formal budget integration within the accounting records is employed as a management control device during the year. Budgeted amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. All appropriations contained in the budget lapse at year-end.

Note 1. Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents and Investments

Cash includes amounts in interest-bearing demand deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Assessor may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Investments are reported at fair value, with some exceptions, in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. GASB 72 requires governments to use valuation techniques in assessing fair value and establishes a hierarchy of three levels used to categorize the inputs that are used to measure fair value.

See Note 3 for more information on the Assessor's investments.

Receivables

Receivables are made up of revenues from ad valorem taxes, state revenue sharing, and city tax bills. The allowance for uncollectible amounts was $124,495, which represents 2% of the total ad valorem tax receivable at December 31, 2022. This estimate is based on the Assessor's history of collections within this revenue stream.

Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid expenses and are accounted for on the consumption method.

Capital Assets

Capital assets, which include vehicles and office furniture and equipment, are reported in the government-wide financial statements. Capital assets are recorded at historical cost, or estimated cost if historical cost is not available. Donated assets are recorded at their estimated fair market value at the date of donation. Depreciation of all exhaustible capital assets is charged as an expense against the Assessor's operations. In the fund financial statements, capital assets are accounted for as capital outlay expenditures upon acquisition.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, if applicable. The Assessor capitalizes all vehicles and office furniture and equipment in excess of $1,000. Estimated useful life is management's estimate of how long the asset is expected to meet service demands.

The following estimated useful lives and methods are used to compute depreciation:

Vehicles	5 Years	Straight-Line
Office Furniture and Equipment	5 Years	Straight-Line

Depreciation expense amounted to $388,452 for the year ended December 31, 2022.

Note 1. Summary of Significant Accounting Policies (Continued)

Annual Leave

Effective May 1, 2013, the Assessor implemented a personal time off (PTO) policy which is a combination of vacation and sick time made available to full-time employees. PTO is accrued at a rate based on years of service. All PTO above 105 hours should be used within the fiscal year earned. Anything greater than 105 hours will be forfeited. Upon termination, resignation, or retirement, employees will be paid for all accumulated PTO.

At December 31, 2022, the Assessor had accrued annual leave payable of $316,233, which has been reported on the statement of net position

Equity Classifications

Government-wide net position is divided into three components:

1. *Net Investment in Capital Assets* - Consists of the historical cost of capital assets including any restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. *Restricted* - Consists of assets that have constraints that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation.
3. *Unrestricted* - All other net position is reported in this category.

In the governmental fund financial statements, fund balances are classified as follows:

1. *Nonspendable* - Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
2. *Restricted* - Amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
3. *Committed* - Amounts that can be used only for specific purposes determined by a formal action of the Assessor. The Assessor is the highest level of decision-making authority for the Assessor's office. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Assessor.
4. *Assigned* - Amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. Under the Assessor's adopted policy, only the Assessor may assign amounts for specific purposes.
5. *Unassigned* - All other spendable amounts.

Note 1. Summary of Significant Accounting Policies (Continued)

Equity Classifications (Continued)

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Assessor considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Assessor considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Assessor has provided otherwise in his commitment or assignment actions.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Deferred Outflows/Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense) until then. Deferred inflows of resources represent an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Assessor has the following items that are reported as deferred outflows/inflows of resources: deferred outflows/inflows of resources related to pensions, OPEB, and unavailable revenue. Unavailable revenue arises only under a modified accrual basis of accounting, so it is reported only on the governmental fund balance sheet.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Louisiana Assessors' Retirement Fund (the Fund) and additions to/deductions from the Fund's fiduciary net position have been determined on the same basis as they are reported by the Fund. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

New Accounting Pronouncement

The GASB issued Statement No. 87, *Leases*. The objective of GASB 87 is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-of-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources The Assessor has determined that the adoption of GASB Statement No. 89 did not have a material effect on the financial statements.

Note 1. Summary of Significant Accounting Policies (Continued)

New Accounting Pronouncements - Not Yet Adopted
The GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements.* The Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements for government end users. The Statement is effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 100, *Accounting Changes and Error Corrections*
The primary objective of the Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections. The Statement is effective for fiscal years beginning after June 15, 2023.

GASB Statement No. 101, *Compensated Absences*
The Statement updates the recognition and measurement guidance for compensated absences. The Statement is effective for fiscal years beginning after December 15, 2023.

Note 2. Cash and Cash Equivalents

At December 31, 2022, the carrying amounts (book balances) of all cash and cash equivalents of the Assessor were as follows:

Demand Deposits	$ 2,361,124

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. 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, 2022, $2,432,474 of the Assessor's bank balance of $2,936,761 was exposed to custodial credit risk. However, these deposits were secured from risk by the pledge of securities owned by the fiscal agent bank.

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.

Note 3. Investments

At December 31, 2022, the Assessor had investments consisting of $503,726 in certificates of deposit and $256,153 in Louisiana Asset Management Pool, Inc. (LAMP), a local government investment pool. In accordance with GASB Codification, the investment in LAMP is not categorized in the three risk categories provided by GASB Codification because the investment is in a pool of funds and, therefore, not evidenced by securities that exist in physical or book-entry form.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with R.S. 33:2955.

GASB Statement No. 40, *Deposit and Investment Risk Disclosure*, requires disclosure of credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk for all public entity investments.

LAMP is an investment pool that, to the extent practical, invests in a manner consistent with GASB Statement No. 79. The following facts are relevant for investment pools:

- *Credit Risk:* LAMP is rated AAAm by Standard & Poor's.
- *Custodial Credit Risk:* LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- *Concentration of Credit Risk:* Pooled investments are excluded from the five percent disclosure requirement.
- *Interest Rate Risk:* LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 60 days, and consists of no securities with a maturity in excess of 397 days, or two years (762 days) for U. S. Government floating/variable rate investments. The WAM for LAMP's total investments was 52 as of December 31, 2022.2
- *Foreign Currency Risk:* Not applicable.

Note 3. Investments (Continued)

The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

LAMP is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

If you have any questions, please feel free to contact the LAMP administrative office at 800-249-5267.

Note 4. Levied Taxes

The following is a summary of authorized and levied ad valorem taxes:

	Maximum Millage	Levied Millage
Operations	2.73	2.47

The following are the principal taxpayers for the Parish:

Taxpayer	Type of Business	2022 Assessed Valuation	Percentage of Total Assessed Valuation
Cleco	Utility	$ 51,177,750	1.67%
Florida Marine Transporters	Transportation	21,439,720	0.70%
Atmos Energy Corporation	Utility	16,467,700	0.54%
Associated Wholesale Grocers	Grocery Distributor	15,673,045	0.51%
Tri States NGL Pipeline, LLC	Utility	12,395,420	0.41%
Total		$ 117,153,635	3.83%

The total assessed valuation for all taxpayers at December 31, 2022 was $305,656,759. This figure was used in calculating the percentage of the "assessed valuation of each of the five largest taxpayers" listed above to the "total assessed valuation for all taxpayers."

Note 5. Capital Assets

The following is a summary of the changes in capital assets for the year ended December 31, 2022:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Not Being Depreciated				
Construction In Progress	$ -	$ 20,375	$ -	$ 20,375
Capital Assets Being Depreciated				
Vehicles	152,759	-	-	152,759
Office Furniture and Equipment	1,390,588	521,113	(14,384)	1,897,317
Total Capital Assets Being Depreciated	1,543,347	521,113	(14,384)	2,050,076
Less Accumulated Depreciation for:				
Vehicles	(90,332)	(20,891)	-	(111,223)
Office Furniture and Equipment	(711,269)	(327,561)	14,384	(1,024,446)
Total Accumulated Depreciation	(801,601)	(348,452)	14,384	(1,135,669)
Total Capital Assets Being Depreciated, Net	741,746	172,661	-	914,407
Capital Assets, Net	$ 741,746	$ 193,036	$ -	$ 934,782

Note 6. Pension Plan

Plan Description

Substantially all employees of the St. Tammany Parish Assessor's office are members of the Louisiana Assessors' Retirement System (the 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 sixty 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 were hired before October 1, 2013 will be eligible for pension benefits once they have either reached the age of fifty-five and have at least twelve years of service or have at least thirty years of service, regardless of age. Employees who were hired on or after October 1, 2013 will be eligible for pension benefits once they have either reached the age of sixty and have at least twelve years of service or have reached the age of fifty-five and have at least thirty years of service. Employees who became members prior to October 1, 2006 are entitled to annual pension benefits equal to 3⅓% of their average final compensation based on the 36 consecutive months of highest pay, multiplied by their total years of service, not to exceed 100% of final compensation. Employees who became members on or after October 1, 2006 will have their benefit based on the highest 60 months of consecutive service. Employees may elect to receive their pension benefits in the form of a joint and survivor annuity. The System also provides death and disability benefits. Benefits are established by state statute.

Note 6. Pension Plan (Continued)

Plan Description (Continued)

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 1786, Shreveport, Louisiana 71166-1786, or by calling (318) 425-4446.

Funding Policy

For the entire year, plan members (employees) were required by state law to contribute 8.0% of their annual covered salary into the System. For the period January 1, 2022 to September 30, 2022, the Assessor (employer) was required to contribute 5.0% of an employee's annual covered payroll into the System. For the period from October 1, 2022 through December 31, 2022, the Assessor was required to contribute 3.5%. Contributions to the System also include non-employer contributions equal to one-fourth of one percent (one percent for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each parish, plus revenue sharing appropriated by the legislature. The Assessor's proportionate share of this contribution was $843,359 for 2022. The contribution requirements of plan members and the Assessor 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 Assessor's portion of contributions to the System for the years ended December 31, 2022, 2021, 2020, 2019, and 2018 were $127,196, 193,413, $213,867, $211,186, and $212,205, respectively. These amounts equaled the required contributions for those years.

In addition, the Assessor paid the entire portion of employees' annual contributions to the System for the years ended December 31, 2022, 2021, 2020, 2019, and 2018, and the amounts were $221,973, $213,764, $211,867, $211,186, and $212,205, respectively. These amounts equaled the required contribution amounts for those years.

Pension Asset, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2022, the Assessor reported a net pension liability of $3,723,436 for its proportionate share of the net pension asset. The net pension asset was measured as of September 30, 2022, and was determined by actuarial valuation as of that date. The Assessor's proportion of the net pension asset was based on a projection of the Assessor's long-term share of contributions to the pension plan relative to the projected contributions of all members, actuarially determined. At September 30, 2022, the Assessor's proportion was 5.620852% which was a decrease of .034629% from September 30, 2021.

For the year ended December 31, 2022, the Assessor recognized pension expense of $1,418,029, which does not include the proportionate share of non-employer contributions paid by other governments of $843,359.

Note 6. Pension Plan (Continued)

Pension Asset, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

At December 31, 2022, the Assessor reported deferred outflows of resources and deferred inflows of resources related to its pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	$ 118,245	$ 399,505
Changes in Assumptions	1,276,606	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	2,768,395	-
Changes in Proportion and Differences between Employer Contributions and Proportionate Share of Contributions	7,826	18,134
Assessor Contributions Subsequent to the Measurement Date	26,929	-
Total	$ 4,198,001	$ 417,639

In the year ending December 31, 2022, $26,929 reported as deferred outflows of resources related to pensions resulting from the Assessor's contributions subsequent to the measurement date will be recognized.

Other amounts reported as deferred inflows of resources and deferred outflows of resources will be recognized in pension expense as follows:

Year Ending December 31,	Amount
2023	$ 918,846
2024	678,833
2025	820,419
2025	1,355,391
2026	(20,056)
Total	$ 3,753,433

Note 6. Pension Plan (Continued)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining net pension liability as of December 31, 2022 is as follows:

Valuation Date	September 30, 2022
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	5.50% (Net of Investment Expense, Including Inflation)
Inflation Rate	2.10%
Expected Remaining Service Lives	6 Years
Salary Increases	5.25%
Annuitant and Beneficiary Mortality	Pub-2010 Public Retirement Plans Mortality Table for General Healthy Retirees multiplied by 120% with full generational projection using the appropriate MP-2019 improvement scale.
Active Members Mortality	Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by by 120% with full generational projection using the appropriate MP-2019 improvement scale.
Disabled Lives Mortality	Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 120% with full generational projection using the appropriate MP-2019 improvement scale.

The current year actuarial assumptions utilized in this note are based on the assumptions used in the September 30, 2022 actuarial valuation, which (with the exception of mortality) were based on results of an actuarial expense study for the period October 1, 2014 through September 30, 2019, unless otherwise specified in this note. In cases where benefit structures were changed after the study period, assumptions were based on estimates of future experience. All assumptions selected were determined to be reasonable and represent expectations of future experience for the System.

Note 6. Pension Plan (Continued)

Actuarial Assumptions (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2022 are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
Domestic Equity	7.50%
International Equity	8.50%
Domestic Bonds	2.50%
International Bonds	3.50%
Real Estate	4.50%
Alternative Investments	5.87%

The long-term expected rate of return selected by the System was 5.50%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement System's Actuarial Committee. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. Thus, the discount rate used to measure the total pension liability was 5.50%.

The effects of certain other changes in the net pension liability are required to be included in pension expense over the current and future periods. The effects on the total pension liability of (1) changes of economic and demographic assumptions or of other inputs, and (2) the difference between expected and actual experience are required to be included in pension expense in a systematic and rational manner over a closed period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active and inactive employees), determined as of the beginning of the measurement period.

Note 6. Pension Plan (Continued)

Actuarial Assumptions (Continued)

The effect on net pension liability of differences between the projected earnings on pension plan investments and actual experience with regard to those earnings is required to be included in pension expense in a systematic and rational manner over a closed period of five years, beginning with the current period. The Expected Remaining Service Lives (ERSL) for 2020 is 6 years.

Sensitivity to Changes in Discount Rate

The following presents the net pension asset of the Assessor using the discount rate of 5.50% as well as what the liability would be if it were calculated using a discount rate that is one percentage point lower (4.50%) or one percentage point higher (6.50%) than the current rate:

	1% Decrease (4.50%)	Current Discount Rate (5.50%)	1% Increase (6.50%)
Assessor's Proportionate Share of the Net Pension Liability (Asset)	$ 7,052,882	$ (3,723,436)	$ 895,223

Note 7. Other Postemployment Benefits (OPEB)

General Information about the OPEB Plan

Plan Description - The Assessor administers and contributes to a defined benefit health, dental, and life insurance plan for retirees and active employees, as authorized by the Assessor. The plan provides lifetime health, dental, and life insurance for retirees and for full-time employees who retire at age 55 or older with 12 years of service or have 30 years of service at any age. The Assessor has coverage through the Louisiana Assessors' Insurance Fund. No separate financial statements are available for the Assessor's plan.

Funding Policy - The Assessor contributes 100% of the costs of the current year's health, dental, and life insurance premiums for eligible retired employees only, but does not pay for spouse or dependent coverage. The Assessor finances its plan on a pay-as-you-go basis; therefore, no funds are reserved for payment of future health insurance premiums.

For the year ended December 31, 2022, the Assessor contributed $105,206 to the plan on behalf of the retirees.

Note 7. Other Postemployment Benefits (OPEB)

General Information about the OPEB Plan (Continued)

Employees Covered by Benefit Terms - At December 31, 2022, the following employees were covered by the benefit terms:

Actives	43
Retirees	16
Total	59

Total OPEB Liability

The Assessor's total OPEB liability of $3,772,020 was measured as of December 31, 2022 and was determined by an actuarial valuation as of January 1, 2022.

Actuarial Assumptions and Other Inputs - The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	3.72% per annum, compounded annually
Actuarial Cost Method	Entry Age Normal
Inflation	2.30%
Withdrawal Rate	12.0% decreasing to an ultimate rate of 1.0%
Retirement Rate	22.0% increasing to an ultimate rate of 28.0%
Disability Rate	.006% increasing to an ultimate rate of .195%
Compensation Increase	3.00% per annum, compounded annually
Salary Increases Including Inflation	3.00%
Mortality Rates	Sex-Distinct Pub-2010 General Mortality with separate employee and healthy annuitant rates, projected generationally using Scale MP-2021.
Medical Trend Rate	5.80% decreasing to an ultimate rate of 4.40%.

The discount rate was based on the Bond Buyer General Obligation 20-Bond Municipal Index.

Note 7. Other Postemployment Benefits (OPEB) (Continued)

Total OPEB Liability (Continued)

The actuarial assumptions used in the January 1, 2022 valuation were based on the results of ongoing evaluations of the assumptions.

Changes in the Total OPEB Liability

	Net OPEB Liability
Balance at January 1, 2022	$ 4,580,274
Changes for the Year	
Service Cost	303,353
Interest on Total OPEB Liability	99,525
Assumption Changes	(1,105,926)
Benefit Payments	(105,206)
Net Changes for the Year	(808,254)
Balance as of December 31, 2022	$ 3,772,020

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate - The following presents the total OPEB liability of the Assessor, as well as what the Assessor's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.72%) or one percentage point higher (4.72%) than the current discount rate:

	1% Decrease 2.72%	Current Discount Rate 3.72%	1% Increase 4.72%
Total OPEB Liability	$ 4,387,790	$ 3,722,020	$ 3,276,482

Note 7. Other Postemployment Benefits (OPEB) (Continued)

Changes in the Total OPEB Liability(Continued)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the total OPEB liability of the Assessor, as well as what the Assessor's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare trend rates:

	1.0% Decrease	Current Trend	1.0% Increase
Total OPEB Liability	$ 3,239,982	$ 3,722,020	$ 4,453,442

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2022, the Assessor recognized OPEB expense of $496,629. At December 31, 2022, the Assessor reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	$ 70,819	$ 76,994
Changes in Assumptions	1,416,958	997,045
Total	$ 1,487,777	$ 1,074,039

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31,	Amount
2023	$ 93,751
2024	102,143
2025	121,719
2026	122,909
2027	122,510
Thereafter	(149,294)
Total	$ 413,738

Note 8. Deferred Compensation Plan

All full-time employees of the Assessor's office participate in the Louisiana Public Employees' Deferred Compensation Plan, adopted under the provisions of Internal Revenue Code Section 457. Complete disclosures relating to the plan are included in the separately issued audit report for the plan, available from the Louisiana Legislative Auditor, Post Office Box 94377, Baton Rouge, Louisiana 70804-9397.

Employees/participants may contribute a portion of their salary with the Assessor's office matching up to a certain amount for each employee. Total contributions may not exceed the amount determined under IRS regulations. All contributions are immediately vested. During the year, employees/participants contributed $361,478 and the Assessor's office made employer contributions to the plan on behalf of employees/participants totaling $287,652.

Note 9. Expenditures of the Assessor Not Included in the Financial Statements

Louisiana Revised Statute 33:4713 requires St. Tammany Parish to provide the Assessor with all necessary office space, utilities, furniture, equipment, supplies, and maps. During the year, the Parish provided office space, utilities, and janitorial services on a limited basis. The value of these items is not reflected in the accompanying financial statements. Under this arrangement, the Assessor has one office located in Covington and one in Slidell.

Note 10. 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. During the year ended December 31, 2022, the Assessor carried insurance through various commercial carriers to cover all risks of loss. The Assessor has no settled claims resulting from these risks that exceeded its commercial coverage in any of the past three fiscal years.

REQUIRED SUPPLEMENTARY INFORMATION (PART II)

ST. TAMMANY PARISH ASSESSOR
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund
For the Year Ended December 31, 2022

	Budget			Variance with Final Budget Favorable
	Original	**Final**	**Actual**	**(Unfavorable)**
Revenues				
Ad Valorem Taxes, Net	$ 5,730,000	$ 5,730,000	$ 6,122,274	$ 392,274
Contributions from St. Tammany Parish, Louisiana	500,000	500,000	500,000	-
State Revenue Sharing	100,000	100,000	111,395	11,395
Other	50,000	50,000	60,000	10,000
Interest Earnings	20,000	20,000	82,351	62,351
Total Revenues	6,400,000	6,400,000	6,876,020	476,020
Expenditures				
Salaries and Related Expenditures	4,600,000	4,600,000	4,501,100	98,900
Operating Services	700,000	700,000	1,128,888	(428,888)
Professional Services	1,050,000	1,050,000	546,493	503,507
Education	50,000	50,000	66,347	(16,347)
Total Expenditures	6,400,000	6,400,000	6,242,828	157,172
Net Change in Fund Balance	$ -	$ -	633,192	$ 633,192
Fund Balance, Beginning of Year			8,471,532	
Fund Balance, End of Year			$ 9,104,724	

See independent auditor's report.

ST. TAMMANY PARISH ASSESSOR
Schedule of Employer's Proportionate Share of the
Net Pension (Asset) Liability
For the Year Ended December 31, 2022

	2022	2021	2020	2019	2018	2017	2016	2015
Employer's Portion of the Net Pension (Asset) Liability	**5.620852%**	5.655481%	5.754869%	5.954560%	5.998426%	5.807959%	5.746442%	5.649871%
Employer's Proportionate Share of the Net Pension (Asset) Liability	**$ 3,723,436**	$ (1,859,300)	$ 879,206	$ 1,570,706	$ 1,166,116	$ 1,019,130	$ 2,027,743	$2,956,706
Employer's Covered Payroll	**$ 2,677,709**	$ 2,618,031	$ 2,645,461	$ 2,650,971	$ 2,644,015	$ 2,549,728	$ 2,501,902	$2,374,031
Employer's Proportionate Share of the Net Pension (Asset) Liability as a Percentage of its Covered Payroll	**139.05%**	-71.02%	33.23%	59.25%	44.10%	39.97%	81.05%	124.54%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	**87.25%**	106.48%	96.79%	94.12%	95.46%	95.61%	90.68%	85.57%

The amounts presented for each fiscal year were determined as of the September 30th year-end that occurred within the fiscal year.

GASB 68 requires this schedule to show information for 10 years. Additional years will be displayed as they become available.

See independent auditor's report.

ST. TAMMANY PARISH ASSESSOR
Schedule of Employer's Contributions to
Defined Benefit Pension Plan
For the Year Ended December 31, 2022

	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	**$ 221,975**	$ 213,764	$ 213,867	$ 211,186	$ 212,205	$ 245,507	$ 309,883	$ 319,304
Contributions in Relation to the Contractually Required Contribution	**(221,975)**	(213,764)	(213,867)	(211,186)	(212,205)	(245,507)	(309,883)	(319,304)
Contribution Deficiency (Excess)	**$ -**	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer's Covered Payroll	**$ 2,776,318**	$ 2,666,046	$ 2,673,336	$ 2,639,819	$ 2,652,567	$ 2,574,793	$ 2,443,950	$2,365,215
Contributions as a Percentage of Covered Payroll	**8.00%**	8.02%	8.00%	8.00%	8.00%	9.54%	12.68%	13.50%

GASB 68 requires this schedule to show information for 10 years. Additional years will be displayed as they become available.

See independent auditor's report.

ST. TAMMANY PARISH ASSESSOR
Schedule of Changes in the Assessor's
Net OPEB Liability and Related Ratios
For the Year Ended December 31, 2022

	2022	2021	2020	2019	2018
Total OPEB Liability					
Service Cost	**$ 303,353**	$ 191,256	$ 151,408	$ 130,747	$ 123,335
Interest	**99,525**	58,346	65,613	93,446	81,090
Effect of Plan Changes	**-**	-	-	-	-
Effect of Economic/Demographic Gains/Losses	**-**	98,755	-	(158,042)	-
Assumption Changes	**(1,105,926)**	1,727,420	201,222	111,608	(187,384)
Benefit Payments	**(105,206)**	(112,240)	(88,808)	(77,000)	(127,759)
Net Change in Total OPEB Liability	**(808,254)**	1,963,537	329,435	100,759	(110,718)
Total OPEB Liability - Beginning	**4,580,274**	2,616,737	2,287,302	2,186,543	2,297,261
Total OPEB Liability - Ending	**$ 3,772,020**	$ 4,580,274	$ 2,616,737	$ 2,287,302	$ 2,186,543
Covered-Employee Payroll	**$ 2,790,577**	$ 2,696,699	$ 2,999,137	$ 2,609,467	$ 2,836,508
Net OPEB Liability as a Percentage of Covered-Employee Payroll	**135.17%**	169.85%	87.25%	87.65%	77.09%

Notes to Schedule

Benefit Changes: There were no changes of benefit terms for the year ended December 31, 2022.

Changes of Assumptions: The discount rate as of December 31, 2021 was 2.06% and it changed to 3.72% as of December 31, 2022.

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See independent auditor's report.

OTHER SUPPLEMENTARY INFORMATION

ST. TAMMANY PARISH ASSESSOR
Schedule of Compensation, Benefits, and Other Payments
to Agency Head
For the Year Ended December 31, 2022

Agency Head
Louis Fitzmorris, St. Tammany Parish Assessor

Purpose	Amount
Salary	$172,515
Benefits - Retirement	$33,230
Benefits - Insurance	$22,582
Car Allowance	$0
Vehicle Provided by Government	$0
Per Diem	$0
Reimbursements	$0
Travel	$0
Registration Fees	$0
Conference Travel	$0
Continuing Professional Education Fees	$840
Housing	$0
Unvouchered Expenses	$0
Special Meals	$114

Salary and benefits are set by the following Louisiana Revised Statutes:

- R.S. 47:1907 A, B, H, I, J, and K
- R.S. 42:1301 - 1309
- R.S. 47:1923

Insurance and retirement benefits are provided to all employees of the Assessor as per Louisiana Revised Statutes referenced above.

See independent auditor’s report.

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

To the Honorable Louis Fitzmorris
St. Tammany Parish Assessor

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the St. Tammany Parish Assessor (the Assessor), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Assessor's basic financial statements, and have issued our report thereon dated June 1, 2023.

Internal Control Over Financial Reporting
In planning and performing our audit of the financial statements, we considered the Assessor's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Assessor's internal control. Accordingly, we do not express an opinion on the effectiveness of the Assessor's internal control.

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

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

Compliance and Other Matters
As part of obtaining reasonable assurance about whether the Assessor's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

LaPorte

A Professional Accounting Corporation

Baton Rouge, LA
June 1, 2023

Part I - Summary of Auditor's Results

Financial Statements

1. Type of auditor's report issued:	Unmodified
2. Internal control over financial reporting and compliance and other matters:	
a. Material weaknesses identified?	No
b. Significant deficiencies identified?	None Reported
c. Noncompliance material to the financial statements noted?	No

Federal Awards

Not applicable.

Part II - Findings Related to the Financial Statements

None.

Part III - Federal Award Findings

Not applicable.

Par IV - Prior Year Findings

None.

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LAPORTE
CPAs & BUSINESS ADVISORS

AGREED-UPON PROCEDURES REPORT

St. Tammany Parish Assessor's Office

Independent Accountant's Report
On Applying Agreed-Upon Procedures

For the Period January 1, 2022 - December 31, 2022

To Louis Fitzmorris of
St. Tammany Parish Assessor's Office
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the St. Tammany Parish Assessor's Office (the Assessor's Office) control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal year January 1, 2022 through December 31, 2022. The Assessor's Office management is responsible for those C/C areas identified in the SAUPs.

The Assessor's Office has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in the LLA's SAUPs for the fiscal year January 1, 2022 through December 31, 2022. Additionally, the LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and results are as follows:

1) Written Policies and Procedures

A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:

   i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

   ii. ***Purchasing***, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.

iii. ***Disbursements***, including processing, reviewing, and approving.

iv. ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

v. ***Payroll/Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.

vi. ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

vii. ***Travel and Expense Reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

viii. ***Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

ix. ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

x. ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

xi. ***Information Technology Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

xii. ***Prevention of Sexual Harassment***, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Results: We noted exceptions in vi) as (2) is not included; vii) as (2) is not included; ix) as (2) and (3) are not included; and xii) as (2) is not included. We informed management of what was not included in xi).

2) Board or Finance Committee

A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Results: We noted this procedure was not applicable as the Assessor is an independently elected official.

3) Bank Reconciliations

A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Results: We noted no exceptions in the performance of this procedure.

4) Collections (excluding electronic funds transfers)

A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

   i. Employees responsible for cash collections do not share cash drawers/registers;

   ii. Each employee responsible for collecting cash is not also responsible for preparing/ making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;

   iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/ official is responsible for reconciling ledger postings to each other and to the deposit; and

   iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.

C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.

D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

   i. Observe that receipts are sequentially pre-numbered.

   ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

   iii. Trace the deposit slip total to the actual deposit per the bank statement.

   iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than $100 and the cash is stored securely in a locked safe or drawer).

   v. Trace the actual deposit per the bank statement to the general ledger.

Results: We noted no exceptions in the performance of these procedures.

5) Non-Payroll Disbursements (excluding card purchases, travel reimbursements, and petty cash purchases)

A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that:

   i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;

   ii. At least two employees are involved in processing and approving payments to vendors;

   iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;

   iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and

   v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

   [Note: Findings related to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:

   i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and

   ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.

D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

   Results: We noted no exceptions in the performance of these procedures.

6) Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)

A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and:

   i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and

   ii. Observe that finance charges and late fees were not assessed on the selected statements.

C. Using the monthly statements or combined statements selected under procedure #6B above, <u>excluding fuel cards</u>, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

<u>Results</u>: We noted no exceptions in the performance of these procedures.

7) Travel and Travel-Related Expense Reimbursements (excluding card transactions)

A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

   i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov);

   ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;

iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii); and

iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results: We noted no exceptions in the performance of this procedure.

8) Contracts

A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;

ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);

iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and

iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Results: We noted no exceptions in the performance of this procedure.

9) Payroll and Personnel

A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and:

i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);

ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;

iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and

iv. Observe whether the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.

C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.

D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Results: We noted no exceptions in the performance of these procedures.

10) Ethics

A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and:

i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and

ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Results: We noted no exceptions in the performance of these procedures.

11) Debt Service

A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Results: This procedure is not applicable as the Assessor does not have debt.

12) Fraud Notice

A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the Legislative Auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.

B. Observe that the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Results: We noted no exceptions in the performance of these procedures.

13) Information Technology Disaster Recovery/Business Continuity

A. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**

   i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.

   ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

   iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

Results: We performed these procedures and discussed the results with management.

14) Prevention of Sexual Harassment

A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1st, and observe that the report includes the applicable requirements of R.S. 42:344:

   i. Number and percentage of public servants in the agency who have completed the training requirements;

   ii. Number of sexual harassment complaints received by the agency;

   iii. Number of complaints which resulted in a finding that sexual harassment occurred;

   iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

   v. Amount of time it took to resolve each complaint.

Results: We noted no exceptions in the performance of these procedures.

We were engaged by the Assessor's Office to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Assessor's Office and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing on those C/C areas identified in Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures, and the results of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

LaPorte

A Professional Accounting Corporation

Baton Rouge, LA
June 1, 2023

St. Tammany Parish
Assessor's Office

St. Tammany Parish Justice Center
701 North Columbia Street • Covington, Louisiana 70433

Louis Fitzmorris
Assessor

June 7, 2023

Mr. Michael J. Waguespack
Louisiana Legislative Auditor
1600 N 3rd St.
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Act SAUP Agreed-upon Procedures

The management of the St. Tammany Parish Assessor's Office wishes to provide the following responses relative to the results of the 2022 statewide agreed-upon procedures engagement:

1. Written Policies and Procedures – The Assessor's Office has revised its written policies and procedures to include the noted items.

Sincerely,

Louis Fitzmorris
Assessor