

**CAMERON PARISH ASSESSOR
CAMERON, LOUISIANA**

ANNUAL FINANCIAL REPORT

**As of and for the year ended
December 31, 2017**

(With Accountant's Report Thereon)

CAMERON PARISH ASSESSOR

CAMERON, LOUISIANA

Annual Financial Report
As of and for the year ended
December 31, 2017

With Supplemental Information Schedule

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MICHAEL K. GLOVER
CERTIFIED PUBLIC ACCOUNTANT
(A Professional Accounting Corporation)

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INDEPENDENT AUDITOR'S REPORT

Honorable Orson Billings
Cameron Parish Assessor
Cameron, Louisiana

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities and fund information of Cameron Parish Assessor, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise of Cameron Parish Assessor 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, 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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 entity'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 of the effectiveness of the entity'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 evaluation the overall presentation of the financial statements.

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 governmental activities and fund information of Cameron Parish Assessor, as of December 31, 2017, and the respective changes in financial position for the year then ended in accordance 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 budgetary comparison schedule, the Schedule of Funding Progress for Other Post-Employment Benefit Plan, the schedule of funding progress, employer's share of net pension liability and employer contributions as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although, not a part of the basic financial statements is required by Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operation, economic, or historical context. I have applied certain limited procedures to the required supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquires, 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.

The Assessor has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America required to be presented to supplement the basic financial statements. Such missing 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 contest. My opinion on the basic financial statements is not affected by the missing information

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Cameron Parish Assessor's basic financial statements. The other supplemental information listed in the table of contents are not a required part of the basic financial statements.

The schedules listed as other supplemental information in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare 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 American. In my opinion, the other supplemental information listed in the table of contents, 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 Audit Standards*, I have also issued my report dated June 5, 2018, on my consideration of Cameron Parish Assessor internal control over financial reporting and my test of its compliance with certain provision of laws, regulations, contracts and grants 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 the 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 Cameron Parish Assessor internal control over financial reporting and compliance.


Michael K Glover APAC
June 5, 2018

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CAMERON PARISH ASSESSOR
CAMERON, LOUISIANA

Statement A

Statement of Net Position
December 31, 2017

ASSETS AND DEFERRED OUTFLOW OF RESOURCES

Current Assets:	
Cash	\$ 128,822
Receivables	708,869
Total assets	<u>837,691</u>
Non-current Assets	
Capital assets, net	<u>40,880</u>
Deferred Outflows of Resources	
Deferred outflow of resources related to net pension liability	<u>143,305</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 1,021,876</u>

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

Current Liabilities:	
Accounts payable	\$ 1,500
Long-Term Liabilities:	
Net OPEB obligation payable	880,527
Net pension liability	141,694
Total long-term liabilities	<u>1,022,221</u>
Total Liabilities	1,023,721
Deferred Inflows of Resources	
Deferred inflows of resources related to net pension liabilities	<u>106,790</u>
Invested in capital assets	40,879
Unrestricted net position:	
General fund	<u>(149,514)</u>
Total net position	<u>(108,635)</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 1,021,876</u>

The accompanying notes and the independent auditor's report are an integral part of this statement.

CAMERON PARISH ASSESSOR
CAMERON, LOUISIANA

Statement B

Statement of Activities
For the year ended December 31, 2017

Activities	Expense	Program Revenues			Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Government activities:					
General government	\$ 883,054	334	8,084		\$ (874,636)
Depreciation	19,393				(19,393)
					-
Total governmental activities	902,447	334	8,084	-	(894,029)
General Revenues:					
					723,699
Property taxes					225
Interest					106,854
Non-employer pension contributions					
					-
Total general revenues					830,778
Changes in net position					(63,251)
Net position:					
Beginning of the year					(45,384)
End of the year					(108,635)

The accompanying notes and the independent auditor's report are an integral part of this statement.

FUND FINANCIAL STATEMENTS

CAMERON PARISH ASSESSOR
CAMERON, LOUISIANA

Statement C

Balance Sheet
Governmental Funds
December 31, 2017

	ASSETS	<u>General Fund</u>
Cash		\$ 128,822
Accounts receivable, net		708,869
Total assets		<u>\$ 837,691</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable		\$ 1,500
Deferred inflows of resources - unearned tax revenues		48,335
Fund balances:		
Unassigned		<u>787,856</u>
Total liabilities and fund balance		<u>\$ 837,691</u>

The accompanying notes and the independent auditor's report are an integral part of this statement.

**CAMERON PARISH ASSESSOR
CAMERON, LOUISIANA**

**Reconciliation of the Government Fund Balance Sheet
To the Statement of Net Position**

Statement D

December 31, 2017

Total fund balances - governmental funds (Statement C)	\$	787,856
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The purchase of capital assets are reported as expenditures as they are incurred in the governmental funds. The statement of net position reports capital assets as an asset of the Assessor. These capital assets are depreciated over their estimated useful lives in the Statement of Activities and are not reported in the governmental funds.

Cost of capital assets	\$	168,671	
Less: Accumulated depreciation		<u>(127,791)</u>	40,880

Under the modified accrual basis of account used in the governmental funds, revenues are not recognized until funds are measurable in the statement of activities, however, which is presented on the accrual basis, revenues are reported regardless of when financial resources are available. This is the net adjustment to current year revenue in converting to the full accrual basis.

48,335

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental liabilities, except for portions payable early in the following year for which sufficient resources have been accumulated in the funds to liquidate the liabilities. These liabilities consist of:

Deferred outflows related to pension liability		143,305	
Deferred inflows related to pension liability		(106,790)	
Net other post employment benefit obligation	\$	(880,527)	
Net pension payable		<u>(141,694)</u>	<u>(985,706)</u>

Net Position (Statement A)	\$	<u><u>(108,635)</u></u>
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The accompanying notes and the independent auditor's report are an integral part of this statement.

CAMERON PARISH ASSESSOR
CAMERON, LOUISIANA

Statement C

Statement of Revenues, Expenditures,
And Changes in Fund Balance
Governmental Funds
December 31, 2017

	<u>General Fund</u>
Revenues:	
Property taxes	\$ 696,302
Revenue sharing	8,084
Informational services	334
	<u>704,720</u>
 Total revenues	 <u>704,720</u>
Expenditures:	
Salaries and related benefits	597,050
Materials and supplies	7,999
Other operating expenses	27,632
Professional services	80,229
Travel and education	14,067
Insurance	8,572
	<u>735,549</u>
 Total expenditures	 <u>735,549</u>
 Changes in fund balance	 (30,829)
Other income:	
Interest income	225
	<u>(30,604)</u>
Fund balance:	
Beginning of the year	818,460
End of the year	\$ <u><u>787,856</u></u>

The accompanying notes and the independent auditor's report are an integral part of this statement.

CAMERON PARISH ASSESSOR
CAMERON, LOUISIANA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES

Statement F

Year Ended December 31, 2017

Net change in fund balances-total governmental funds (Statement E) \$ (30,604)

Amounts reported for governmental activities in the statement of activities (Statement B) are different as follows:

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on an accrual basis, expenses and liabilities are reported regardless of when financial resources are used. The net changes associated with these expenses/expenditures are as follows:

OPEB benefits	\$	(66,977)	
Pension expenses		<u>(80,528)</u>	(147,505)

Under the modified accrual basis of account used in the governmental funds, revenues are not recognized until funds are measurable and available to finance current expenditures. In the statement of activities, however, which is presented on the accrual basis, revenues are reported regardless of when financial resources are available. This is the net adjustment to current year revenue in converting to the full accrual basis.

27,397

Government funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over the estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays during the year.

(19,393)

Non-employer's contribution to the clerk employees' pension plan
Changes in Net Position (Statement B)

\$ 106,854
(63,251)

The accompanying notes and the independent auditor's report are an integral part of this statement.

Introduction

As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, the Assessor is elected by the voters of the Parish in which it serves for 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 the efficient operation of the office and 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 solely responsible for the actions of the deputies.

At December 31, 2017, there were 681,025 real property, movable property, and public service assessments totaling \$50,035,401, \$136,473,050, and \$269,705,881, respectively. This represents an increase of 66 assessments and a total increase in assessed values of \$203,095,973 from the opening of a pipeline.

1. Summary of Significant Accounting Policies

A. Basis of Presentation

The accompanying financial statements of the Cameron Parish Assessor have been prepared in conformity with accounting principles generally accepted in the United States of America 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.

Governmental Funds

Governmental funds account for most of the Assessor's general activities. These funds focus on the sources, uses, and balances of current financial resources. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the Assessor. The following is the Assessor's governmental fund:

Fund Accounting

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 segregating transactions related to certain Assessor functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

General Fund

The General fund is the primary operating fund of the Assessor. It is used to account for all financial resources except those required to be accounted for in other funds. The General fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to Assessor policy.

Government-Wide Financial Statements (GWFS):

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting and are presented in a statement of net position and statement of activities. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which they are levied. Program revenues for governmental activities include operating and capital grants and contributions and charges for services.

1. Summary of Significant Accounting Policies

C. Basis of Accounting/Measurement Focus

Fund Financial Statements (FFS):

The governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included in the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balance. Governmental funds are maintained on the modified accrual basis of accounting. Governmental fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meets the government's availability criteria (susceptible to accrual). "Available" means collectible within the current period or within 60 days after year-end. Charges for services, interest income and other governmental revenues are recorded as earned, which is when they are measurable and available.

Non-exchange transactions, in which the Assessor received value without directly giving value in return, include ad valorem taxes and state revenue sharing. Ad valorem taxes and state revenue sharing, which is based on population and homestead in the assessment district, are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on the calendar year basis. The millage fee of 2.83 was approved for the Assessor's office in a public meeting held on May 18, 2017. The calendar of events for the 2017, ad valorem tax roll was as follows:

	<u>Ad valorem taxes</u>
Levy date	January 1, 2017
Due date	December 31, 2017
Lien date	January 1, 2018
Collection date	December 3, 2017

Expenditure are recognized in the accounting period in which the related fund liability is incurred, if measurable, except for (1) unmatured interest on general long-term debt, which is recognized when due, and (2) claims and judgments and compensated absences, which are recorded as expenditures in the governmental fund type when paid when expendable financial resources. Depreciation is not recognized in the governmental funds.

D. Reporting Entity

For financial reporting purposes, the Assessor's basic financial statements include all funds that are controlled by the Assessor as an independently elected Parish official. As an independently elected official, the Assessor is solely responsible for the operations of his office. The Assessor is considered a component unit of the Cameron Parish Police Jury. It has been determined that the financial statement of the Police Jury would be misleading if data of the Assessor is not included due to the nature or significance of the relationship. The accompanying financial statements present only the transactions of the Cameron Parish Assessor. The criteria for including organizations as component units within the Assessor's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include items such as whether the organization is legally separate.

E. Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. For governmental activities, uncollectible amounts due for ad valorem taxes and other receivables are recognized as bad debts through the use of an allowance account or expensed at the time information becomes available, indicating that the particular receivable is not collectible. In governmental fund types, the uncollectible amount is charged directly to the revenue reported.

F. Payables

Payables are balances in the general fund that are payable to vendors.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

G. Capitalizing Assets

All capital assets are capitalized at historical cost. Donated fixed assets are recorded at their estimated fair value at the date of donation. The Assessor maintains a threshold of \$1,000 or more for capitalizing assets. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized.

Capital assets are recorded in the GWFS, but are not reported in the FFS. Since surplus assets are sold for an immaterial amount when declared no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Office Equipment	3 – 7

H. 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 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

I. Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits that mature within 90 days after year end and other investments with original maturities of 90 days or less. Under state law, the Assessor may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or under the laws of the United States.

J. Deferred Outflows/Inflows of Resources

The statement of net position reports in a separate section deferred inflows and outflows of resources. Deferred outflow of resources is a consumption of net assets by the government that is applicable to a future reporting period while deferred inflows of resources is an acquisition of net assets by the government that is applicable to the future reporting period.

K. Compensated Absences

Vacation and sick leave are accrued annually for the current year only. Employees earn from five to twenty-five days of vacation and two to four weeks of sick leave each year depending on their length of service. Unused vacation leave at the end of each calendar year is forfeited. Sick leave may be carried over but is not payable upon termination of employment. At December 31, 2017, the Assessor has no sick leave benefits being reported.

L. Budget Practices

Annually, the Assessor adopts a budget for the General Fund. The budget practices include: (1) publishing the budget in the official journal and making it available for public inspection no later than 15 days prior to the beginning of each fiscal year, (2) holding a public hearing for the proposed budget, and (3) adopting the budget before commencement of the applicable fiscal year. The budget is prepared on the modified accrual basis of accounting. Budget amounts included in the accompanying financial statements include original adopted budget amounts and all subsequent amendments. All appropriations lapse at year end.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

M. Equity Classifications

Government-Wide Statements:

1. Net investment in capital assets – Consists of net capital assets reduced by the outstanding balance of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increase by balances of deferred outflows of resources related to those assets.
2. Restricted net position – Net position is considered restricted if their use is constrained to a particular purpose. Restrictions can be imposed by either external organization such as creditors (such as debt covenants), grants, contributors, laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Restricted net position is reduced by liabilities and deferred inflows of resource related to the restricted assets.
3. Unrestricted net position – All other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

When both restricted and unrestricted resources are available for use, it is the government’s policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Financial Statements:

GASB 54 Statement No. 54 establishes standards for five fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in government funds. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned and unassigned,

M. Equity Classifications – Con’t

Restricted Fund Balance – This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or the Assessor’s highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the Assessor removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual requirements.

Assigned Fund Balance – These are amounts that are constrained by the Assessor’s intent to be used for specific purposes, but are neither restricted nor committed, The Assessor has the authority to assign amount to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the general fund, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned Fund Balance – This fund balance is the residual classification for the general fund. This represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

When both restricted and unrestricted resources are available for use, it is the Assessors policy to use restricted resources first, then unrestricted resources – committed, assigned, and unassigned – in order as needed.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

N. Post-Employment Benefits

The Assessor provides a supplemental Medicare health care coverage and life insurance to some its retired employees. The Assessor recognized the cost of providing these retiree benefits as expenditure when paid during the year.

O. Pension

The Cameron Parish Assessor is a participating employer of the Louisiana Assessors' Retirement Fund and Subsidiary as described in Note 6. 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 from 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.

2. Cash and Deposits with Financial Institutions

At December 31, 2017, the Assessor had cash totaling \$139,147.

This deposit is stated at cost which approximates market. Under state law, deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge or 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.

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of December 31, 2017, the Assessor's bank balance was secured from risk by federal deposit insurance and was not exposed to custodial credit risk.

3. Receivables

Receivables as of December 31, 2017, are as follows:

Ad Valorem taxes	\$	711,424
State and federal revenue sharing		4,734
		<u>716,158</u>
Less: Allowance for uncollectible accounts		<u>7,289</u>
	\$	<u><u>708,869</u></u>

4. Capital Assets

Capital assets as of December 31, 2017 are as follows:

		<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental activities:					
Furniture and fixtures	\$	168,671	-		168,671
Less: accumulated depreciation		<u>(108,398)</u>	<u>(19,393)</u>	<u>-</u>	<u>(127,791)</u>
Capital assets, net of accumulated depreciation	\$	<u>60,273</u>			<u>40,880</u>

5. Operating Leases

The reporting entity has entered into operating leases for the rental of office equipment and a vehicle. For the year ended, rental expenditures with lease agreements for the year was approximated \$7,577. There minimum lease payments as follows:

For the years ended:

2018 \$	5,959
2019	5,959
2020	13,737
2021	-
2022	-
Total \$	<u>25,655</u>

6. Pension Plan

Plan Description

Substantially all employees of the Cameron Parish Assessor are members of the Louisiana Assessors' Retirement Fund and Subsidiary, a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

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 Fund and Subsidiary, PO Box 14699, Baton Rouge, Louisiana 70896, or by calling (225) 928-8886

The Assessor's office implemented Government Accounting Standards Board (GASB) Statement 68 on Accounting and Financial Reporting for Pensions and Statement 71 on Pension Transition for Contributions Made Subsequent to the Measurement Date- an Amendment of GASE 68. These standards require the Assessor's office to record it proportional share of each of the pension plans Net Pension Liability and report the following disclosures:

Retirement Benefits:

Pension Benefits: Employees who are 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 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:

1. At death, the beneficiary will receive a lump sum payment based on the present value of the employee's annuity account balance.
2. At death, the beneficiary will receive a life annuity based on their reduced retirement allowance.
3. At death, the beneficiary will receive a life annuity equal to one-half of their reduced retirement allowance.
4. Any other benefit certified by the actuary and approved by the Board of Trustees that will be equivalent in value to their retirement allowance.

6. Pension Plan (Con't)

Death Benefits:

As set forth R.S. 11:1441, benefits for members who die in service are as follows:

1. If a member of the Fund dies in service with less than 12 years of creditable service and leaves a surviving spouse, their accumulated contributions shall be paid to the surviving spouse.
2. If a member dies and has 12 or more years of creditable service and is not eligible for retirement, the surviving spouse shall receive an automatic optional benefit which is equal to the joint and survivorship amounts provided in Option 2 as provided for in R.S. 11:1423, which shall cease upon a subsequent remarriage, or a refund of the member's accumulated contributions, whichever the spouse elects to receive.
3. If a member dies and is eligible for retirement, the surviving spouse shall receive an automatic optional benefit which is equal to the Option 2 benefits provided for in R.S. 11:1423, which shall not terminate upon a subsequent remarriage.
4. Benefits set forth in term number 2 above, shall cease upon remarriage and shall resume upon a subsequent divorce or death of a new spouse. The spouse shall be entitled to receive a monthly benefit equal to the amount being received prior to remarriage.

Disability Benefits:

The Board of Trustees shall award disability benefits to eligible members who have been officially certified as disabled by the State Medical Disability Board. The disability benefit shall be the lesser of (1) or (2) as set forth below:

1. A sum equal to the greater of forty-five percent (45%) of final average compensation, or the member's accrued retirement benefit at the time of termination of employment due to disability; or
2. The retirement benefit which would be payable assuming accrued creditable service plus additional accrued service, if any, to the earliest normal retirement age based on final average compensation at the time of termination of employment due to disability.

Upon approval for disability benefits, the member shall exercise an optional retirement allowance as provided in R.S. 11:1423 and no change in the option selected shall be permitted after it has been filed with the board. The retirement option factors shall be the same as those utilized for regular retirement based on the age of the retiree and that of the spouse, had the retiree continued in active service until the earliest normal retirement date. In lieu of receiving a normal retirement benefit pursuant to R.S. 11:1421 through 1423, an eligible member of the Fund may elect to retire and have their benefits structured, calculated, and paid as provided in this section.

Back-deferred Retirement Option Plan (Back-DROP):

An active, contributing member of the Fund shall be eligible for Back-DROP only if all of the following apply:

1. The member has accrued more service credit than the minimum required for eligibility for a normal retirement benefit.
2. The member has attained an age that is greater than the minimum required for eligibility for a normal retirement benefit, if applicable.
3. The member has revoked their participation, if any, in the Deferred Retirement Option Plan pursuant to R.S. 11:14568.2.

At the time of retirement, a member who elects to receive a Back-DROP benefit shall select a Back-DROP period to be specified in whole months. The duration of the Back-DROP period shall not exceed the lesser of thirty-six months or the number of months of creditable service accrued after the member first attained eligibility for normal retirement. The Back-DROP period shall be comprised of the most recent calendar days corresponding to the member's employment for which service credit in the Fund accrued.

6. Pension Plan (Con't)

The Back-DROP benefit shall have two portions: a lump-sum portion and a monthly benefit portion. The member's Back-DROP monthly benefit shall be calculated pursuant to the provisions applicable for service retirement set forth in R.S. 11:1421 through 1423, subject to the following conditions:

1. Creditable service shall not include service credit reciprocally recognized pursuant to R.S. 11:142.
2. Accrued service at retirement shall be reduced by the Back-DROP.
3. Final average compensation shall be calculated by excluding all earnings during the Back-DROP period.
4. Contributions received by the Fund during the Back-DROP period and any interest that has accrued on employer and employee contributions received during the period shall remain with the Fund and shall not be refunded to the employee or the employer.
5. The member's Back-DROP monthly benefit shall be calculated based upon the member's age and service and the Fund provisions in effect on the last day of creditable service before the Back-DROP period.
6. At retirement the member's maximum monthly retirement benefit payable as a life annuity shall be equal to the Back-DROP monthly benefit.
7. The member may elect to receive a reduced monthly benefit in accordance with the options provided in R.S. 11:1423 based upon the member's age and the age of the member's beneficiary as of the actual effective date of retirement. No change in the option selected or beneficiary shall be permitted after the option is filed with the Board of Trustees.

In addition to the monthly benefit received, the member shall be paid a lump-sum benefit equal to the Back-DROP maximum monthly retirement benefit multiplied by the number of months selected as the Back-DROP period. Cost-of-living adjustments shall not be payable on the member's Back-DROP lump sum.

Upon the death of a member who selected the maximum option pursuant to R.S. 11:1423, the member's named beneficiary or, if none, the member's estate shall receive the deceased member's remaining contributions, less the Back-DROP benefit amount. Upon the death of a member who selected Option 1 pursuant to R.S. 11:1423, the member's named beneficiary or, if none, the member's estate, shall receive the member's annuity savings fund balance as of the member's date of retirement reduced by the portion of the Back-DROP account balance and previously paid retirement benefits that are attributable to the member's annuity payments as provided by the annuity savings fund.

Excess Benefit Plan:

Under the provisions of this excess benefit plan, a member may receive a benefit equal to the amount by which the member's monthly benefit from the Fund has been reduced because of the limitations of Section 415 of the Internal Revenue Code. When a retiree received benefits that are in excess of the Section 415 the Assessor's office pays the excess and receives credit(s) that are equal to the amount of the excess benefit paid on future employer contribution that will be made to the retirement system. An excess benefit was paid by the Assessor's office of \$11,761 during the current year and credits equal to this amount will be given to the Assessor's office by reducing the amount of employer contributions that are required to be made to the retirement system. The credit is equal to the amount of the excess benefit that was paid.

Contributions:

Contributions for all members are established by statute at 8.0% of earned compensation. 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. According to the state statute, contributions for all employers are actuarially determined each year. Employer contributions were 10% of members' earnings for the year ended September 30, 2017.

6. Pension Plan (Con't)

The Fund also receives one-fourth of one percent of the property taxes assessed in each parish of the state as well as a state revenue sharing appropriation. According to state statute, in the event that contributions for ad valorem taxes and revenue sharing funds are insufficient to provide for the gross employer actuarially required contribution, the employer is required to make direct contributions as determined by the Public Retirement System's Actuarial Committee. Although the direct employer actuarially required contribution for the fiscal year ended September 30, 2017 is 10%, for the fiscal years ended September 2016 and 2015 the contribution rate was 13.5%.

Funding Policy

Plan members were required by state statute to contribute 8% of their annual covered salary and the Assessor is required to contribute at an actuarially determined rate. The current rate is 10% of annual covered payroll. The Assessor may also elect to pay all or any portion of the contributions required by eligible employees, although the portion paid by the Assessor must be the same proportion for all eligible employees. The Assessor elected to pay all eligible employees' contribution for 2017. Contributions to the Plan also include one-fourth of 1% of the taxes shown to be collectible by the tax rolls of each Assessor, plus revenue sharing funds appropriated by the legislature. The contribution requirements of plan members and the Assessor are established and may be amended by state statute. As provided by Louisiana 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 contribution to the Plan for 2017, 2016, and 2015, were \$32,645, \$46,883, and \$44,541, respectively. For the current year end, the actuary required the Assessor's office to pay out of the Excess Benefit Plan \$11,761 for benefits that exceed the permissible limits under Section 415(b) of the IRS Code. All amount of employer contributions were paid before the year end.

Cost of Living Increases (COLAs)

In order to grant any cost of living increase, the ratio of the actuarial value of assets to the pension benefit obligation must equal or exceed a statutory target ratio.

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

At December 31, 2017 the Assessor reported a liability of \$141,694 for its proportionate share of the net pension liability. The net pension liability was measured as of September 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Assessor's proportion of the net pension liability 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 participating employers, actuarially determined. At September 30, 2017, the Assessor's proportion was .807503%, which was a decrease of .012328% from its proportion measured as of September 30, 2016.

For the year ended December 31, 2017, the Assessor's recognized pension expense of \$113,392 plus an additional \$11,761 that was required by the Actuary to pay out of the Excess Benefit Plan.

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 15,794	(44,487)
Changes of Assumptions	88,620	
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	-	(54,830)
Changes in Proportion and Differences Between Employer Contributions and Proportionated Share of Contributions	31,365	(7,473)
Employer contributions subsequent to the measurement date	7,526	
Total	<u>\$ 143,305</u>	<u>(106,790)</u>

The Assessors reported a total of \$7,526 as deferred outflow of resources related to pension contributions made subsequent to the measurement date period of September 30, 2017 which will be recognized as a reduction in net pension liability in the year ended December 31, 2017.

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

<u>Year</u>	<u>Amount</u>
2018	\$ 22,295
2019	29,511
2020	(17,384)
2021	(12,952)
2022	7,520
	<u>\$ 28,990</u>

Actuarial assumptions – A summary of the actuarial methods and assumptions used in determining the total pension liability as of the respective years shown below are as follows:

Valuation Date	September 30, 2017
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	6 years
Investment Rate of Return	6.75%, net of investment expense
Inflation rate	2.5%
Projected Salary Increases	5.75%
Mortality	RP-2000 Health Annuity Table RP-2000 Disabled Lives Mortality Table

Cost of Living Adjustments
The Board of Trustees may use excess interest earnings as determined by the actuary to provide a cost of living increase of three percent of their original benefit. In order to grant a cost of living increase the ratio of the systems assets to pension benefit obligations must exceed a target ratio that is set by statute.

The long-term expected rate of return on pension plan investments was determine using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense 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. The target allocation and best estimates of arithmetic real rate of return for each major asset class are summarized in the following table:

Discount Rates.

The long-term expected rate of return on pension plan investments was determined using a building block method 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, 2017, are summarized in the following table.

6. Pension Plan Con't

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	7.50%
International Equity:	8.50%
Domestic Bonds	2.50%
International Bonds	3.50%
Real Estate	4.50%
Alternative Assets	6.24%

The long-term expected rate of return selected for this report by the Fund was 6.75%. 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 the participating employers and non-employer contributing entities will be made at actuarially determined contribution rates, with are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on these assumptions and the other assumptions and methods as specified in this report, 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 6.75%.

Sensitivity of the Net Pension Liability to changes in the discount rate. The following presents the net pension liability calculating using the discount rate of 6.75%, as well as what the net pension liability would be if it were calculated using a discount rate of 1- percent-point-lower (5.75%) or 1-percent-point higher (7.75%) then the current rate:

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability	\$ <u>480,487</u>	\$ <u>141,694</u>	\$ <u>(148,742)</u>

7. Other Post-Employment Benefits

Plan Description. The Cameron Parish Assessor provides post-retirement Medicare Supplement, Medicare Prescription Drug and life insurance benefits on behalf of its eligible retirees and their dependents. The plan is a single-employer defined benefit healthcare plan administered by the Assessor. The Assessor has the authority to establish and amend the benefit provisions of the Retiree Health Plan. The plan does not issue a publicly available financial report.

Funding Policy. The contribution requirements of plan member and the Assessor established and may be amended by the Assessor. The Assessor contributes 100% of the cost of the current year Medicare supplement premiums and for the cost for retired plan members' spouses. For the fiscal year ended December 31, 2017, the Assessor contributed \$48,638 to the plan and the retirees contributed \$0.

Annual OPEB cost and net OPEB obligation. The Assessor's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortized an unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

Cameron Parish Assessor
Notes to the Financial Statements
For the Year Ended December 31, 2017

The total ARC for the fiscal year ended 12/30/2017, is as follows:

Normal cost	\$	53,174
Amortization of Unfunded Actuarial Accrued Liability		80,767
Interest on normal cost and amortization		<u>2,127</u>
Annual required contribution (ARC)	\$	<u>136,068</u>

The following table shows the components of the Assessor's annual OPEB cost for the year, the actual amount contributed to the plan, and changes in the Assessor net OPEB obligation to plan.

Annual required contribution (ARC)	\$	136,068
Interest on net OPEB obligation		32,542
Adjustment to ARC		<u>(53,358)</u>
Annual OPEB cost (expense)		115,252
Less: Contributions made		<u>(48,275)</u>
Increase in net OPEB obligation		66,977
Net OPEB obligation-beginning of year		<u>813,550</u>
Net OPEB obligation-end of year	\$	<u>880,527</u>

Utilizing the pay-as-you-go method, the Assessor contributed 100% of the annual postemployment benefits cost during the fiscal year ended 12/31/2017.

The Assessor's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the fiscal years ended 2017, 2016 and 2015 are as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Increase (Decrease) to net OPEB Obligation</u>	<u>Net OPEB Obligation</u>
12/31/2015	118,995	34.51%	77,927	745,187
12/31/2016	117,001	41.60%	68,363	813,550
12/31/2017	115,252	41.89%	66,977	880,527

Funding Status and Funding Progress. As of January 1, 2017, the most recent actuarial valuation date, the accrued liability for benefits was \$1,231,460, all of which was unfunded.

The funded status of the plan, as determined by an actuary as of January 1, 2017, was as follows:

	<u>December 31, 2017</u>
Actuarial Accrued Liability (AAL)	\$ 1,231,460
Actuarial Value of Plan Assets (AVP)	-
Unfunded AAL (UAAL)	<u>\$ 1,231,460</u>
Funded Ratio (AVP/AAL)	<u>0%</u>
Covered Payroll (active plan members)	<u>391,097</u>
UAAL as a percentage of covered payroll	<u>3.15</u>

The schedule of funding progress presented as required supplementary information following the notes to the financial statements, present multiyear trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for plan benefits.

7. Other Post-Employment Benefits (Con't)

Actuarial Methods and Assumptions. The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. The actuarial valuation for post-employment benefits includes estimates and assumptions regarding (1) future employment, (2) mortality rate, (3) health care cost trend, (4) discounts rate (investment return assumptions) (5) inflation and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

The actuarial calculations are based on the types of benefits provided under terms of the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used included techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

In the July 1, 2015, Assessor's actuarial valuation, the unit credit cost method was used. Based on the Assessor's short-term investment portfolio, a discount rate of 3.5% was used. The Assessor's unfunded accrued liability is being amortized on a level dollar open basis over 30 years.

Investment Return Assumption (Discount Rate). GASB Statement 45 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC will not be funded, a 4% annual investment rate has been used in this valuation.

8. Changes in Long-Term Liabilities

The following is a summary of long-term debt of the Assessor for the year ended:

		<u>OPEB</u>	<u>Net Pension Liability</u>
Beginning balance	\$	813,550	289,293
Additions,		115,252	
Deletions		<u>48,275</u>	<u>147,599</u>
Ending balance	\$	<u>880,527</u>	<u>141,694</u>

9. Expenses Paid By Others

The Assessor's office is located in the Annex of the Police Jury building. The Cameron Parish Policy Jury pays for the expenses related to the building, such as utilities, insurance, repair and maintenance, etc. on the building. These expenditures are not recorded in the accompanying financial statements.

10. 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; injuries of employees; and natural disasters. The Assessor purchased a commercial insurance policy to satisfy claims related to general liability, automobile liability, property and casualty, employee health and accident, and errors and omissions.

11. Subsequent Events

Management has evaluated subsequent events through the date the financial statements were available to be issued, June 6, 2018, and determined that there were no events that require disclosure.

No subsequent events occurring after this date have been evaluated for inclusion to these financial statements.

**OTHER SUPPLEMENTAL INFORMATION AND REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

The following pages contain a budget comparison schedule, schedule of funding progress for other post-employment benefit plan, schedule of the Assessor's proportionate share of the net pension liability, schedule of the employer contributions, schedule of compensation, benefits and other payments to agency head or chief executive officer, and reports on compliance and internal control over financial reporting based on an audit of financial statements performed in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. The report on compliance internal control over financial reporting is based solely on the audit of the financial statements and includes, where appropriate, any reportable conditions and/or material weaknesses.

**CAMERON PARISH ASSESSOR
CAMERON, LOUISIANA**

**Budget Comparison Schedule (Non-GAAP budgetary basis) - Salary fund
For the Year Ended December 31, 2017**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 682,310	755,645	696,302	\$ (59,343)
Revenue Sharing	6,600	6,700	8,084	1,384
Informational services	1,500	1,500	334	(1,166)
Interest income	300	300	225	(75)
	<u>690,710</u>	<u>764,145</u>	<u>704,945</u>	<u>(59,200)</u>
Expenditures:				
Salaries and related benefits	545,976	599,976	597,050	(2,926)
Supplies	16,900	9,700	7,999	(1,701)
Other operating expenses	131,899	28,250	27,632	(618)
Professional services	-	96,000	80,229	(15,771)
Travel and education	-	12,000	14,067	2,067
Insurance	-	7,000	8,572	1,572
		-	-	-
Total expenditures	<u>694,775</u>	<u>752,926</u>	<u>735,549</u>	<u>(17,377)</u>
Excess (deficiency) of revenue over expenditure	(4,065)	11,219	(30,604)	(41,824)
Fund balance, beginning of year	<u>818,460</u>	<u>818,460</u>	<u>818,460</u>	
Fund balance, end of year	<u>\$ 814,395</u>	<u>829,679</u>	<u>787,856</u>	<u>\$ (41,824)</u>

Reconcile budget to GAAP basis:

Budget Basis	\$ (30,604)
Property taxes	27,397
Opeb adjustment	(66,977)
Retirement expense	26,326
Depreciation expense	<u>(19,393)</u>
	<u>(63,251)</u>

CAMERON PARISH ASSESSOR
CAMERON, LOUISIANA
PARISH OF CAMERON, LOUISIANA

Notes to Required Supplementary Information
For the Year Ended December 31, 2017

Budgetary Process

The proposed budget for 2017 was made available for public inspection on November 16, 2017. The proposed budget, prepared on the modified accrual basis of accounting, was published in the official journal ten (10) days prior to the public hearing, which was held at the Cameron Parish Assessor on December 12, 2017, for the comments from the public. The budget is legally adopted and amended, as necessary, by the Assessor.

All expenditure appropriations lapse at year end. Unexpended appropriations and any excess revenues over expenditures are carried forward to the subsequent year as beginning fund balance.

Formal integration of the budget into the accounting records is employed as a management control device. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments, if any.

CAMERON PARISH ASSESSOR
 PARISH OF CAMERON, LOUISIANA
 SCHEDULE OF FUNDING PROGRESS FOR OTHER POST-RETIREMENT BENEFIT PLAN
 December 31, 2017

The schedule of funding progress presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits as follows:

Valuation Date	Actuarial Value of Assets (a)	Accrued Liability (AAAL)- Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll Covered (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2015	\$0	1,231,460	1,231,460	0%	332,401	370.47%
12/31/2016	\$0	1,231,460	1,231,460	0%	374,070	329.21%
12/31/2017	\$0	1,231,460	1,231,460	0%	391,097	314.87%

**CAMERON PARISH ASSESSOR
PARISH OF CAMERON, LOUISIANA**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
December 31, 2017**

Fiscal Year <u>Ended</u>	Actuarially Determined <u>Contributions</u>	Contributions in Relation to the Actuarially Determined <u>Liability</u>	Contribution Excess (Deficiency) <u></u>	Covered <u>Payroll</u>	Contributions as a Percentage of Covered <u>Payroll</u>
September 30, 2017	35,450	35,450	-	354,505	10.00%
September 30, 2016	43,614	43,614	-	349,874	12.47%
September 30, 2015	53,501	53,501	-	394,196	13.57%
September 30, 2014	39,835	39,835	-	301,641	13.21%

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

CAMERON PARISH ASSESSOR
PARISH OF CAMERON, LOUISIANA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2017

Changes of Benefit Terms include:

There were no changes of benefit terms for the year ended December 31, 2017 at the measurement date of September 30, 2017.

Changes of Assumptions:

The following changes in actuarial assumption are as follows:

Employers Contribution			
Measurement			
Year End	Date	Rate	Change
12/31/2017	9/30/2017	10.000%	3.500%
12/31/2016	9/30/2016	13.500%	0.000%
12/31/2015	9/30/2015	13.500%	0.000%
12/31/2014	9/30/2014	13.500%	

Discounts Rates			
Measurement			
Year End	Date	Rate	Change
12/31/2017	9/30/2017	6.750%	0.250%
12/31/2016	9/30/2016	7.000%	0.000%
12/31/2015	9/30/2015	7.000%	0.250%
12/31/2014	9/30/2014	7.250%	

Inflation Rate			
Measurement			
Year End	Date	Rate	Change
12/31/2017	9/30/2017	2.500%	0.000%
12/31/2016	9/30/2016	2.500%	0.000%
12/31/2015	9/30/2015	2.500%	0.250%
12/31/2014	9/30/2014	2.750%	

Salary Increases			
Measurement			
Year End	Date	Rate	Change
12/31/2017	9/30/2017	5.750%	0.000%
12/31/2016	9/30/2016	5.750%	0.000%
12/31/2015	9/30/2015	5.750%	0.250%
12/31/2014	9/30/2014	6.000%	

**CAMERON PARISH ASSESSOR
PARISH OF CAMERON, LOUISIANA**

**Schedule of Compensation, Benefits and Other Payments
To Agency Head or Chief Executive Officer
For the Year Ended December 31, 2017**

Salary	\$ 144,976
Benefits - insurance	10,888
Benefits - retirement	13,717
Deferred comp	3,345
Education	375
Travel and education	1,226
 Total	 \$ <u>174,527</u>

MICHAEL K. GLOVER
CERTIFIED PUBLIC ACCOUNTANT
(A Professional Accounting Corporation)
9437 BROOKLINE
Baton Rouge, Louisiana 70809

Independent Auditor's Report on Internal Control over Financial Reporting and On Compliance and
Other Matters Based on an Audit of the Financial Statements Performed in
Accordance with *Government Auditing Standards*

The Honorable Orson Billings
Cameron Parish Assessor
Cameron, Louisiana

I 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 government activities of Cameron Parish Assessor, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Cameron Parish Assessor basic financial statements and have issued my report thereon dated June 5, 2018.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the Cameron Parish Assessor 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 Cameron Parish Assessor internal control. Accordingly, I do not express an opinion on the effectiveness of Cameron Parish Assessor 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.

My consideration of the 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 considered to be material weakness. However, material weaknesses or significant deficiencies may exist that have not been identified

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Cameron Parish Assessor, financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants 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 on my audit and, accordingly, I do not express such an opinion. The results of my test 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 the 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Michael K. Glover APAC

Michael K. Glover APAC
June 5, 2018

CAMERON PARISH ASSESSOR
SCHEDULE OF FINDINGS AND QUESTIONED COST
FOR THE YEAR ENDED DECEMBER 31, 2017

Section I - Summary of Auditor's Results

Financial statements

Type of auditor's report issued

Unqualified

Internal control over financial reporting:

-Material weakness(es) identified?

_____ yes x no

-Significant deficiency(ies) identified?

_____ yes x none reported

-Noncompliance material to financial statements?

_____ yes x no

Was a management letter issued

_____ yes x no

State Financial Assistance – None

Section II - Financial Statements Findings

None

**CAMERON PARISH ASSESSOR
SUMMARY OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2016**

Finding 2017-01 – Late filing of the audit report for the year ended December 31,

Description – The financial statements were filed after the six month period as required by the Louisiana Revised Statutes.

Corrective Action – Assistance from the out sourced accountants are hired to prevent the late issuance of our report in the future.

MICHAEL K. GLOVER
CERTIFIED PUBLIC ACCOUNTANT
(A Professional Accounting Corporation)

9437 BROOKLINE
BATON ROUGE, LOUISIANA 70809
(225) 295-1860

Independent Accountant's
Report On Applying
Agreed-Upon Procedures

June 5, 2018

Honorable Orson Billings
Cameron Parish Assessor
Crowley, Louisiana

I have performed the procedures enumerated below as they are a required part of the engagement. I am required to perform each procedure and report the results, including any exceptions. Management is required to provide a corrective action plan that addresses all exceptions noted. For any procedures that do not apply, I have marked "not applicable."

Management of the Cameron Parish Assessor is responsible for its financial records, establishing internal controls over financial reporting, and compliance with applicable laws and regulations. These procedures were agreed to by management of the Cameron Parish Assessor and the Legislative Auditor, State of Louisiana, solely to assist the users in assessing certain controls and in evaluating management's assertions about the Cameron Parish Assessor compliance with certain laws and regulations during the year ended December 31, 2017.

This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Written Policies and Procedures

1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget
Policies and procedures do not address the budget. The Assessor follows the guidelines addressed by Louisiana state statute.
 - b) ***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.
Policies and procedures do not address purchasing. The Assessor follows the guidelines addressed by Louisiana state statute.
 - c) ***Disbursements***, including processing, reviewing, and approving
Policies and procedures do not address disbursements. The Assessor follows the guidelines addressed by Louisiana state statute
 - d) ***Receipts***, including receiving, recording, and preparing deposits
Policies and procedures do not address receipts. The Assessor follows the guidelines addressed by Louisiana state statute.

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

Policies and procedure do not address payroll processing or the review and approval of time and attendance records. However, the policies and procedures do address the process and approval of vacation and leave.

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

Policies and procedures do not address contracting. The Assessor follows the guidelines addressed by Louisiana state statute.

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage

Policies and procedures do not address credit cards. The Assessor follows the guidelines addressed by Louisiana state statute.

- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers

The policies and procedures address each of the above functions.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.

The policies and procedures do not address the above functions. The Assessor follows the guidelines addressed by Louisiana state statute.

- j) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Policies and procedures do not address debt service. The Assessor follows the guidelines addressed by Louisiana state statute

Board (or Finance Committee, if applicable) Not Applicable

2. Obtain and review the board/committee minutes for the fiscal period, and:

- a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.
- b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).
- If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.
- c) Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.

Bank Reconciliations

3. Obtain a listing of client bank accounts from management and management's representation that the listing is complete.

There is only one bank account for this entity.

4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:
 - a) Bank reconciliations have been prepared;
Bank reconciliations were prepared each month.
 - b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and
There is an indication that a member of management reviewed each bank reconciliation.
 - c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.
Not applicable – there are no outstanding transaction over 6 months

Collections

5. Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.
A list of collections was obtained from the general ledger. There were no cash collections during the year.
6. Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis (if more than 5 locations). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* **For each cash collection location selected:**
There is only one location for collections.
 - a) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.
No cash is collected and there is no bond on the employees.
 - b) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.
The entity hires an out sourced accountant to reconcile the receipts as well as disbursements to the general ledger each month.
 - c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:
 - Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.
Although there were no cash collections, receipts were traced to the deposit date and it was determined that deposits are usually made within one day of collection.

- Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

Not applicable

7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and 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) by a person who is not responsible for collections.

Not applicable

Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)

8. Obtain a listing of entity disbursements from management or, alternately, obtain the general ledger and sort/filter for entity disbursements. Obtain management's representation that the listing or general ledger population is complete.

A general ledger was obtained from management.

9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:

- a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.

The entity does not have a policy of using requisition or purchase orders for their acquisitions.

- b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.

Purchase orders are not being prepared.

- c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.

Neither requisitions nor purchase orders are being prepared; however, each invoice is being approved by management.

10. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system.

The person that processes payment is an out sourced accountant, he only adds vendors when he is given an approved invoice for payment for a vendor that has not been used in the past.

11. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.

The person with signature authority does have the ability to initiate purchases. The Assessor's office consists of only six employees and segregating duties with regards to purchases is not considered economically feasible. No exception noted.

12. Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those persons that do not have signatory authority, and report any exceptions. Alternately, if the checks are electronically printed on blank check stock, review entity documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks.

Unused checks are maintained with the out sourced accountant. This individual does not have signature authority. He prepares the checks from approved invoices, sends the written checks to the assessor for his signature and to mail.

13. If a signature stamp or signature machine is used, inquire of the signer whether his or her signature is maintained under his or her control or is used only with the knowledge and consent of the signer. Inquire of the signer whether signed checks are likewise maintained under the control of the signer or authorized user until mailed. Report any exceptions.

The entity does not have a signature stamp nor does it have a signature machine.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

14. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), 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.

Obtained a list of two credit cards from managements.

15. Using the listing prepared by management, randomly select 10 cards (or at least one-third of the cards if the entity has less than 10 cards) that were used during the fiscal period, rotating cards each year. If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner.

Obtain the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Select the monthly statement or combined statement with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

- a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

There is no evidence on the monthly statement or the supporting documents that the charges were either reviewed or approved before payment was made.

- b) Report whether finance charges and/or late fees were assessed on the selected statements.

There were no finance charges on the selected statement.

16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e. each of the 10 cards should have one month of transactions subject to testing).

- a) For each transaction, report whether the transaction is supported by:

- An original itemized receipt (i.e., identifies precisely what was purchased)

An original itemized receipt was attached to the statement.

- Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.

There was documentation of the business. There were no charges for meals.

- Other documentation that may be required by written policy (e.g., purchase order, written authorization.)

There is no other documentation required.

- b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing/disbursement policies and the Louisiana Public Bid Law (i.e. transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.

None of the transactions observed met the requirements of the Louisiana Public Bid Law

- c) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

None of the transactions were for donations, loans, or pledges of public credit as addressed in Article 7, Section 14 of the Louisiana Constitution

Travel and Expense Reimbursement

17. Obtain from management a listing of all travel and related expense reimbursements, by person, during the fiscal period or, alternately, obtain the general ledger and sort/filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete.

I obtained from management a list of all travel and related expense reimbursements made during the fiscal year by person.

18. Obtain the entity's written policies related to travel and expense reimbursements. Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration (www.gsa.gov) and report any amounts that exceed GSA rates.

Two of the hotel room's charges exceeded the GSA rate of \$98 per day. The excess was \$52 for a one night stay and \$1 for each night of a four night stay. This is not considered an exception, the entities policy is to pay actual expenses.

19. Using the listing or general ledger from #17 above, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expenses selected:

- a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.

Each of the expenses was paid as per written policy.

- b) Report whether each expense is supported by:

- An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]

Each expense was supported by an original itemized receipt.

- Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).

Each of the expense business purpose was documented

- Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)

The policy of the Assessor's office is that all business travel must be approved in advance by the parish Assessor, there was no documentation that these expense were approved in advance.

- c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

None of the transactions were for donations, loans, or pledges of public credit as addressed in Article 7, Section 14 of the Louisiana Constitution.

- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Each of expense that was for reimbursement was approved by someone other than the person receiving the reimbursement.

Contracts

20. Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management's representation that the listing or general ledger is complete.

A list of contract was obtained from the general ledger.

21. Using the listing above, select the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:

- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.

There is a formal written contract that supports the services arrangements and the amount paid.

- b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:

None of the contracts were subject to the Louisiana Public Bid Law or Procurement Code.

- If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder)

- If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.

The contracts are for professional services and are not subject to requirements to solicit quotes; however, some of the contracts were obtained only after soliciting quotes for their services.

- c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment,

None of the contracts were amended.

- d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.

Five of the largest payments were selected and compared to the contract. The charge and the payments made were in compliance with the terms of the contracts.

- e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).

Not applicable

Payroll and Personnel

22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:
- a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.
Each of the five employees selected were paid in accordance with the approved pay rate in their files.
 - b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.
The changes made to wages of selected employees during the year were all approved in writing and paid in accordance with written policy.
23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:
- a) Report whether all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
All of the selected employees documented their daily attendance and leave.
 - b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.
There was no written documentation that a supervisor approved the leave of any of the selected employees. However, the method that is used to schedule annual leave of only six employees is adequate to account for the scheduling of vacation for this entity.
 - c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.
There were written leave records for each of the selected employees that earned leave.
24. Obtain from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtain the personnel files for the two employees/officials. Report whether the termination payments were made in strict accordance with policy and/or contract and approved by management.
There were no terminated employees during the year.
25. Obtain supporting documentation (e.g. cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether the employee and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.
From the information observed, it appears that the agency that was hired to prepare the payroll and submit the payroll tax payments was doing them on a timely basis.

Ethics (excluding nonprofits)

26. Using the five randomly selected employees/officials from procedure #22 under "Payroll and Personnel" above, obtain ethics compliance documentation from management and report whether the entity maintained documentation to demonstrate that required ethics training was completed.
Ethics compliance documentations were obtained from management for each of the selected employees.

27. Inquire of management whether any alleged ethics violations were reported to the entity during the fiscal period. If applicable, review documentation that demonstrates whether management investigated alleged ethics violations, the corrective actions taken, and whether management's actions complied with the entity's ethics policy. Report whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.

There were no allegations of ethics violations reported to the entity.

Debt Service (excluding nonprofits) Not Applicable

28. If debt was issued during the fiscal period, obtain supporting documentation from the entity, and report whether State Bond Commission approval was obtained.
29. If the entity had outstanding debt during the fiscal period, obtain supporting documentation from the entity and report whether the entity made scheduled debt service payments and maintained debt reserves, as required by debt covenants.
30. If the entity had tax millages relating to debt service, obtain supporting documentation and report whether millage collections exceed debt service payments by more than 10% during the fiscal period. Also, report any millages that continue to be received for debt that has been paid off.

Other

31. Inquire of management whether the entity had any misappropriations of public funds or assets. If so, obtain/review supporting documentation and report whether the entity reported the misappropriation to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

The entity did not misappropriate any of the public funds or assets.

32. Observe and report whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at www.la.gov/hotline) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

Not applicable

33. If the practitioner observes or otherwise identifies any exceptions regarding management's representations in the procedures above, report the nature of each exception.

Exception 2017-01 – Purchase orders are not being used for purchases – 9(a,b,&c)

Recommendation – Best practice recommend the use of purchase orders or requisitions to be used before a purchase is made to document the approval of the purchase. Purchase orders also assist to document the procedures and steps taken to acquire purchases that required bids or quotes

Response - My office consists of only six (6) employees. I as Assessor have final responsibility for the actions of my employees. My present procedure is to review every invoice prior to signing the check that is attached to the invoice. I document my approval on the invoice prior to signing and releasing the check in payment of the invoice. I am the only person authorized to sign checks. Supplies can only be ordered with my approval, either verbal or written.

Due to the small size of my office staff I do not believe that it would be cost efficient to add another step to the approval process by requiring purchase orders. I will be changing our office "Policy and Procedures Manual" to require a written "Memo" be attached to any payment greater than \$1000.00, and anything less than \$1,000.00 would still be reviewed by me before issuing payment.

Exception 2017-02 – Business expense were not approved in advance – 19(b)

Condition – The policy of the Assessor's office is that all business travel must be approved in advance by the Parish Assessor. Management has informed me that travel expenses are always approved by the assessor but are done orally and not in writing.

Recommendation – To comply with the policies of the Assessor's office, some type of documentation indicating that business travel expense were approved before they were expended should be developed. One method of documenting the approval for expenses is with the use of purchase orders or requisitions.

Response - While I agree with the findings in exceptions 2017-01 and 2017-2, I would like to add the following comments. Our "Policy and Procedures Manual" was adapted from the policies of a much larger office. My office consists of only six (6) employees. I as Assessor have final responsibility for the actions of my employees. My present procedure is to review every invoice prior to signing the check that is attached to the invoice. I document my approval on the invoice prior to signing and releasing the check in payment of the invoice. I am the only person authorized to sign checks. Supplies can only be ordered with my approval, either verbal or written.

Due to the small size of my office staff I do not believe that it would be cost efficient to add another step to the approval process by requiring purchase orders. I will be changing our office "Policy and Procedures Manual" to require a written "Memo" be attached to any payment greater than \$1000.00, and anything less than \$1,000.00 would still be reviewed by me before issuing payment.

I am not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of Cameron Parish Assessor and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

June 5, 2018



Michael K Glover
Michael K Glover APAC