

**MADISON PARISH ASSESSOR**

**FINANCIAL STATEMENTS**

**AS OF DECEMBER 31, 2017**

MADISON PARISH ASSESSOR  
TALLULAH, LOUISIANA

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## INDEPENDENT AUDITOR'S REPORT

Mr. Jim Sevier  
Madison Parish Assessor  
Tallulah, Louisiana

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

We have audited the accompanying financial statements of the governmental activities and each major fund of the Madison Parish Assessor as of and for the year ended December 31, 2017, and related notes to the financial statements which collectively comprise the Assessor's basic financial statements as listed in the table of contents.

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

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Madison Parish Assessor, as of December 31, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof 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 Management's Discussion and Analysis on pages 3 through 7, the budgetary comparison information on page 27, and the Schedule of Funding Progress for Employee Healthcare Plan on page 28, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### **Other Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Madison Parish Assessor's basic financial statements. The accompanying other financial information consisting of the Schedule of Compensation, Benefits, and Other Payments to Agency Head on page 29 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 5, 2018, on our consideration of the Madison Parish Assessor's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing on internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Madison Parish Assessor's internal control over financial reporting and compliance.

*The Halford Firm, PLLC*

Vicksburg, Mississippi  
June 5, 2018

REQUIRED SUPPLEMENTARY INFORMATION

PART I

## **Management's Discussion and Analysis**

December 31, 2017

As management of the Madison Parish Assessor, I offer readers of the Madison Parish Assessor's financial statements this narrative overview and analysis of the financial activities of the Madison Parish Assessor for the fiscal year ended December 31, 2017. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

### **Financial Highlights**

The Assessor's expenses on the Statement of Activities for the year ending December 31, 2017, were \$839,828 and the prior year's expenses were \$866,442. This \$26,614 decrease was mainly a decrease in employee benefits.

The Assessor's total net position decreased by \$45,877 over the course of this year's operations.

During the year, the Assessor's expenditures were \$666,425. This was a decrease of \$31,367 in comparison to the prior year. \$607,302 of the total expenditures were for salaries and employee benefits.

The Assessor had total revenues of \$663,673 in 2017, of which \$658,045 was from ad valorem taxes.

### **Overview of the Financial Statements**

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

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the Madison Parish Assessor's finances, in a manner similar to a private-sector business. The government-wide financial statements provide short- and long-term information about the Assessor's financial status as a whole.

The Madison Parish Assessor's government-wide financial statements include a Statement of Net Position (pg. 8) and Statement of Activities (pg. 9), which are prepared using accounting principles that are similar to commercial enterprises. The purpose of the Statement of Net Position is to report all of the assets held and liabilities owed by the Assessor using the full accrual basis of accounting. The Assessor reports all of its assets when it acquires ownership over the assets and reports all of its liabilities when they are incurred.

**Government-wide financial statements (cont.).** The difference between the Assessor's total assets and total liabilities is reported as net position and this difference is similar to the total owner's equity presented by a commercial enterprise. Over time, increases or decreases in the Assessor's net position are one indicator of whether financial health is improving or deteriorating. However, the Assessor's goal is to provide services to the citizens of Madison Parish, not to generate profits as commercial enterprises do. Therefore, not only financial factors must be considered to assess the overall health of the Assessor.

The purpose of the Statement of Activities is to present the revenues and expenses of the Madison Parish Assessor. Again, the items presented on the Statement of Activities are measured in a manner similar to the approach used by a commercial enterprise in that revenues are recognized when earned or established criteria are satisfied, and expenses are reported when incurred by the Assessor. Thus, revenues are reported even though they may not be collected for several months after the end of the accounting period and expenses are recorded even though they may not have used cash during the current period.

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the Governmental Fund Balance Sheet and Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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

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

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

**REPORTING ON THE MADISON PARISH ASSESSOR AS A WHOLE**

The following table reflects the condensed Statement of Net Position:

**CONDENSED STATEMENT OF NET POSITION**  
Years Ended December 31, 2017, and 2016

	<u>2017</u>	<u>2016</u>
<b>Assets</b>		
Current and other assets	\$ 1,205,013	\$ 1,203,937
Capital assets, net of accumulated depreciation	<u>34,025</u>	<u>50,341</u>
<b>Total Assets</b>	<u><b>1,239,038</b></u>	<u><b>1,254,278</b></u>
<b>Deferred Outflows of Resources</b>	<u>156,594</u>	<u>220,394</u>
<b>Liabilities</b>		
Current and other liabilities	2,676	1,044
Long-term liabilities	<u>1,110,014</u>	<u>1,236,820</u>
<b>Total Liabilities</b>	<u><b>1,112,690</b></u>	<u><b>1,237,864</b></u>
<b>Deferred Inflows of Resources</b>	<u>129,360</u>	<u>37,349</u>
<b>Net Position</b>		
Invested in capital assets, net of related debt	34,025	50,341
Unrestricted	<u>119,557</u>	<u>149,118</u>
<b>Total Net Position</b>	<u><b>\$ 153,582</b></u>	<u><b>\$ 199,459</b></u>

Net position may serve over time as a useful indicator of a government's financial position. In the case of the Madison Parish Assessor, assets exceed liabilities at the close of the fiscal year by \$153,582 in 2017 and \$199,459 in 2016. Of these amounts \$34,025, or 22%, and \$50,341 or 25% of the total net position represents the investment of the Assessor in capital assets, net of related debt. Net position of \$119,557 for 2017, and \$149,118 for 2016, which are technically unrestricted, need to be viewed in light of information in the fund financial statements.

The following table reflects the condensed Statement of Activities:

**CONDENSED STATEMENT OF ACTIVITIES**  
Years Ended December 31, 2017, and 2016

	2017	2016
<b>Revenues</b>		
Taxes - ad valorem	\$ 660,240	\$ 669,336
Preparation of tax rolls	4,015	3,967
Interest and other income	129,696	192,154
Total Revenues	793,951	865,457
<b>Expenses</b>		
Salaries and benefits	777,570	802,349
Material and supplies	45,942	46,399
Other	16,316	17,694
Total Expenses	839,828	866,442
Change in Net Position	(45,877)	(985)
Net Position - beginning	199,459	200,444
Net Position - ending	\$ 153,582	\$ 199,459

As reported in the Statement of Activities, the cost of governmental activities for 2017 and 2016 was \$839,828 and \$866,442 respectively.

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

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

As of December 2017, the general fund's governmental balances of \$1,175,344 showed a decrease of \$2,752 when compared to December 31, 2016.

**Capital Asset and Debt Administration**

**Capital assets.** The Madison Parish Assessor's investment in capital assets for its governmental activities as of December 31, 2017, amounts to \$34,025. This investment includes furniture and equipment. This value is net of accumulated depreciation.

### **General Fund Budgetary Highlights**

The Assessor's budget is prepared according to Louisiana law.

A budgetary comparison schedule showing the Madison Parish Assessor's original adopted budget compared with actual operating results is provided in the report that follows.

### **Economic Factors and Next Year's Budgets**

The Assessor considered many factors when setting the Assessor's 2018 budget.

Revenues and expenditures of the Assessor's funds are expected to remain fairly consistent with the 2017 fiscal year.

### **Requests for Information**

This financial report is designed to provide a general overview of the Madison Parish Assessor's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Madison Parish Assessor, P. O. Box 423, Tallulah, LA 71284.

**BASIC FINANCIAL STATEMENTS**

MADISON PARISH ASSESSOR  
TALLULAH, LOUISIANA  
STATEMENT OF NET POSITION  
DECEMBER 31, 2017

**Assets**

**Current assets**

Cash and cash equivalents	\$ 387,570
Receivables	648,241
Investments	169,202
Total current assets	1,205,013

**Noncurrent assets**

Capital assets, net of accumulated depreciation	34,025
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Total Assets	1,239,038
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**Deferred Outflows of Resources**

156,594

**Liabilities**

**Current Liabilities**

Accounts payable	\$ 2,676
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**Noncurrent liabilities**

OPEB payable	940,171
Net pension liability	169,843
	1,112,690

Total Liabilities	1,112,690
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**Deferred Inflows of Resources**

129,360

**Net Position**

Invested in capital assets	34,025
Unrestricted	119,557
	153,582

Total Net Position	\$ 153,582
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The accompanying notes are an integral part of this financial statement.

MADISON PARISH ASSESSOR  
TALLULAH, LOUISIANA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2017

<u>Function/Program</u>	<u>Expenses</u>	<u>Program Revenue Charge for Services</u>	<u>Operating Grants and Contributions</u>	<u>Net Revenue (Expense) Government Activities</u>
<b>Government Activities:</b>				
General government - taxation	\$ 839,828	\$ 4,470	\$ 128,083	\$ (707,275)
Total government activities	<u>\$ 839,828</u>	<u>\$ 4,470</u>	<u>\$ 128,083</u>	<u>(707,275)</u>
<b>General Revenues:</b>				
Taxes - ad valorem				660,240
Use of money				<u>1,158</u>
Total general revenues				<u>661,398</u>
Change in Net Position				(45,877)
Net Position - January 1, 2017				<u>199,459</u>
Net Position - December 31, 2017				<u>\$ 153,582</u>

The accompanying notes are an integral part of this financial statement.

MADISON PARISH ASSESSOR  
TALLULAH, LOUISIANA  
BALANCE SHEET – GOVERNMENTAL FUNDS  
DECEMBER 31, 2017

	<u>General Fund</u>
<b>Assets</b>	
Cash	\$ 387,570
Receivables	621,248
Investments	<u>169,202</u>
<b>Total Assets</b>	<u><u>1,178,020</u></u>
<b>Liabilities</b>	
Accounts payable	2,676
<b>Fund Equity Balances</b>	
Fund balance - unassigned	<u>1,175,344</u>
<b>Total Liabilities and Fund Equity Balances</b>	<u><u>\$ 1,178,020</u></u>

The accompanying notes are an integral part of this financial statement.

MADISON PARISH ASSESSOR  
TALLULAH, LOUISIANA  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
AS OF DECEMBER 31, 2017

Total Fund Balance - Governmental Funds		\$ 1,175,344
Capital assets used in governmental activities are not financial resources and are not reported in the governmental funds		34,025
Receivables collected more than 60 days from the balance sheet date are not recorded on governmental funds.		26,993
Long - term liabilities are not due and payable in the current period and accordingly are not reported as fund liabilities:		
OPEB payable	(940,171)	
Net pension liability	(169,843)	
	(1,110,014)	(1,110,014)
Deferred outflows and inflows are not financial resources or currently payable		
Deferred outflows	156,594	
Deferred inflows	(129,360)	
	27,234	27,234
Net Position of Governmental Activities		\$ 153,582

The accompanying notes are an integral part of this financial statement.

MADISON PARISH ASSESSOR  
TALLULAH, LOUISIANA  
GOVERNMENTAL FUND TYPES – GENERAL FUND (SALARY FUND)  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED DECEMBER 31, 2017

**Revenues**

Taxes - ad valorem	\$ 658,045
Preparing tax rolls for municipalities	4,015
Use of money	1,158
Other income	455
Total Revenues	663,673

**Expenditures**

General Governmental:

Salaries:

Assessor	131,796
Deputies and other	288,621
Employee benefits	186,885

Travel:

Assessor's expense allowance	13,180
Other	424

Materials & Supplies:

Office	30,548
Other	14,971

Total Expenditures	666,425
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Changes in Fund Balance	(2,752)
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Fund Balance at beginning of year	1,178,096
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Fund Balance at end of year	\$ 1,175,344
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The accompanying notes are an integral part of this financial statement.

MADISON PARISH ASSESSOR  
TALLULAH, LOUISIANA  
RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2017

Net Change in Fund Balance, Total Governmental Fund		\$ (2,752)
Receivables collected more than 60 days from the Balance Sheet date are not recorded as income on governmental funds financial statements, but are on the Statement of Activities. Net change in amount.		2,196
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.		(16,316)
The Statement of Activities recorded unfunded cost of post employment medical insurance cost (OPEB) in the current year, but will not be recorded in governmental funds until actually paid		(65,415)
Net pension expense is reported in governmental funds as expenditures as they are paid, however, in the Statement of Activities the net pension expense is reported according to estimates required by GASB 68:		
Pension expenses paid	74,784	
Pension expenses per GASB 68	<u>(166,457)</u>	
		(91,673)
The Assessor's proportionate share of non-employer contributions to the pension plan does not provide current financial resources and, therefore, is not reported as revenue in the governmental funds.		<u>128,083</u>
Change in Net Position of Governmental Activities		<u>\$ (45,877)</u>

The accompanying notes are an integral part of this financial statement.

**MADISON PARISH ASSESSOR  
TALLULAH, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS**

**INTRODUCTION**

As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, the Assessor is elected by the voters of the parish and serves a four-year term. The Assessor assesses all real and moveable 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 provides assistance to the taxpayers of the parish. The deputies are authorized to perform all functions of the office, but the Assessor is officially and pecuniary responsible for the actions of the deputies.

The Assessor's office is located in the Madison Parish Courthouse in Tallulah, Louisiana. The Assessor employs six employees, including four deputies. In accordance with Louisiana law, the Assessor bases real and moveable property assessments on conditions existing on January 1 of the tax year. The Assessor completes an assessment listing by May 1 of the tax year and submits the list to the parish governing authority and the Louisiana Tax Commission as prescribed by the law. Once the assessment listing is approved, the Assessor submits the assessment roll to the parish tax collector who is responsible for collecting and distributing taxes to the various taxing bodies.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF PRESENTATION**

The accompanying basic financial statements of the Madison Parish Assessor have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, issued in June 1999.

**B. REPORTING ENTITY**

The Assessor is an independently elected official; however, the Assessor is fiscally dependent on the Madison Parish Police Jury. The police jury maintains and operates the parish courthouse in which the Assessor's office is located and provides funds for equipment and furniture of the Assessor's office. In addition, the police jury's basic financial statements would be incomplete or misleading without the inclusion of the Assessor. For these reasons, the Assessor was determined to be a component of the Madison Parish Police Jury, the financial reporting entity.

The accompanying financial statements present information only on the funds maintained by the Assessor and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

MADISON PARISH ASSESSOR  
TALLULAH, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

**C. FUND ACCOUNTING**

The Assessor used 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 tax assessment functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

**Governmental Funds**

Governmental funds account for all or most of the Assessor's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. 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:

**General Fund** – The primary operating fund of the Assessor which accounts 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 the Assessor's policy.

**D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING**

**Fund Financial Statements (FFS)**

The amounts reflected in the Fund Financial Statements are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the Balance Sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balance reports on the sources of current financial resources. This approach is the reconciled, through adjustment, to a government-wide view of the Assessor's operations.

The amounts reflected in the Fund Financial Statements use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual. Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Assessor considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred. The governmental funds use the following practices in recording revenues and expenditures:

MADISON PARISH ASSESSOR  
TALLULAH, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

**D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING (cont.)**

**Fund Financial Statements (FFS) (cont.)**

**Revenues**

Ad valorem taxes are recorded in the year the taxes are assessed.

Revenues from preparing tax rolls for municipalities are recorded in the year in which the tax rolls are prepared.

All other revenues are recorded when received.

**Expenditures**

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

**Government-Wide Financial Statements**

The Statement of Net Position and Statement of Activities display information about the Assessor as a whole. These statements include all the financial activities of the Assessor. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs, regardless of when cash is received or disbursed. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

**Program Revenues** – Program revenues included in the Statement of Activities are derived directly from users as a fee for services; program revenues reduce the cost of the function to be financed from the Assessor's general revenues.

**E. BUDGETARY ACCOUNTING**

The Assessor prepares an annual operating budget within the first ninety days of each year. He does hold a public hearing of which notice is published in the local newspaper. The Assessor's books are open for public inspection.

**F. CASH AND CASH EQUIVALENTS**

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

MADISON PARISH ASSESSOR  
TALLULAH, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

**G. INVESTMENTS**

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 and the Assessor's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

**H. CAPITAL ASSETS**

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Assessor maintains a threshold level of \$500.00 or more for capitalizing capital assets. All assets are valued at historical cost.

Capital assets are recorded in the Statement of Net Position and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage is taken into consideration for depreciation purposes. All capital assets are depreciated using the straight line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Furniture, fixtures, and office equipment	5 – 15 years
Vehicles	5 years

**I. FUND EQUITY**

Beginning with fiscal year 2011, the Assessor implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions". This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

Nonspendable Fund Balance – amounts that are not in spendable form (such as inventory) or are required to be maintained intact.

Restricted Fund Balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provision, or by enabling legislation.

Committed Fund Balance – amounts constrained to specific purposes by the Assessor itself, using its highest level of decision-making authority. To be reported as committed, amounts cannot be used for any other purpose unless the Assessor takes the same highest level action to remove or change the constraint.

Assigned Fund Balance – amounts the Assessor intends to use for a specific purpose. Intent is expressed by the Madison Parish Assessor.

Unassigned Fund Balance – amounts that are available for any purpose. These amounts are reported only in the general fund.

MADISON PARISH ASSESSOR  
TALLULAH, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

**J. COMPENSATED ABSENCES**

The Assessor allows two weeks per year in paid vacation and sick leave, however, this leave does not accrue. Since this leave policy does not provide for the accumulation and vesting of leave, no liability has been recorded in the financial statements.

**K. DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES**

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively.

**L. ESTIMATES**

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

**NOTE 2. CASH AND CASH EQUIVALENTS**

At December 31, 2017, the Assessor has cash and cash equivalents (book balances) totaling as follows:

Interest-bearing demand deposits	\$387,570
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These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposits insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At December 31, 2017, the Assessor had \$390,693 deposits at bank. These deposits are secured from risk by federal deposit insurance in the amount of \$250,000 and \$140,693 of pledged securities.

MADISON PARISH ASSESSOR  
TALLULAH, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS

**NOTE 3. INVESTMENTS**

At December 31, 2017, the Madison Parish Assessor had \$169,202 in investments; all of the investments were certificates of deposit with local banks. The details are as follows:

Cross Keys Bank	\$	31,212
Capital One Bank		35,618
Delta Bank		71,160
Tensas State Bank		31,212
Total	\$	169,202

All investments are secured from risk by federal deposit insurance.

**NOTE 4. RECEIVABLES**

The receivables at December 31, 2017, consisted of the following:

	Statement of Net Position	Governmental Balance Sheet
Taxes:		
Ad Valorem	\$ 633,243	\$ 617,500
State Revenue Sharing	11,250	-
Accounts Receivable:		
Preparation of Tax Rolls	3,748	3,748
Total	\$ 648,241	\$ 621,248

**NOTE 5. CHANGES IN CAPITAL ASSETS**

Capital assets and depreciation activity as of and for the year ended December 31, 2017, is as follows:

	Balance January 1, 2017		Addition		Deduction		Balance December 31, 2017
Government Activities							
Furniture and Equipment	\$ 96,095	\$ -		\$ -		\$ -	\$ 96,095
Less accumulated depreciation	(45,754)		(16,316)			-	(62,070)
Capital assets - net	\$ 50,341		\$ (16,316)		\$ -		\$ 34,025

MADISON PARISH ASSESSOR  
TALLULAH, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS

**NOTE 6. PENSION PLAN**

**Plan Description.** Substantially all employees of the Madison Parish Assessor's office are members of the Louisiana Assessor's Retirement Fund and Subsidiary (Fund), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. All full-time employees who are under the age of 60 at the time of original employment and are not drawing retirement benefits from any other public retirement Fund in Louisiana are required to participate in the Fund. Employees who retire at or after age 55 with at least 12 years of credited service or at or after age 50 with at least 30 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3 per cent of their final average salary for each year of credited service, not to exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months (60 if hired after 10/01/06) that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. The Fund also provides death and disability benefits. Benefits are established or amended by state statute. The Fund issues an annual publicly available financial report that includes financial statements and required supplementary information for the Fund. That report may be obtained by writing to the Louisiana Assessors' Retirement Fund and Subsidiary, Post Office Box 14699, Baton Rouge, Louisiana 70898-4699, or by calling (225) 928-8886.

**Funding Policy.** Plan members are required by state statute to contribute 8.0% of their annual covered salary and the Madison Parish Assessor is required to contribute at an actuarially determined rate. The current rate is 8% of annual covered payroll. Contributions to the Fund also include one-fourth of 1% of the taxes shown to be collectible by the tax rolls of each parish, plus revenue sharing funds appropriated by the legislature. The contribution requirements of plan members and the Madison Parish Assessor are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. In accordance with Act 818 of the 1999 legislative session, the Assessor may elect to pay all or a portion of the employee contribution into the retirement system. The Madison Parish Assessor elected to pay all of the employee's portion. The Madison Parish Assessor's contributions to the Fund for the years ending December 31, 2017, 2016, and 2015 were \$74,784, \$91,557, and \$93,140 respectively, equal to the required contributions for each year. The amount of non-employer contributions recognized as revenue in the government-wide statement of activities was \$128,083 for the year ended December 31, 2017.

**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 \$169,843 for its proportionate share of 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 Assessors, actuarially determined. At September 30, 2017, the Assessor's proportion was 0.967929%, which was a decrease of 0.058128% from its proportion measured as of September 30, 2016.

MADISON PARISH ASSESSOR  
TALLULAH, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS

**NOTE 6. PENSION PLAN (cont.)**

For the year ended December 31, 2017, the Assessor recognized pension expense of \$166,457. At December 31, 2017, the Assessor recognized deferred outflows of resources and deferred inflows of resources related to pensions from the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 18,931	\$ 53,324
Changes in assumptions	106,227	-
Net difference between projected and actual earnings on pension plan investments	-	65,723
Changes in proportion and differences between Assessor contributions and proportionate share of contributions	14,342	10,313
Assessor contributions subsequent to the measurement date	17,094	-
Total	\$ 156,594	\$ 129,360

The \$17,094 reported as deferred outflows of resources relating to pensions resulting from the Assessor contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2018. Other amounts reported as deferred outflows and deferred inflows of resources relate to pensions will be recognized in pension expense as follows:

Year ended December 31,	
2018	\$ 22,531
2019	31,179
2020	(30,532)
2021	(20,515)
2022	7,477
Thereafter	-
Total	\$ 10,140

MADISON PARISH ASSESSOR  
TALLULAH, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS

**NOTE 6. PENSION PLAN (cont.)**

**Actuarial assumptions.** The total pension liability in the September 30, 2017, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry age normal.
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation.
Inflation Rate	2.50%
Projected Salary increases	5.75%
Active member, annuitant and beneficiary mortality	RP-2000 Healthy Annuitant Table set forward 1 year and projected to 2030 for males and females.
Retiree Cost of Living Increases	The present value of future retirement benefits is based on benefits currently being paid by the Fund and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

The actuarial assumptions utilized are based on the assumptions used in the September 30, 2015, actuarial funding valuation, which (with the exception of mortality) were based on results of an actuarial experience study for the period October 1, 2006 – September 30, 2010. In cases where benefit structures were changed after the study period, assumptions were based on estimates of future experience. All assumptions selected were determined to be reasonable and represent expectations of future experience for the Fund.

**Discount Rate.** The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing 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:

Asset Class	Long-Term Expected Real Rate of Return
	<u>2017</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%

MADISON PARISH ASSESSOR  
TALLULAH, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS

**NOTE 6. PENSION PLAN (cont.)**

The long-term expected rate of return used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and by the Public Retirement Systems' Actuarial Committee. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected payments to determine the total pension liability. Thus, the discount rate used to measure the total pension liability was 7.00%

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

**Sensitivity to Changes in Discount Rate.** The following presents the Assessor's proportionate share of the net pension liability calculated using the discount rate of 6.75%, as well as what the Assessor's net pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate as of September 30, 2017:

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Assessor's proportionate share of the net pension liability	\$ 575,944	\$ 169,843	\$ (178,298)

The Louisiana Assessors' Retirement Fund and Subsidiary has issued a stand-alone audit report on their financial statements for the year ended September 30, 2017. Access to the report can be found on the Louisiana Legislative Auditor's website, [www.lla.la.gov](http://www.lla.la.gov).

MADISON PARISH ASSESSOR  
TALLULAH, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS

**NOTE 7. DEFERRED COMPENSATION PLAN**

Certain employees of the Assessor participate in the Louisiana Public Employees Deferred Compensation Plan adopted under the provisions of the Internal Revenue code (IRC) Section 457. Complete disclosures relating to the Plan are included in the separately issued audit report for the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, and Louisiana 70804-9397.

**NOTE 8. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS**

**Plan Description.** The Madison Parish Assessor contributes to a single-employer defined benefit healthcare and life insurance plan ("the Retiree Health Plan"). The plan provides lifetime healthcare and life insurance for eligible retirees and their spouses through the Assessor's group health insurance plan, which covers both active and retired members. Benefit provisions are established by the Madison Parish Assessor. The Retiree Health Plan does not issue a publicly available financial report. Effective with the year ending December 31, 2009, the Madison Parish Assessor implemented Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other than Pension* (GASB 45). The statement has been implemented prospectively. Using this method, the beginning OPEB liability is set at zero and the actuarially determined OPEB liability relative to past service (prior to January 1, 2009) will be amortized and recognized as an expense over thirty years.

**Funding Policy.** The Madison Parish Assessor contributes 100% of the cost of current year premiums for eligible retired employees and their surviving spouses. For the year ended December 31, 2017, the Madison Parish Assessor contributed \$0 to the plan.

**Annual OPEB Cost and Net OPEB Obligation.** The assessor's annual cost post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC). The Madison Parish Assessor has elected to calculate the ARC and related information using the alternative measurement method permitted by GASB 45 for employers in plans with fewer than 100 total plan members. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the assessor's annual OPEB costs for the year, the amount actually contributed to the plan, and changes in the assessor's net OPEB obligation to the retiree health plan.

Annual Required Contribution	\$ 68,753
Interest on Net OPEB Obligation	34,990
Adjustment to Annual Required Contribution	<u>(38,328)</u>
Annual OPEB Cost (Expense)	65,415
Contributions Made	<u>-</u>
Increase in Net OPEB Obligation	65,415
Net OPEB Obligation - beginning of year	<u>874,756</u>
Net OPEB Obligation - end of year	<u>\$ 940,171</u>

The Assessor's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year 2017 was \$65,415, 0% and \$940,171, respectively.

MADISON PARISH ASSESSOR  
TALLULAH, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS

**NOTE 8. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (cont.)**

**Funded Status and Funding Progress.** As of December 31, 2017, the actuarial accrued liability for benefits was \$1,048,549, all of which was unfunded. The covered payroll was \$414,159, and ratio of the unfunded actuarial liability to the covered payroll was 253.2%. The projection of future benefits for an ongoing plan involves estimates of the value of reported amounts and assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer 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-trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**Methods and Assumptions.** Projections of benefits for financial reporting purposes are based on 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 methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The following simplifying assumptions were made:

*Retirement age for active employees* – Based on the historical retirement age for the covered group, active members were assumed to retire at age 57.

*Marital status* – Marital status of members at the calculation date were assumed to continue throughout retirement.

*Mortality* – Life expectancies were based on Sex Distinct RP 2000 Combined Healthy Mortality Table projected to 2017 using Scale AA.

*Turnover* – Non-group-specific age-based turnover data from GASB Statement 45 were used as the basis for assigning active members a probability of remaining employed until the assumed retirement age and for developing an expected future working lifetime assumption for purposes of allocating to periods the present value of total benefits to be paid.

*Healthcare cost trend rate* – The expected rate of increase in healthcare insurance premiums was based on projections of the Office of the Actuary at the Centers for Medicare and Medicaid Services. A rate of 5.7% initially, increased to an ultimate rate of 6.0% after six years, was used.

*Health insurance premiums* – 2012 health insurance premiums for active employees and retirees were used as the basis for calculation of the present value of total benefits to be paid.

*Inflation rate* – A long-term inflation assumption of 2.5% was based on projected changes in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) in the 2009 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds for an intermediate growth scenario.

MADISON PARISH ASSESSOR  
TALLULAH, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS

**NOTE 8. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (cont.)**

*Payroll growth rate* – The expected long-term payroll growth rate was assumed to be 3.90% per annum, compounded annually.

Based on the historical and expected returns of the Assessor's short-term investments, a discount rate of 4% was used. In addition, a simplified version of the entry age actuarial cost method was used. The unfunded actuarial liability is being amortized as a level percentage of projected payrolls on an open basis.

**NOTE 9. RISK MANAGEMENT**

The Assessor is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. To handle such risk of loss, the Assessor maintains commercial insurance policies covering his automobile, professional liability, and surety bond coverage. No claims were paid on any of the policies during the past three years. There were no reductions in insurance coverage during the year ended December 31, 2017.

**NOTE 10. EXPENDITURES OF THE ASSESSOR'S OFFICE PAID BY THE POLICE JURY**

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

**NOTE 11. SUBSEQUENT EVENTS**

Subsequent events were evaluated through June 5, 2018, which is the date the financial statements were available to be issued.

**REQUIRED SUPPLEMENTARY INFORMATION**

**PART II**

MADISON PARISH ASSESSOR  
TALLULAH, LOUISIANA  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
DECEMBER 31, 2017

	Original Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Ad valorem taxes	\$ 670,000	\$ 658,045	\$ (11,955)
Preparing tax rolls	3,994	4,015	21
Interest income	1,000	1,158	158
Other income	3,500	455	(3,045)
Total Revenues	<u>678,494</u>	<u>663,673</u>	<u>(14,821)</u>
<b>Expenditures</b>			
General Government			
Salaries:			
Assessor	131,790	131,796	(6)
Deputies and other	332,800	288,621	44,179
Assessor's expense	14,498	13,180	1,318
Dues	2,100	-	2,100
Insurance	3,100	5,870	(2,770)
Medical insurance	72,779	100,290	(27,511)
Retirement	100,000	74,784	25,216
Accounting	8,000	10,000	(2,000)
Office expense	34,500	24,679	9,821
Equipment rental	1,586	-	1,586
Repairs & maintenance	1,000	-	1,000
Payroll taxes	4,110	2,510	1,600
Telephone	3,000	4,971	(1,971)
Travel	8,000	424	7,576
Equipment lease (vehicle)	7,000	-	7,000
Capital outlay	15,000	-	15,000
Deferred compensation	11,400	9,300	2,100
Total Expenditures	<u>750,663</u>	<u>666,425</u>	<u>84,238</u>
Excess (Deficiency) of Revenues Over Expenditures	(72,169)	(2,752)	69,417
Fund Balance - Beginning	<u>1,178,096</u>	<u>1,178,096</u>	-
Fund Balance - Ending	<u>\$ 1,105,927</u>	<u>\$ 1,175,344</u>	<u>\$ 69,417</u>

MADISON PARISH ASSESSOR  
TALLULAH, LOUISIANA  
SCHEDULE OF FUNDING PROGRESS FOR EMPLOYEE HEALTH CARE PLAN  
FOR THE YEAR ENDED DECEMBER 31, 2017

Actual Valuation Date	Actuarial Value of Assets	Actuarial Liability (AAL) - Entry Age	Unfunded AAL (UALL)	Funded Ratio	Covered Payroll	UALL as a Percentage of Covered Payroll
12/31/2008	\$ -	1,829,553	1,829,553	0.00%	187,331	976.64%
12/31/2011	\$ -	1,159,766	1,159,766	0.00%	335,762	345.41%
12/31/2014	\$ -	1,159,766	1,159,766	0.00%	388,955	298.82%

Generally accepted governmental accounting principles (GASB Codification Po50. 131-132) require that the schedule present information from the last three actuarial valuations.

**OTHER FINANCIAL INFORMATION**

MADISON PARISH ASSESSOR  
TALLULAH, LOUISIANA  
SCHEDULE OF COMPENSATION, BENEFITS,  
OTHER PAYMENTS TO AGENCY HEAD  
DECEMBER 31, 2017

Jim Sevier, Assessor

Salary and expense amount	\$	163,640
Benefits - insurance		23,500
Benefits - retirement		25,371
Benefits - deferred compensation		<u>2,400</u>
Total	\$	<u>214,911</u>

**OTHER REPORTS REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

# THE HALFORD FIRM, PLLC

CERTIFIED PUBLIC ACCOUNTANTS

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Mississippi Society of  
Certified Public Accountants

Louisiana Society of  
Certified Public Accountants

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

Mr. Jim Sevier  
Madison Parish Assessor  
Tallulah, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Madison Parish Assessor, a component unit of the Madison Parish Police Jury, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Madison Parish Assessor's basic financial statements, and have issued our report thereon dated June 5, 2018.

### Internal Control Over Financial Reporting

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

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

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

## **Compliance and Other Matters**

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

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

*The Halford Firm, PLLC*

Vicksburg, Mississippi  
June 5, 2018

MADISON PARISH ASSESSOR  
TALLULAH, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
DECEMBER 31, 2017

**A. SUMMARY OF AUDIT RESULTS**

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

**B. FINDINGS – FINANCIAL STATEMENTS AUDIT**

None

MADISON PARISH ASSESSOR  
TALLULAH, LOUISIANA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR YEAR ENDED DECEMBER 31, 2017

There were no prior audit findings.

# THE HALFORD FIRM, PLLC

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## INDEPENDENT AUDITOR'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Madison Parish Assessor and  
the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by the Madison Parish Assessor and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2017, through December 31, 2017. The management of Madison Parish Assessor's office is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted 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.

The procedures and associated results are presented in the accompanying Schedule of Procedures, Results and Managements' Response.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

*The Halford Firm, PLLC*

Vicksburg, Mississippi  
June 5, 2018

**MADISON PARISH ASSESSOR  
STATE WIDE AGREED-UPON PROCEDURES,  
SCHEDULE OF PROCEDURES, RESULTS AND MANAGERMENTS' RESPONSE**

**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  
*No written procedures that address budgets.*
  - 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.  
*No written procedures that address purchases.*
  - c) **Disbursements**, including processing, reviewing, and approving  
*No written policies that address disbursements.*
  - d) **Receipts**, including receiving, recording, and preparing deposits  
*No written policies that address receipts.*
  - e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.  
*No written policies that address payroll/personnel.*
  - 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  
*No written policies that address contracting*
  - g) **Credit Cards** (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  
*No written policies that address credit cards, etc.*
  - h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers  
*No written policies that address travel and expense reimbursement.*

**MADISON PARISH ASSESSOR  
STATE WIDE AGREED-UPON PROCEDURES,  
SCHEDULE OF PROCEDURES, RESULTS AND MANAGERMENTS' RESPONSE**

**Written Policies and Procedures - continued**

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-11121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirements that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.

*No written policies that address ethics.*

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

*Written procedures regarding debt service were not applicable because the Assessor does not have any credit card or debt.*

**Management's Response:**

Despite the lack of written policies and procedures, the Madison Parish Assessor has policies and procedures that are understood by the employees responsible for performing them.

**Board (or Finance Committee, if applicable)**

*The Assessor does not have a board or finance committee, so this is 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.

**MADISON PARISH ASSESSOR  
STATE WIDE AGREED-UPON PROCEDURES,  
SCHEDULE OF PROCEDURES, RESULTS AND MANAGERMENTS' RESPONSE**

**Written Policies and Procedures – continued**

**Board (or Finance Committee, if applicable) - continued**

- 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 the assessor's bank accounts from management and management's representation that the listing is complete.

*A complete listing of bank accounts was obtained. (Only one bank account)*

- 4. Using the listing provided by management, select all of the entity's bank account (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). 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;

*The reconciliations were prepared for the operating account for all months.*

- 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

*The reconciliations are reviewed by the Assessor, but he does have involvement in the transactions.*

- 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.

*There were not any reconciling items that have been outstanding more than 6 months.*

**MADISON PARISH ASSESSOR  
STATE WIDE AGREED-UPON PROCEDURES,  
SCHEDULE OF PROCEDURES, RESULTS AND MANAGERMENTS' RESPONSE**

**Written Policies and Procedures - continued**

**Collections**

5. Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.

*There is only one collection location which is the Assessor's office in the Parish Courthouse.*

6. Using the listing provided by management, select all of the entity's cash collection locations (if 5 locations or less) or one third of the collection locations on a three year rotating basis (if more than 5 locations). For each cash collection location selected:

- 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.

1) *The Assessor's office has surety bond that covers employee theft by the assessor, no other employees are covered for theft. The Assessor does not have any cash drawers. The chief deputy receives the payments and prepares the deposit slip. Deposits are taken to the bank on the day checks are received.*

2) *The bank reconciliation is prepared by the bookkeeper who does not have access to cash.*

- b) Obtain existing written documentation (e.g., sequentially numbered receipts, systems 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 receipts are deposited on the day received. The chief deputy prepares the deposit slip and another employee makes the deposit on the same day. At the end of the month, the bookkeeper reconciles the bank account and the Assessor reviews it.*

- 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 of 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.

*For the period tested, deposits were made on the date of collection.*

-continued

**MADISON PARISH ASSESSOR  
STATE WIDE AGREED-UPON PROCEDURES,  
SCHEDULE OF PROCEDURES, RESULTS AND MANAGERMENTS' RESPONSE**

**Written Policies and Procedures - continued**

**Collections - continued**

- 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.

*All receipts tested contained proper documentation.*

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.

*The Assessor does not have any written procedures.*

**Management's Response:**

Even though the procedures are not in written form, the Madison Parish Assessor has policies and procedures that are understood and complied with by the employees.

**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.

*Management provided access to the general ledger system that included all disbursements.*

9. Using the disbursements population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursements 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.

-continued

**MADISON PARISH ASSESSOR  
STATE WIDE AGREED-UPON PROCEDURES,  
SCHEDULE OF PROCEDURES, RESULTS AND MANAGERMENTS' RESPONSE**

**Written Policies and Procedures - continued**

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

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

*Procedures for processing disbursements do not include requisitions, purchase orders or receiving reports. Each transaction processed was supported by an invoice or similar supporting documentation, with approval by the Assessor.*

**Management's Response:**

Since the amount of transactions are so small the Assessor is capable of monitoring disbursements without the need for requisition, purchase orders, or receiving reports. The Assessor reviews invoices or supporting documentation before any disbursement is made.

- 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 Assessor does not have a written policy manual and there is no formal vendor list.*

- 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 Assessor makes the final authorization on all disbursements and only he has signatory authority. All transactions are recorded by the bookkeeper.*

- 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 signatory authority have system access to print checks.

*Unused checks are maintained in a locked location with the Assessor and the Deputy Assessor being the only people with access to them. The Assessor is also the only person with signatory authority.*

**MADISON PARISH ASSESSOR  
STATE WIDE AGREED-UPON PROCEDURES,  
SCHEDULE OF PROCEDURES, RESULTS AND MANAGERMENTS' RESPONSE**

**Written Policies and Procedures - continued**

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

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 Assessor does not use signature stamps or machines.*

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.

*The Assessor does not have any credit cards, fuel cards, or P-cards.*

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.]]

*The Assessor does not have any credit cards.*

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

*The Assessor does not have any credit cards.*

**MADISON PARISH ASSESSOR  
STATE WIDE AGREED-UPON PROCEDURES,  
SCHEDULE OF PROCEDURES, RESULTS AND MANAGERMENTS' RESPONSE**

**Written Policies and Procedures - continued**

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

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 transaction 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)
- Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.
- Other documentation that may be required by written policy (e.g. purchase order, written authorization.)

*The Assessor does not have any credit cards.*

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.

*The Assessor does not have any credit cards.*

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.

*The Assessor does not have any credit cards.*

**MADISON PARISH ASSESSOR  
STATE WIDE AGREED-UPON PROCEDURES,  
SCHEDULE OF PROCEDURES, RESULTS AND MANAGERMENTS' RESPONSE**

**Written Policies and Procedures – continued**

**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.

*Management provided access to the general ledger that included all disbursements.*

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](http://www.gsa.gov)) and report any amounts that exceed GSA rates.

*The Assessor did not have written policies related to travel and expense reimbursement.*

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:

*During the period under review, there were only two travel or expense reimbursements; consequently, both were selected for testing.*

- 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) report each reimbursement that exceeded those rates.

*The Assessor did not have written policies, however none of the reimbursement exceeded the GSA rates.*

- 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.]
- Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).
- Other documentation as may be required by written policy (e.g. authorization for travel, conference brochure, certificate of attendance)

*The transactions were supported by adequate documentation that demonstrated business purpose.*

-continued

**MADISON PARISH ASSESSOR  
STATE WIDE AGREED-UPON PROCEDURES,  
SCHEDULE OF PROCEDURES, RESULTS AND MANAGERMENTS' RESPONSE**

**Written Policies and Procedures – continued**

**Travel and Expense Reimbursement - continued**

- 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 payments 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 reimbursements received represented a loan, pledge, or donation of funds, credit, property, or things of value.*

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

*Both of the transactions were approved by the Assessor.*

**Management's Response:**

Due to the small amount of travel and expense reimbursement incurred by the office the expense is controlled adequately without written procedures.

**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.

*The list of contracts was provided by the Assessor.*

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).

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

*Arrangements were documented in a formal written contract.*

**MADISON PARISH ASSESSOR  
STATE WIDE AGREED-UPON PROCEDURES,  
SCHEDULE OF PROCEDURES, RESULTS AND MANAGERMENTS' RESPONSE**

**Written Policies and Procedures – continued**

**Contracts - continued**

- 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:
- 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 entity solicited quotes as a best practice.

*No contracts were subject to the Louisiana Public Bid Law.*

- 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 or had a change order.*

- 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.

*The invoice and related payments were consistent with the contract terms.*

- 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. The Assessor doesn't have a board.*

**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:

*Management provided a list of all employees with their authorized salaries.*

**MADISON PARISH ASSESSOR  
STATE WIDE AGREED-UPON PROCEDURES,  
SCHEDULE OF PROCEDURES, RESULTS AND MANAGERMENTS' RESPONSE**

**Written Policies and Procedures – continued**

**Payroll and Personnel - continued**

- 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.

*The employees were paid in accordance with the terms and conditions of the data in their personal life.*

- 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.

*There were no changes in salaries in the current year.*

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 (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.)

*Per the tax assessor, he maintains a calendar with all leave days (vacation, sick, personal leave) taken by each employee thereon. This is the only method he uses to account for and monitor leave time. At the end of each year, he disposes of the old calendar and starts a new one. Since the calendar for 2017 has been discarded there is no evidence that leave time was documented.*

- b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.

*See A) above – There is currently no evidence that 2017 attendance and leave time was documented.*

- 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.

*All leave time documentation for 2017 that may have been maintained has been disposed of.*

**MADISON PARISH ASSESSOR  
STATE WIDE AGREED-UPON PROCEDURES,  
SCHEDULE OF PROCEDURES, RESULTS AND MANAGERMENTS' RESPONSE**

**Written Policies and Procedures – continued**

**Payroll and Personnel - continued**

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 employees terminated during the current 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.

*The Madison Parish Tax Assessor submitted all payroll tax returns, retirement reports, and made all required payments timely.*

**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.

*All of the employees had taken an ethics course in the current year.*

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.

*No violations were reported in the current year.*

**Debt Service (excluding nonprofits)**

28. If debt was issued during the fiscal period, obtain supporting documentation from the entity, and report whether State Bond Commission approval was obtained.

*Not applicable, there is no debt issued or outstanding.*

**MADISON PARISH ASSESSOR  
STATE WIDE AGREED-UPON PROCEDURES,  
SCHEDULE OF PROCEDURES, RESULTS AND MANAGERMENTS' RESPONSE**

**Written Policies and Procedures – continued**

**Debt Service (excluding nonprofits) - continued**

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.

*Not applicable, there is no debt issued or outstanding.*

30. If the entity had tax millage 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 millage that continues to be received for debt that has been paid off.

*Not applicable, there is no debt issued or outstanding.*

**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.

*No misappropriations were identified.*

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](http://www.la.gov/hotline)) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

*The notice was posted on the premises.*

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

*No exceptions were identified.*