

**TENSAS PARISH ASSESSOR**  
**St. Joseph, Louisiana**

**Annual Financial Statements**  
**With Independent Auditor's Report**  
**As of and for the Year Ended**  
**December 31, 2018**  
**With Supplemental Information Schedules**

TENSAS PARISH ASSESSOR  
St. Joseph, Louisiana

Annual Financial Statements  
With Independent Auditor's Report  
As of and for the Year Ended December 31, 2018  
With Supplemental Information Schedules

C O N T E N T S

		<u>Page No.</u>
<b>Independent Auditor's Report</b>		3
<b>Required Supplemental Information (Part I)</b>		
Management's Discussion and Analysis		7
<b>Basic Financial Statements</b>		
	<u>Statement</u>	<u>Page No.</u>
Government-Wide Financial Statements:		
Statement of Net Position	A	12
Statement of Activities	B	13
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet	C	14
Reconciliation of the Governmental Funds Balance Sheet to The Financial Statement of Net Position		15
Statement of Revenues, Expenditures, and Changes in Fund Balances	D	16
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, And Changes in Fund Balances to the Statement of Activities		17
Notes to the Financial Statements		18

C O N T E N T S (CONTD.)

	<u>Schedule</u>	<u>Page No.</u>
<b>Required Supplemental Information (Part II):</b>		
Budget Comparison Schedule	1	37
Note to Budgetary Comparison Schedule		38
Schedule of Changes in Net OPEB Liability and Related Ratios	2	39
Schedule of Employer's Share of Net Pension Liability	3	40
Schedule of Employer Contributions	4	41
<b>Other Supplemental Schedules (Part III):</b>		
Schedule of Compensation, Benefits and Other Payments to Agency Head	5	43
<b>Reports Required by Government Auditing Standards (Part IV)</b>		
<b>Independent Auditor's Report Required by Government Auditing Standards (Part IV):</b>		
Independent Auditor's Report on Compliance and Internal Control over Financial Reporting		46
Schedule of Findings and Questioned Costs	6	48
Summary Schedule of Prior Audit Findings	7	49

Member:  
American Institute of  
Certified Public Accountants  
Society of Louisiana Certified  
Public Accountants

**MARY JO FINLEY, CPA, INC.**  
*A PROFESSIONAL ACCOUNTING CORPORATION*  
116 Professional Drive - West Monroe, LA 71291  
Phone (318) 329-8880 - Fax (318) 239-8883

Practice Limited to  
Governmental Accounting,  
Auditing and  
Financial Reporting

## **Independent Auditor's Report**

TENSAS PARISH ASSESSOR  
St. Joseph, Louisiana

### **Report on the Financial Statements**

I have audited the accompanying financial statements of the governmental activities and major fund of the Tensas Parish Assessor, a component unit of the Tensas Parish Police Jury, as of December 31, 2018, and for the year then ended, and the related notes to the financial statements, which collectively comprise the Assessor's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### ***Auditor's Responsibility***

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit 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 and the Louisiana Governmental Audit Guide. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Tensas Parish Assessor's preparation and fair presentation of the financial statements 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 Tensas Parish Assessor's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

TENSAS PARISH ASSESSOR  
St. Joseph, Louisiana  
Independent Auditor's Report,  
December 31, 2018

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

*Opinions*

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the government activities and major fund information of the Tensas Parish Assessor as of December 31, 2018, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

*Other Matters*

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 7 through 10, the budgetary comparison information on pages 37 through 38, the schedule of changes in Net OPEB liability and related ratios on page 39, the schedule of the Assessors' proportionate share of the net pension liability on page 40, and the Schedule of Employer Contributions on page 41, be presented to supplement the basic financial statements. Such information, 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 an appropriate operational, economic, or historical context. I 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 managements' responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Tensas Parish Assessor's office basic financial statements. The supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the financial statements.

The schedule of compensation, benefits, and other payments to agency head on page 43 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such 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 my opinion, the information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

TENSAS PARISH ASSESSOR  
St. Joseph, Louisiana  
Independent Auditor's Report,  
December 31, 2018

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, I have also issued a report dated May 28, 2019, on my consideration of the Tensas Parish Assessor's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Tensas Parish Assessor's internal control over financial reporting and compliance.

**Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of the Louisiana Legislative Auditor, I have issued a report, dated May 28, 2019, on the results of my statewide agreed-upon procedures performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards*. The purpose of that report is solely to describe the scope of testing performed on those control and compliance areas identified in the Louisiana Legislative Auditor's statewide agreed-upon procedures, and the results of that testing, and not to provide an opinion on control or compliance.



West Monroe, Louisiana  
May 28, 2019

**REQUIRED SUPPLEMENTARY INFORMATION  
PART I**

TENSAS PARISH ASSESSOR  
St. Joseph, Louisiana

**Management's Discussion and Analysis**  
December 31, 2018

As management of the Tensas Parish Assessor, I offer readers of the Tensas Parish Assessor's financial statements this narrative overview and analysis of the financial activities of the Tensas Parish Assessor for the fiscal year ended December 31, 2018. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

**Overview of the Financial Statements**

This Management Discussion and Analysis document introduces the assessor's basic financial statements. The annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (Government-wide Financial Statements) provide information about the financial activities as a whole and illustrate a longer-term view of the assessor's finances. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund (Fund Financial Statements) tell how these services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the operations in more detail than the Government-Wide Financial Statements by providing information about the most significant funds. This report also contains other supplementary information in addition to the basic financial statements themselves.

Our auditor has provided assurance in her independent auditor's report that the Basic Financial Statements are fairly stated. The auditor, regarding the Required Supplemental Information and the Supplemental Information is providing varying degrees of assurance. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

***Government-wide financial statements.*** The *government-wide financial statements* are designed to provide readers with a broad overview of the Tensas Parish Assessor's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Tensas Parish Assessor's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Tensas Parish Assessor is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, earned, but unused, sick leave).

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Tensas Parish Assessor, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Tensas Parish Assessor uses only governmental funds.

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Tensas Parish Assessor adopts an annual appropriated budget for the general fund. A budgetary comparison statement is provided for the major fund to demonstrate compliance with this budget.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Tensas Parish Assessor's performance.

### **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, assets of the Tensas Parish Assessor exceeded liabilities by \$390,498. Approximately 1% of the Tensas Parish Assessor's net position reflects its investment in capital assets (e.g., equipment), less any related debt used to acquire those assets that is still outstanding. These assets are not available for future spending.

The balance in unrestricted net position is affected by two factors: 1) resources expended, over time, by the Tensas Parish Assessor to acquire capital assets from sources other than internally generated funds (i.e., debt), and 2) required depreciation on assets.

STATEMENT OF NET POSITION  
Governmental Funds

	<u>2018</u>	<u>2017</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$501,060	\$343,766
Receivables	82,295	230,181
Capital assets (net of accumulated depreciation)	<u>3,053</u>	<u>4,872</u>
<b>TOTAL ASSETS</b>	<u>586,408</u>	<u>578,819</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension related	<u>145,336</u>	<u>57,025</u>
<b>TOTAL ASSETS AND DEFERRED     OUTFLOWS OF RESOURCES</b>	<u>\$731,744</u>	<u>\$635,844</u>
<b>LIABILITIES</b>		
Accounts payable	\$28	\$38
Net pension liability	100,243	90,489
Net OPEB Obligation	<u>130,432</u>	<u>128,214</u>
<b>TOTAL LIABILITIES</b>	<u>230,703</u>	<u>218,741</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension and OPEB related	110,543	65,056
<b>NET POSITION</b>		
Invested in capital assets, net of related debt	3,053	4,872
Unrestricted	<u>387,445</u>	<u>347,175</u>
<b>TOTAL NET POSITION</b>	<u>390,498</u>	<u>352,047</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<u>\$731,744</u>	<u>\$635,844</u>

STATEMENT OF ACTIVITIES

	<u>2018</u>	<u>2017</u>
<b>Taxation:</b>		
Personal services	\$374,232	\$379,887
Operating services	27,093	26,868
Materials and supplies	2,260	1,612
Travel	13,977	14,244
Depreciation expense	<u>1,819</u>	<u>1,818</u>
<b>Total Program Expenses</b>	419,381	424,429
Program revenues-fees, charges and commissions	<u>4,170</u>	<u>9,457</u>
<b>Net Program Expenses</b>	<u>(415,211)</u>	<u>(414,972)</u>
<b>General revenues:</b>		
Taxes - ad valorem	363,877	365,648
Federal grant		3,835
Federal in lieu of taxes	2,093	3,274
Intergovernmental - state funds - state revenue sharing	8,821	8,782
Interest earned	2,189	1,049
Other revenues	<u>69,645</u>	<u>68,240</u>
<b>Total General Revenues</b>	<u>446,625</u>	<u>450,828</u>
Change in Net Position	31,414	35,856
Net Position - Beginning of year as restated	<u>359,084</u>	<u>316,191</u>
Net Position - End of year	<u>\$390,498</u>	<u>\$352,047</u>

## **Financial Analysis of the Government's Funds**

As noted earlier, the Tensas Parish Assessor uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of December 31, 2018, the General Fund unassigned fund balance of \$583,327 showed an increase of \$9,418 over December 31, 2017.

## **General Fund Budgetary Highlights**

There were no budget amendments for the current year.

## **Capital Asset and Debt Administration**

**Capital assets.** The Tensas Parish Assessor's investment in capital assets for its governmental activities as of December 31, 2018, \$3,053, net of accumulated depreciation. This investment includes furniture and equipment. There were no increases or decreases in capital assets for the year.

**Long-term debt.** The Tensas Parish Assessor contributes to a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The plan provides lifetime healthcare insurance for eligible retirees through the assessor's group health insurance plan. Net OPEB obligation associated with the Retiree Health Plan at December 31, 2018 is \$130,432. Net pension liability is \$100,243 at December 31, 2018.

## **Requests for Information**

This financial report is designed to provide a general overview of the Tensas Parish Assessor's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Tensas Parish Assessor, Courthouse Building, St. Joseph, LA 71366.

May 28, 2019

**BASIC FINANCIAL STATEMENTS**

TENSAS PARISH ASSESSOR  
St. Joseph, Louisiana

STATEMENT OF NET POSITION  
December 31, 2018

<b>ASSETS</b>	
Cash and cash equivalents	\$501,060
Receivables	82,295
Capital assets (net of accumulated depreciation)	<u>3,053</u>
TOTAL ASSETS	<u>586,408</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>	
Pension related	<u>145,336</u>
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	<u><u>\$731,744</u></u>
<b>LIABILITIES</b>	
Accounts payable	\$28
Net pension liability	100,243
Net OPEB obligation	<u>130,432</u>
TOTAL LIABILITIES	230,703
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension and OPEB related	110,543
<b>NET POSITION</b>	
Invested in capital assets, net of related debt	3,053
Unrestricted	<u>387,445</u>
TOTAL NET POSITION	<u>390,498</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u><u>\$731,744</u></u>

The accompanying notes are an integral part of this statement.

TENSAS PARISH ASSESSOR  
St. Joseph, Louisiana

STATEMENT OF ACTIVITIES  
December 31, 2018

Taxation:	
Personal services	\$374,232
Operating services	27,093
Materials and supplies	2,260
Travel	13,977
Depreciation expense	1,819
Total Program Expenses	<u>419,381</u>
Program revenues - Fees, charges, and commissions for services	<u>4,170</u>
Net Program Expenses	(415,211)
General revenues:	
Taxes - ad valorem	363,877
Intergovernmental:	
Federal in lieu of taxes	2,093
State funds - state revenue sharing (net)	8,821
Interest earned	2,189
Other revenues	69,645
Total General Revenues	<u>446,625</u>
Change in Net Position	31,414
Net Position - Beginning of year - as restated	<u>359,084</u>
Net Position - End of year	<u><u>\$390,498</u></u>

The accompanying notes are an integral part of this statement.

TENSAS PARISH ASSESSOR  
St. Joseph, Louisiana  
GOVERNMENTAL FUNDS

Balance Sheet, December 31, 2018

**ASSETS**

Cash and cash equivalents	\$501,060
Receivables	<u>82,295</u>
TOTAL ASSETS	<u><u>\$583,355</u></u>

**LIABILITIES AND FUND EQUITY**

Liabilities:	
Accounts payable	\$28
Fund Equity - fund balances - unassigned	<u>583,327</u>
TOTAL LIABILITIES AND FUND EQUITY	<u><u>\$583,355</u></u>

The accompanying notes are an integral part of this statement.

TENSAS PARISH ASSESSOR  
St. Joseph, Louisiana

Reconciliation of Governmental Funds  
Balance Sheet to the Statement of Net Position

For the Year Ended December 31, 2018

Total Fund Balances at December 31, 2018 - Governmental Funds (Statement C)		<u>\$583,327</u>
Deferred outflows of resources		145,336
Cost of capital assets at December 31, 2018	\$20,260	
Less: Accumulated depreciation as of December 31, 2018	<u>(17,207)</u>	3,053
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		
Net pension liability		(100,243)
Net OPEB obligation		(130,432)
Deferred inflows of resources		<u>(110,543)</u>
Net Position at December 31, 2018 (Statement A)		<u><u>\$390,498</u></u>

The accompanying notes are an integral part of this statement.

TENSAS PARISH ASSESSOR  
St. Joseph, Louisiana  
GOVERNMENTAL FUNDS

Statement of Revenues, Expenditures,  
and Changes in Fund Balances

For the Year Ended December 31, 2018

**REVENUES**

Taxes - ad valorem	\$363,877
Federal in lieu of taxes	2,093
Intergovernmental revenues - state funds - state revenue sharing	8,821
Fees, charges, and commissions for services	4,170
Use of money and property - interest earnings	2,189
Total revenues	<u>381,150</u>

**EXPENDITURES**

## Current:

## General government - taxation:

Personal services	328,402
Operating services	27,093
Materials and supplies	2,260
Travel and other charges	13,977
Total expenditures	<u>371,732</u>

**EXCESS OF REVENUES  
OVER EXPENDITURES**

9,418

**FUND BALANCES AT BEGINNING OF YEAR**

573,909

**FUND BALANCES AT END OF YEAR**

\$583,327

The accompanying notes are an integral part of this statement.

TENSAS PARISH ASSESSOR  
St. Joseph, Louisiana

Reconciliation of Governmental Funds  
Statement of Revenue, Expenditures, and Changes  
in Fund Balances to the Statement of Activities

For the Year Ended December 31, 2018

Total net change in fund balances - governmental funds (Statement D)	\$9,418
Amounts reported for governmental activities in the Statement of Activities are different	
Capital outlays are reported in governmental funds as expenditures. However, in the statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceed depreciation for the period.	(1,819)
Payments of long-term debt, including contributions to OPEB obligation, are reported as expenditures in governmental funds. However, those amounts are a reduction of long-term liabilities in the Statement of Net Position and are not reflected in the Statement of Activities.	131
Non-employer contributions to cost-sharing pension plan	69,645
Pension expense	<u>(45,961)</u>
Change in net position of governmental activities (Statement B)	<u>\$31,414</u>

The accompanying notes are an integral part of this statement.

TENSAS PARISH ASSESSOR  
St. Joseph, Louisiana

Notes to the Financial Statements  
As of and For the Year Ended December 31, 2018

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, the assessor is elected by the voters of the parish and serves a term of four years, beginning January 1 following the year in which elected. The assessor assesses all real and movable property in the parish, subject to ad valorem taxation, prepares tax rolls, and submits the rolls to the Louisiana Tax Commission and other governmental bodies as prescribed by law. The assessor is authorized to appoint as many deputies as necessary for the efficient operation of his office and to provide assistance to the taxpayers of the parish. The deputies are authorized to perform all functions of the office, but the assessor is officially and pecuniarily responsible for the actions of the deputies.

The accompanying financial statements of the Tensas Parish Assessor have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) 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 34, *Basic Financial Statements-and Management's Discussion and Analysis -for State and Local Governments*, issued in June 1999.

**A. REPORTING ENTITY**

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

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Tensas Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial responsibility. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and:
  - a. The ability of the police jury to impose its will on that organization and/or

TENSAS PARISH ASSESSOR

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

- b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

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

**B. BASIC FINANCIAL STATEMENTS - GOVERNMENT-WIDE STATEMENTS**

The assessor's basic financial statements include both government-wide (reporting the assessor as a whole) and fund financial statements (reporting the assessor's major fund). Both government-wide and fund financial statements categorize primary activities as either governmental or business type. All activities of the Assessor are classified as governmental.

The Statement of Net Position (Statement A) and the Statement of Activities (Statement B) display information about the reporting government as a whole. These statements include all the financial activities of the Assessor.

In the Statement of Net Position, governmental activities are presented on a consolidated basis and are presented on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term obligations. Net position are reported in three parts; invested in capital assets, net of any related debt; restricted net position; and unrestricted net position.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues,

TENSAS PARISH ASSESSOR

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

**Program Revenues** - Program revenues included in the Statement of Activities (Statement B) are derived directly from parties outside the assessor's taxpayers or citizenry. Program revenues reduce the cost of the function to be financed from the assessor's general revenues.

**Allocation of Indirect Expenses** - The assessor reports all direct expenses by function in the Statement of Activities (Statement B). Direct expenses are those that are clearly identifiable with a function.

### C. BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS

The financial transactions of the assessor are reported in individual funds in the fund financial statements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Fund financial statements report detailed information about the assessor. The focus of governmental fund financial statements is on major funds rather than reporting funds by type.

A fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The assessor's current operations require the use of only governmental funds. The governmental fund type used by the assessor is described as follows:

#### **Governmental Fund Type**

**General Fund** - The General Fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the assessor and is used to account for the operations of the Assessor's office. The various fees and charges due to the Assessor's office are accounted for in this fund. General operating expenditures are paid from this fund.

#### **D. BASIS OF ACCOUNTING**

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurement made regardless of the measurement focus applied.

##### **1. Accrual:**

Governmental type activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

##### **2. Modified Accrual:**

The governmental funds financial statements are presented on the modified accrual basis of accounting. 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 balances 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 differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Governmental funds use 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 general long-term debt which is recognized when 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. The governmental funds use the following practices in recording revenues and expenditures:

## TENSAS PARISH ASSESSOR

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

### Revenues

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

Fees for preparing tax rolls are recorded in the year prepared.

Interest income on demand deposits is recorded monthly when the interest is earned and credited to the account.

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

### Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

## E. CASH AND CASH EQUIVALENTS

Under state law, the assessor of court 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 principal offices in Louisiana. At December 31, 2018, the assessor has cash and cash equivalents (book balances) totaling \$501,060.

*Custodial Credit Risk:* Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. Under state law, the 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 or exceed 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. 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 bank has failed to pay deposited funds

TENSAS PARISH ASSESSOR  
 St. Joseph, Louisiana  
 Notes to the Financial Statements (Continued)

upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Assessor's name.

These deposits are secured as follows:

Bank Balances	<u>\$501,060</u>
Federal deposit insurance	\$368,913
Pledged securities (uncollateralized)	<u>152,207</u>
Total	<u>\$521,120</u>

Because the pledged securities are held by a custodial bank in the name of the fiscal agent bank rather than in the name of the assessor, they are considered uncollateralized (Category 3) under the provisions of GASB Codification C20.106; however, 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. The Tensas Assessor does not have a policy concerning custodial credit risk.

**F. CAPITAL ASSETS**

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The assessor maintains a threshold level of \$500 or more for capitalizing capital assets.

Capital assets are reported in the government-wide financial statements but not in the fund financial statements. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes by the assessor, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

	<u>Description</u>	<u>Estimated Lives</u>
	Furniture and fixtures	5 - 10 years
	Vehicles	5 - 15 years
	Equipment	5 - 20 years

**G. ANNUAL AND SICK LEAVE**

All employees earn ten days of vacation leave and ten days of sick leave each year. Vacation leave and sick leave are non-cumulative and any amounts remaining at year-end are forfeited.

**H. RISK MANAGEMENT**

The assessor is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions. To handle such risk of loss, the assessor maintains commercial insurance policies covering her automobile, and surety bond coverage. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended December 31, 2018.

**I. PENSION PLANS**

The Tensas Parish Tax Assessors's Office is a participating employer in a cost-sharing, multiple-employer defined benefit pension plan as described in Note 5. 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 each of the plans, and additions to/deductions for the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within the plan.

**J. OPEB PLAN**

The Assessor's defined benefit post employment health care plan provides OPEB to eligible retired employees. The plan provides OPEB for permanent full-time employees of the Assessor. The Assessor's OPEB plan is a single employer defined benefit OPEB plan administered by the Assessor. Benefits are provided through the Louisiana Assessors' Retirement Fund. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the Assessor.

## K. EQUITY CLASSIFICATIONS

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

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

When an expense is incurred for the purposes for which both restricted and unrestricted net position is available, management applies unrestricted resources first, unless a determination is made to use restricted resources. The policy concerning which to apply first varies with the intended use and legal requirements. This decision is typically made by management at the incurrence of the expense.

In the fund financial statements, governmental fund equity is classified as fund balance and displayed in five components. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

*Nonspendable* - represents amounts that are not expected to be converted to cash because they are either not in spendable form or legally or contractually required to be maintained intact.

*Restricted* - represents balances where constraints have been established by parties outside the Assessor's office or imposed by law through constitutional provisions or enabling legislation.

*Committed* - represents balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the Assessor's highest level of decision-making authority.

TENSAS PARISH ASSESSOR

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

*Assigned* - represents balances that are constrained by the government's intent to be used for specific purposes, but are not restricted nor committed.

*Unassigned* - represents balances that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund.

The General Fund has an unassigned fund balance of \$583,327. If applicable, the Assessor would typically use restricted fund balances first, followed by committed resources and assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

**L. ESTIMATES**

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

**M. CURRENT YEAR ADOPTION OF NEW ACCOUNTING STANDARDS AND RESTATEMENT OF NET POSITION**

The Tensas Parish Assessors' Office adopted Government Accounting Standards Board (GASB) Statement No. 75 - *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* ("GASB 75") to replace GASB 45 which resulted in a restatement of Net Position. The net effect of the restatement to the Government-Wide Statement of Net Position of the Assessor decreased net position by (\$15,555).

As of July 1, 2014, the Assessor implemented Governmental Accounting Standards Board (GASB) Statement 68 *Accounting and Financial Reporting for Pensions-Amendment of GASB Statement 27*, which resulted in a cumulative change in accounting principle and also a restatement of net position.

Errors were made during the GASB 68 calculation in the prior year. The net effect of the restatement to correct this error will be to increase net position of the Assessor by \$22,592.

The net effect to the Government-Wide Statement of Net Position is as follows:

TENSAS PARISH ASSESSOR  
 St. Joseph, Louisiana  
 Notes to the Financial Statements (Continued)

Total Net Position, December 31, 2017, as previously stated	(\$352,047)
Net Change in OPEB & Net Pension Liability at December 31, 2018	<u>(7,037)</u>
Total Net Position, December 31, 2018, Restated	<u><u>(\$359,084)</u></u>

**2. PRINCIPAL TAXPAYERS**

The following are the principal taxpayers for the parish and their 2018 assessed valuation:

	2018 Assessed Valuation	% of Total Assessed Valuation
American River Trans. Co.	\$14,862,030	24.58%
Cross Keys Bank	1,657,981	2.74%
Entergy Louisiana, Inc.	798,810	1.32%
Tensas State Bank	686,723	1.14%
Marlin Resources, CC	577,583	0.96%
Entergy Louisiana, LLC	527,350	0.87%
Bunge North America, Inc.	499,864	0.83%
Plains Pipeline LP	481,220	0.80%
Panola Company, LTD.	473,039	0.78%
Somerset Plantation	448,740	0.74%
Total	<u><u>\$21,013,340</u></u>	<u><u>34.75%</u></u>

**3. RECEIVABLES**

The General Fund receivables of \$82,295 at December 31, 2018, are as follows:

<u>Class of receivables:</u>	
Taxes - Ad valorem	\$72,691
Intergovernmental revenue:	
State funds - state revenue sharing (net)	8,821
Fees, charges and commissions	<u>783</u>
Total	<u><u>\$82,295</u></u>

**4. CHANGES IN CAPITAL ASSETS**

A summary of changes in office furnishings and equipment follows:

TENSAS PARISH ASSESSOR  
 St. Joseph, Louisiana  
 Notes to the Financial Statements (Continued)

Balance, January 1, 2018	\$20,260
Additions	NONE
Deletions	<u>NONE</u>
Balance, December 31, 2018	20,260
Less accumulated depreciation	<u>(17,207)</u>
Net Capital Assets	<u>\$3,053</u>

**5. NOTE DISCLOSURES AND REQUIRED SUPPLEMENTARY INFORMATION FOR A COST-SHARING EMPLOYER**

The Louisiana Assessor’s Retirement System (system) was created by Act 91 Section 1 of the 1950 regular Legislature Session. The Fund is a cost-sharing multiple-employer qualified governmental defined benefit pension plan covering assessors and their deputies employed by any parish in the state of Louisiana, under the provisions of Louisiana Revised Statute 11:1401 through 1494. The plan is a qualified plan as defined by the Internal Revenue code Section 401(a), effective January 1, 1998. Membership in the Louisiana Assessors’ Retirement Fund is a condition of employment for Assessors and their full time employees.

*Summary of Significant Accounting Policies.*

The Fund prepares its employer schedules in accordance with Governmental Accounting Statement No. 68 - *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*. GASB Statement No. 68 established standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources and expenses/expenditures. It provides methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to periods of employee service. It also provides methods to calculate participating employer’s proportionate share of net pension liability, deferred inflows, deferred outflows, pension expense and amortization periods for deferred inflows and deferred outflows.

The Fund’s employer schedules were prepared using the accrual basis of accounting. Employer contributions, on which the employer allocations are based, are recognized in the period in which the employee is compensated for services performed.

*Plan Fiduciary Net Position*

Plan fiduciary net position is a significant component of the Fund’s collective net pension liability. The Fund’s plan fiduciary net position was determined using the accrual basis of accounting. The Fund’s assets, liabilities, revenues, and expenses were recorded with the use of estimates and assumptions in conformity with accounting principles generally accepted in the United States of America. Such estimates and assumptions primarily relate to actuarial evaluations or unsettled transactions and events as of the

## TENSAS PARISH ASSESSOR

St. Joseph, Louisiana

### Notes to the Financial Statements (Continued)

date of the financial statements and estimates in the determination of the fair market value of the Fund's investments. Accordingly, actual results may differ from estimated amounts.

#### *Plan Description.*

The Louisiana Assessors' Retirement and Relief Fund was established for the purpose of providing retirement allowances and other benefits as stated under the provisions of R.S. Title 11:1401 for eligible employees of the assessors' office. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the Fund in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

The Louisiana Assessors' Retirement Fund and Subsidiary has issued a stand-alone audit report on their financial statements. Access to the report can be found on the Louisiana Legislative Auditor's website, [www.la.gov](http://www.la.gov), or by contacting the Louisiana Assessors' Retirement fund, Post Office Box 14699, baton Rouge, Louisiana 70898.

#### *Plan Benefits*

##### *Pension benefits*

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 pension benefits equal to three and one-third percent 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 become 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.

If employees terminate before rendering 12 years of service, they forfeit the right to receive the portion of their accumulated plan benefits attributable to the employer's contributions. Benefits are payable over the employees' lives in the form of a monthly annuity. Employees may elect a reduced benefit or any of four options at retirement.

The Fund also provides death and disability benefits. Benefits are established or amended by state statute.

TENSAS PARISH ASSESSOR

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

For the year ended December 31, 2018, the Tensas Parish Assessor's total payroll for all employees was \$227,282. Total covered payroll was \$227,282. Covered payroll refers to all compensation paid by the Tensas Parish Assessor to active employees covered by the plan.

***Contributions***

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ended December 31, 2018, the actual employer contribution rate was 8%, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Members are required by state statute to contribute 8% of their annual covered salary. The contributions are deducted from the member's salary and remitted by the participating agency. Administrative costs of the Fund are financed through employer contributions. The fund also received one-fourth of one percent of the property taxes assessed in each parish of the state as well as a state revenue sharing appropriation. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations. The Tensas Parish Assessor's contributions to the Fund for the year ending December 31, 2018 were \$18,182.

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

At December 31, 2018, the Assessor reported a liability of \$100,243 for its proportionate share of the net pension liability. The net pension liability was measured as of September 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Assessors' proportion of the net pension liability was based on a projection of the Assessors' long-term share of contributions to the pension plan relative to the projected contributions of all participating assessors', actuarially determined. At September 30, 2018, the Assessors' proportion was 0.5156 percent, which was an increase of 0.0001 from its proportion measured as of September 30, 2017.

For the year ended December 31, 2018, the Assessor recognized pension expense of \$61,688 plus the difference in proportionate share and differences between employer contributions and proportionate share of contributions, which was \$(15,727). Total pension expense for the Assessor for the year ended December 31, 2018 was \$45,961.

At December 31, 2018, the Assessor reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

TENSAS PARISH ASSESSOR  
 St. Joseph, Louisiana  
 Notes to the Financial Statements (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$7,564	\$45,895
Changes in assumptions	128,634	
Net Difference between projected and actual earnings on pension plan		51,036
Changes in employer's proportion of beginning NPL	4,592	8
Differences between employer and proportionate share of contributions		398
Subsequent measurement contributions	4,546	
Total	\$145,336	\$97,337

\$4,546 reported as deferred outflows of resources related to pensions resulting from the Assessors' contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	
2019	\$25,834
2020	(7,262)
2021	(1,194)
2022	13,814
2023	12,261

**Actuarial assumptions.** The total pension liability in the September 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date	September 30, 2018
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment rate of return	6.25%, net of investment expense
Inflation rate	2.20%
Salary increases	5.75%

TENSAS PARISH ASSESSOR  
 St. Joseph, Louisiana  
 Notes to the Financial Statements (Continued)

Annuitant and beneficiary mortality	RP-2000 Healthy Annuitant Table set forward one year and projected to 2030 for males and females
Active members mortality	RP-2000 Employee Table set back four years for males and three years for females
Disabled lives mortality	RP-2000 Disabled Lives Mortality Table set back five years for males and three years for females

The long-term expected rate of return on pension plan investments was determined using a building block method.

*Sensitivity of the Assessors' proportionate share of the net pension liability to changes in the discount rate.*

The following presents the net pension liability of the fund calculated using the discount rate of 6.25%, as well as what the funds pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate.

	1% Decrease (5.25%)	Current Discount Rate (6.25%)	1% Increase (7.25%)
Assessors' proportionate share of the net pension liability	\$337,160	\$100,243	(\$102,727)

**6. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS**

*Plan Description.* The Tensas Parish Assessor (the Assessor) provides certain continuing health care and life insurance benefits for its retired employees. The Tensas Parish Assessor's OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the Assessor. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the Assessor. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB) Codification Section P52 *Postemployment Benefits Other Than Pensions-Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria-Defined Benefit*.

*Benefits Provided* - Medical, dental, vision, and life benefits are provided through comprehensive plans and are made available to employees upon actual retirement. Employees are covered by the Louisiana Assessors' Retirement Fund, whose retirement eligibility (D.R.O.P. entry) provisions are as follows: Attainment of age 55 and 12 years of service; or, any age and 30 years of service; employees hired on and after October 1, 2013 are not able to retire or enter DROP until age 60 with 12 years of service; or,

TENSAS PARISH ASSESSOR  
 St. Joseph, Louisiana  
 Notes to the Financial Statements (Continued)

age 55 with 30 years of service. The retiree must also have 20 years of service for the retiree to receive employer contributions.

Life insurance coverage is provided to retirees and 100% of the blended rate (active and retired) is paid by the employer. The amount of insurance coverage while active is continued after retirement, but insurance coverage amounts are reduced to 50% of the original amount at age 70 or at retirement.

*Employees covered by the benefit terms* - At December 31, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	1
Inactive employees entitled to but not yet receiving benefit payments	0
Active employees	<u>2</u>
Total employees	<u><u>3</u></u>

**Total OPEB Liability**

The Assessor's total OPEB liability of \$130,432 was measured as of December 31, 2018 and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and other inputs* - The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	4.0%, including inflation 3.44%, annually (Beginning of Year to Determine ADC) 4.10% annually (As of End of Year Measurement Date)
Healthcare cost trend rates	Flat 5.5% annually

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index as of December 31, 2018, the end of the applicable measurement period.

Mortality rates were based on the RP-2000 Table without projection with 50%/50% unisex blend.

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of ongoing evaluations of the assumptions from January 1, 2009 to December 31, 2018.

**Changes in the Total OPEB Liability**

Balance at December 31, 2017	\$143,769
Changes for the year:	
Service cost	4,044

TENSAS PARISH ASSESSOR  
 St. Joseph, Louisiana  
 Notes to the Financial Statements (Continued)

Interest	\$5,015
Differences between expected and actual	(5,013)
Changes in assumptions	(10,394)
Benefit payments and net transfers	(6,989)
Net Changes	<u>(13,337)</u>
Balance at December 31, 2018	<u>\$130,432</u>

*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 1-percentage-point lower (3.10%) or 1-percentage-point higher (5.10%) than the current discount rate:

	1.0% Decrease (3.10%)	Current Discount Rate (4.10%)	1.0% Increase (5.10%)
<u>Total OPEB liability</u>	<u>\$145,785</u>	<u>\$130,432</u>	<u>\$117,400</u>

*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 a discount rate that is 1-percentage-point lower (4.5%) or 1-percentage-point higher (6.5%) than the current discount rate:

	1.0% Decrease (4.5%)	Current Discount Rate (5.5%)	1.0% Increase (6.5%)
<u>Total OPEB liability</u>	<u>\$120,861</u>	<u>\$130,432</u>	<u>\$141,932</u>

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

For the year ended December 31, 2018, the Assessor recognized OPEB expense of \$6,858. At December 31, 2018, 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
Differences between expected and actual expenditures	NONE	(\$4,297)
Changes in assumptions		(8,909)
Total	<u>NONE</u>	<u>(\$13,206)</u>

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

TENSAS PARISH ASSESSOR  
 St. Joseph, Louisiana  
 Notes to the Financial Statements (Continued)

Year ended December 31:	
2019	(\$2,201)
2020	(2,201)
2021	(2,201)
2022	(2,201)
2023	(2,201)
Thereafter	(\$2,201)

**7. LITIGATION AND CLAIMS**

The Tensas Parish Assessor is not involved in any litigation at December 31, 2018, nor is she aware of any unasserted claims.

**8. EXPENDITURES OF THE ASSESSOR  
 PAID BY THE POLICE JURY**

The Tensas Parish Assessor’s office is located in the parish courthouse. The cost of maintaining and operating the courthouse, as required by Louisiana Revised Statute 33:4713, is paid by the Tensas Parish Police Jury.

**REQUIRED SUPPLEMENTARY INFORMATION**

**PART II**

TENSAS PARISH ASSESSOR  
St. Joseph, Louisiana

BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
For the Year Ended December 31, 2018

	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Taxes - ad valorem	\$358,000	\$363,877	\$5,877
Federal in lieu of taxes	3,000	2,093	(907)
Intergovernmental revenues - state funds - state revenue sharing	9,000	8,821	(179)
Fees, charges, and commissions for services	8,000	4,170	(3,830)
Use of money and property - interest earnings	500	2,189	1,689
Total revenues	<u>378,500</u>	<u>381,150</u>	<u>2,650</u>
<b>EXPENDITURES</b>			
Current:			
General government - taxation			
Personal services and related benefits	344,400	328,402	15,998
Operating services	31,100	27,093	4,007
Materials and supplies	3,000	2,260	740
Travel and other charges	3,000	13,977	(10,977)
Capital outlay	1,000		1,000
Total expenditures	<u>382,500</u>	<u>371,732</u>	<u>10,768</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	(4,000)	9,418	13,418
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>447,631</u>	<u>573,909</u>	<u>126,278</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$443,631</u>	<u>\$583,327</u>	<u>\$139,696</u>

See accompanying note to budgetary comparison schedule.

TENSAS PARISH ASSESSOR  
St. Joseph, Louisiana

NOTE TO BUDGETARY COMPARISON SCHEDULE  
For the Year Ended December 31, 2018

A proposed budget, prepared on the modified accrual basis of accounting, is published in the official journal at least ten days prior to the public hearing. A public hearing is held at the Tensas Parish Assessor's office during the month of December for comments from taxpayers. The budget is then legally adopted by the assessor and amended during the year, as necessary. The budget is established and controlled by the assessor at the object level of expenditure. Appropriations lapse at year-end and must be reappropriated for the following year to be expended.

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying budgetary comparison schedule include the original adopted budget amounts. There were no budget amendments.

Tensas Parish Assessor  
 Schedule of Changes in Net OPEB Liability and Related Ratios  
 FYE December 31, 2018

Schedule of Funding Progress

**Total OPEB Liability**

Service cost	\$4,044
Interest	5,015
Changes of benefits terms	NONE
Differences between expected and actual experience	(5,013)
Changes of assumptions	(10,394)
Benefit payments	<u>(6,989)</u>
Net change in total OPEB liability	(13,337)
Total OPEB liability - beginning	<u>143,769</u>
Total OPEB liability - ending	<u><u>\$130,432</u></u>
Covered employee payroll	\$227,282
Net OPEB liability as a percentage of covered-employee payroll	57.39%

Note:

*Benefit Changes.* There were no changes of benefit terms for the year ended December 31, 2018

*Changes of Assumptions.* There were no changes of assumptions for the year ended December 31, 2018.

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

**Tensas Parish Assessor  
Schedule of Employer's Share of Net Pension Liability  
December 31, 2018**

Actuarial Valuation Date *	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
September 30, 2015	0.501694%	\$262,548	\$210,808	124.54%	85.57%
September 30, 2016	0.507933%	\$179,234	\$221,144	81.05%	90.68%
September 30, 2017	0.515691%	\$90,489	\$226,399	39.97%	95.61%
September 30, 2018	0.515643%	\$100,243	\$227,282	44.11%	95.46%

\* - Amounts presented were determined as of the measurement date.

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

**Tensas Parish Assessor  
Schedule of Employer Contributions  
December 31, 2018**

Actuarial Valuation Date *	Contractually Required Contribution	Contributions in Relations to Contractual Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a Percentage of Covered Payroll
September 30, 2015	\$28,459	\$28,459	\$0	\$210,808	13.50%
September 30, 2016	\$29,854	\$29,854	\$0	\$221,144	13.50%
September 30, 2017	\$22,640	\$22,640	\$0	\$226,399	10.00%
September 30, 2018	\$18,183	\$18,183	\$0	\$227,282	8.00%

\* - Amounts presented were determined as of the measurement date.

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

**OTHER SUPPLEMENTARY INFORMATION**

**PART III**

TENSAS PARISH ASSESSOR  
St. Joseph, LouisianaSchedule of Compensation, Benefits and Other Payments to Agency Head  
For the Year Ended December 31, 2018

DONNA RATCLIFF, ASSESSOR

<u>PURPOSE</u>	<u>AMOUNT</u>
Salary	\$123,174
Expense allowance	12,317
Benefits-insurance	23,100
Benefits-retirement	21,679
Benefits-medicare	2,302
Benefits-deferred compensation	12,000
Travel - mileage	222
Registration fees	455
Housing and lodging	933
Insurance - surety bond	100
Association dues	2,479

**REPORTS REQUIRED BY  
GOVERNMENT AUDITING STANDARDS  
PART IV**

**Independent Auditor's Report Required  
by *Government Auditing Standards***

The following independent auditor's report on compliance and internal control over financial reporting is presented in compliance with the requirements of *Government Auditing Standards* issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

Member:  
American Institute of  
Certified Public Accountants  
Society of Louisiana Certified  
Public Accountants

**MARY JO FINLEY, CPA, INC.**  
A PROFESSIONAL ACCOUNTING CORPORATION  
116 Professional Drive - West Monroe, LA 71291  
Phone (318) 329-8880 - Fax (318) 239-8883

Practice Limited to  
Governmental Accounting,  
Auditing and  
Financial Reporting

**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 *Government Auditing Standards***

TENSAS PARISH ASSESSOR  
St. Joseph, Louisiana

I have audited, in accordance with the 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 Tensas Parish Assessor, a component unit of the Tensas Parish Police Jury, as of and for the year ended December 31, 2018 and the related notes to the financial statements, which collectively comprise the Tensas Parish Assessor's basic financial statements, and have issued my report thereon dated May 28, 2019.

**Internal Control Over Financial Reporting**

In planning and performing my audit of the financial statements, I considered the Tensas Parish Assessor's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Tensas Parish Assessor's internal control. Accordingly, I do not express an opinion on the effectiveness of the Tensas Parish Assessor's internal control.

*A deficiency in internal control* exist 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.

My 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 my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

TENSAS PARISH ASSESSOR

St. Joseph, Louisiana

Independent Auditor's Report on Compliance

And Internal Control Over Financial Reporting, etc.

December 31, 2018

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Tensas Parish Assessor's financial statements are free from material misstatement, I 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Tensas Parish 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 Tensas Parish Assessor's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



West Monroe, Louisiana

May 28, 2019

TENSAS PARISH ASSESSOR  
St. Joseph, Louisiana

Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2018

**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unmodified opinion on the general purpose financial statements of the Tensas Parish Assessor.
2. No instances of noncompliance material to the financial statements of the Tensas Parish Assessor was disclosed during the audit.
3. No significant deficiencies relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control.

**B. FINDINGS - FINANCIAL STATEMENTS AUDIT**

None

**TENSAS PARISH ASSESSOR  
St. Joseph, Louisiana**

**Summary Schedule of Prior Audit Findings  
For the Year Ended December 31, 2018**

There were no findings reported in the audit report for the year ended December 31, 2017.