

**TANGIPAHOA PARISH ASSESSOR  
AMITE, LOUISIANA**

**ANNUAL FINANCIAL STATEMENTS**

**AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019**

**Tangipahoa Parish Assessor**  
**Amite, Louisiana**  
Table of Contents  
For the Year Ended December 31, 2019

	<u>Exhibit</u>	<u>Schedule</u>	<u>Page</u>
Independent Auditor's Report	-	-	1 - 3
Basic Financial Statements:			
Statement of Net Position	A	-	5
Statement of Activities	B	-	6
Governmental Fund - Balance Sheet	C	-	7
Reconciliation of the Governmental Fund Balance Sheet to the Government-Wide Statement of Net Position	D	-	8
Statement of Governmental Fund Revenues, Expenditures, Changes in Fund Balance	E	-	9
Reconciliation of the Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balance to the Government-Wide Statement of Activities	F	-	10
Notes to the Financial Statements	-	-	11 - 27
Required Supplemental Information:			
Budgetary Comparison Schedule - General Fund	-	1	29
Schedule of Changes in the Assessor's Total OPEB Liability and Related Ratios	-	2	30
Schedule of the Assessor's Proportionate Share of the Net Pension Liability	-	3	31
Schedule of the Assessor's Contributions	-	4	32
Other Supplemental Information			
Schedule of Compensation, Benefits, and Other Payments to Agency Head	-	5	34
Other Independent Auditor's Report and Findings and Recommendations:			
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 <i>Government Auditing Standards</i>	-	-	36 - 37
Schedule of Findings and Responses	-	-	38
Summary Schedule of Prior Audit Findings	-	-	39

Dennis E. James, CPA  
Lyle E. Lambert, CPA  
Paul M. Riggs, Jr., CPA  
J. Bryan Ehricht, CPA

Megan E. Lynch, CPA  
B. Jacob Steib, CPA  
Christie J. Barado  
Connor J. Collura  
Sharon B. Bravata  
Krystal L. Waddell  
Jenny I. Schliegmeyer  
Debbie G. Faust, EA



**JAMES  
LAMBERT RIGGS  
& ASSOCIATES, INC.**  
CERTIFIED PUBLIC ACCOUNTANTS  
[www.jlrcpafirm.com](http://www.jlrcpafirm.com)

  
Member of  
American Institute of CPAs  
Society of Louisiana CPAs

### Independent Auditor's Report

The Honorable Joaquin "JR." Matheu  
Tangipahoa Parish Assessor  
Amite, Louisiana

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

We have audited the accompanying financial statements of the governmental activities and the general fund of the Tangipahoa Parish Assessor as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Tangipahoa Parish 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 the general fund of the Tangipahoa Parish Assessor as of December 31, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Other Matters*

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 29, the schedule of changes in the Assessor's total OPEB liability and related ratios on page 30, the Assessor's proportionate share of the net pension liability on page 31, and the schedule of the Assessor's contributions on page 32 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

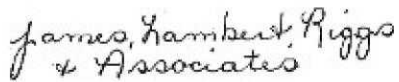
### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Tangipahoa Parish Assessor basic financial statements. The Schedule of Compensation, Benefits, and Other Payments to Agency Head is presented for purposes of additional analysis and are is not a required part of the basic financial statements.

The Schedule of Compensation, Benefits, and Other Payments to Agency Head is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Compensation, Benefits, and Other Payments to Agency Head is fairly stated in all material respected in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report July 23, 2020, on our consideration of the Tangipahoa 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Tangipahoa Parish Assessor's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Tangipahoa Parish Assessor's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "James Lambert Riggs & Associates".

James, Lambert, Riggs and Associates, Inc.  
Hammond, Louisiana

July 23, 2020

## **Basic Financial Statements**

**Tangipahoa Parish Assessor**  
**Amite, Louisiana**  
Statement of Net Position  
December 31, 2019

Exhibit A

	<u>Governmental Activities</u>
<b>Assets</b>	
Cash and Cash Equivalents	\$ 3,728,871
Investments	2,832,921
Accounts Receivable:	
Ad Valorem Taxes Receivable	2,808,327
State Revenue Sharing Receivable	150,500
Accounts Receivable - Other	18,742
Allowance for Uncollectible Accounts	(56,167)
Capital Assets, Net of Accumulated Depreciation	<u>13,132</u>
<b>Total Assets</b>	<b><u>\$ 9,496,326</u></b>
<b>Deferred Outflows of Resources</b>	
Differences Between Expected and Actual Experience	\$ 31,219
Changes in Assumptions	2,896,640
Changes in Proportion and Differences Between Contributions and Proportionate Share of Contributions	28,691
Contributions Subsequent to the Measurement Date	<u>29,351</u>
<b>Total Deferred Outflows of Resources</b>	<b><u>\$ 2,985,901</u></b>
<b>Liabilities</b>	
Accounts Payable	\$ -
Noncurrent Liabilities:	
Postemployment Healthcare Benefits Payable	9,067,865
Accumulated Leave Payable	109,182
Net Pension Liability	<u>842,114</u>
<b>Total Liabilities</b>	<b><u>\$ 10,019,161</u></b>
<b>Deferred Inflows of Resources</b>	
Differences Between Expected and Actual Experience	\$ 523,322
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	97,777
Changes in Proportion and Differences Between Contributions and Proportionate Share of Contributions	<u>12,397</u>
<b>Total Deferred Inflows of Resources</b>	<b><u>\$ 633,496</u></b>
<b>Net Position</b>	
Net Investment in Capital Assets	\$ 13,132
Unrestricted	<u>1,816,438</u>
<b>Total Net Position</b>	<b><u>\$ 1,829,570</u></b>

The accompanying notes are an integral part of this statement.

**Tangipahoa Parish Assessor**  
**Amite, Louisiana**  
Statement of Activities  
For the Year Ended December 31, 2019

Exhibit B

	<u>Governmental Activities</u>
<b>Expenses:</b>	
Assessor Activities:	
Salaries and Related Benefits	\$ 3,445,955
General Office Expenditures	71,130
Automobile Expenditures	33,743
Post Employment Benefits - Retirees	128,890
Property and Casualty Insurance	33,505
Education and Travel	19,309
Professional Services	139,648
Cooperative Endeavor	3,000
Depreciation	<u>7,070</u>
Total Expenses	3,882,250
<b>Program Revenues:</b>	
Charges for Services	<u>18,742</u>
Total Program Revenues	<u>18,742</u>
Net Program (Expense) / Revenue	(3,863,508)
<b>General Revenues:</b>	
Ad Valorem Taxes	2,802,207
State Revenue Sharing	153,199
Interest Earnings	57,213
Other Revenues	4,508
Contributions from Non-Employer Contributing Entities	<u>442,074</u>
Total General Revenues	<u>3,459,201</u>
Change in Net Position	(404,307)
Net Position - Beginning of the Year, Originally Stated	1,749,365
Prior Period Adjustment	<u>484,512</u>
Net Position - Beginning of the Year, Restated	2,233,877
Net Position - End of the Year	<u>\$ 1,829,570</u>

The accompanying notes are an integral part of this statement.



**Tangipahoa Parish Assessor**  
**Amite, Louisiana**  
Governmental Fund – Balance Sheet  
December 31, 2019

Exhibit C

	<u>General Fund</u>
<b>Assets</b>	
Cash and Cash Equivalents	\$ 3,728,871
Investments	2,832,921
Accounts Receivable:	
Ad Valorem Taxes Receivable	2,808,327
State Revenue Sharing Receivable	150,500
Accounts Receivable - Other	18,742
Allowance for Uncollectible Accounts	<u>(56,167)</u>
 Total Assets	 <u>\$ 9,483,194</u>
<b>Liabilities and Fund Balance</b>	
Liabilities:	
Accounts Payable	\$ <u>-</u>
Total Liabilities	-
 Fund Balances:	
Assigned	265,000
Unassigned	<u>9,218,194</u>
Total Fund Balances	<u>9,483,194</u>
Total Liabilities and Fund Balances	<u>\$ 9,483,194</u>

The accompanying notes are an integral part of this statement.

**Tangipahoa Parish Assessor  
Amite, Louisiana**

Exhibit D

Reconciliation of the Governmental Fund Balance Sheet to the  
Government-Wide Statement of Net Position  
For the Year Ended December 31, 2019

<b>Total Fund Balances, Governmental Fund (Exhibit C)</b>	\$ 9,483,194
---	--------------

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Governmental Capital Assets, Net of Depreciation	13,132
--	--------

In accordance with Governmental Accounting Standards Board Statement No. 75, the other postemployment obligations liability related to health insurance, deferred outflows of resources, and deferred inflows of resources are not recorded in the governmental funds.

Other Postemployment Obligations Liability	(9,067,865)
Deferred Outflows of Resources	2,007,321
Deferred Inflows of Resources	(126,009)

Long-term liabilities are not due and payable in the current period, and therefore, are not reported in the governmental funds:

Accumulated Leave Payable	(109,182)
---------------------------	-----------

In accordance with Governmental Accounting Standards Board Statement No. 68, the net pension liability related to pension plans, deferred outflows of resources, and deferred inflows of resources are not recorded in the governmental funds.

Net Pension Liability	(842,114)
Deferred Outflows of Resources	978,580
Deferred Inflows of Resources	(507,487)

<b>Net Position of Governmental Activities (Exhibit A)</b>	<u>\$ 1,829,570</u>
--	---------------------

The accompanying notes are an integral part of this statement.

**Tangipahoa Parish Assessor  
Amite, Louisiana**

Exhibit E

Statement of Governmental Fund Revenues, Expenditures, and  
Changes in Fund Balance  
For the Year Ended December 31, 2019

	General Fund
<b>Revenues:</b>	
Ad Valorem Taxes	\$ 2,802,207
State Revenue Sharing	153,199
Tax Roll Fees	18,742
Interest Earnings	57,213
Other Revenues	4,508
Total Revenues	<u>3,035,869</u>
<b>Expenditures:</b>	
Salaries and Related Benefits	2,186,924
General Office Expenditures	71,130
Automobile Expenditures	33,743
Post Employment Benefits - Retirees	128,890
Property and Casualty Insurance	33,505
Education and Travel	19,309
Professional Services	139,648
Cooperative Endeavor	3,000
Capital Outlay - Equipment	-
Total Expenditures	<u>2,616,149</u>
Excess of Revenues over Expenditures	419,720
<b>Fund Balance - Beginning of the Year</b>	<u>9,063,474</u>
<b>Fund Balance - End of the Year</b>	<u>\$ 9,483,194</u>

The accompanying notes are an integral part of this statement.

**Tangipahoa Parish Assessor  
Amite, Louisiana**

Exhibit F

Reconciliation of the Statement of Revenues, Expenditures, and Changes in  
Fund Balance to the Government-Wide Statement of Activities  
For the Year Ended December 31, 2019

<b>Net Change in Fund Balances, Governmental Fund (Exhibit E)</b>	\$ 419,720
---	------------

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. These differences consist of:

Capital Outlay	-
Depreciation Expense	(7,070)

The net change in the liability for postemployment healthcare benefits is reported in the government-wide statements, but not in the governmental fund statements.	(739,451)
--	-----------

Annual changes in accrued leave are not recorded in the governmental funds. In the statement of activities, these changes are recorded against current year payroll expenses.

Change in Accrued Leave	5,177
-------------------------	-------

In accordance with Governmental Accounting Standards Board Statement No. 68, the net pension liability related pension plans is not required to be recorded in the governmental fund financial statements. Adjustments to pension expense related to charges in deferred outflows of resources and deferred inflows of resources are reflected in the statement of activities:

Net Change in Pension Expense	(524,757)
Contributions from Non-Employer Contributing Entities	<u>442,074</u>

<b>Change in Net Position of Governmental Activities (Exhibit B)</b>	<u>\$ (404,307)</u>
--	---------------------

The accompanying notes are an integral part of this statement.

**Tangipahoa Parish Assessor**  
**Amite, Louisiana**  
Notes to the Financial Statements  
For the Year Ended December 31, 2019

**Narrative Profile**

As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, the Tangipahoa Parish Assessor (hereafter referred to as the “Assessor”) is elected by the voters of the Parish and serves a four-year term. The Assessor assesses all real and movable property in the Parish, subject to ad valorem taxation. The Assessor is authorized to appoint as many deputies as may be necessary for the efficient operation of the office and to assist the taxpayers of the Parish. The deputies are authorized to perform all functions of the office, but the Assessor is officially responsible for the actions of the deputies.

The Assessor's main office is located in the Tangipahoa Parish Courthouse in Amite, Louisiana. The Assessor employs 26 deputies. In accordance with Louisiana law, the Assessor bases real and movable 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 assessment roll to the Parish tax collector, who is responsible for the collection and distribution of taxes to the various taxing bodies.

The real and movable property assessments as of December 31, 2019, are as follows:

Real Property	\$ 618,441,802
Personal Property	142,214,035
Public Service	<u>52,556,090</u>
	<u>\$ 813,211,927</u>

The year 2019 represents an in the total property valuation of \$23,663,277, caused primarily by growth in commercial and residential real estate in Tangipahoa Parish.

The accounting and reporting policies of the Assessor conform to generally accepted accounting principles (GAAP) as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statute (LRS) 24:513 and to the guidance set forth in the *Louisiana Governmental Audit Guide*, and to the industry audit guide, *Audits of State and Local Governmental Units*.

**1. Summary of Significant Accounting Policies**

**A. Financial Reporting Entity**

The Assessor is an independently elected official; however, the Assessor is fiscally dependent on the Tangipahoa Parish Council (hereinafter referred to as the “Council”). As the governing authority of the Parish, for reporting purposes, the Council is the financial reporting entity for the Parish. The financial reporting entity consists of (a) primary government (Parish government), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Because the Council provides for office space, the Assessor is financially dependent on Parish government. Therefore, the Assessor was determined to be a component unit of the Council, the financial reporting entity.

**Tangipahoa Parish Assessor**  
**Amite, Louisiana**  
Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2019

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

**B. Basic Financial Statements – Government-Wide Financial Statements**

The Assessor's basic financial statements include both government-wide (reporting the Assessor's office as a whole) and fund financial statements (reporting the Assessor's major fund). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. All Assessor activities are classified as governmental activities. The Assessor has no business-type activities.

*Statement of Net Position* – In the government-wide Statement of Net Position, the governmental activities (a) are presented on a consolidated basis, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Assessor's net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position. The Assessor first utilizes restricted resources to finance qualifying activities.

*Statement of Activities* – The government-wide Statement of Activities reports both the gross and net cost of the Assessor's functions. The functions are also supported by general revenues (property taxes, state revenue sharing, interest income, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants, and contributions. Program revenues must be directly associated with the ongoing operations of the Assessor. Operating grants include operating-specific and discretionary (either operating or capital) grants, while capital grants report capital-specific grants and contributions. The net costs (by function) are normally covered by general revenues.

The Assessor does not allocate indirect costs.

This government-wide focus is more on the sustainability of the Assessor as an entity and the change in the Assessor's net position resulting from the current year's activities.

**C. Basic Financial Statements – Fund Financial Statements**

The financial transactions of the Assessor are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures.

The emphasis in fund financial statements is on the major funds. Non-major funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures / expenses of either fund category or the governmental and business-type combined) for the determination of major funds. The non-major funds are combined in a column in the fund financial statements. The Assessor has no business-type funds.

*Governmental Funds* – The focus of the governmental funds' measurement (in the fund statements) is the determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income.

**Tangipahoa Parish Assessor**  
**Amite, Louisiana**  
Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2019

The Assessor reports the following governmental fund:

Assessor's Salary and Expense Fund – the primary operating fund of the Assessor, as provided by LRS 47:1906, which accounts for the operation of the Assessor's office. Compensation received from the various taxing bodies, prescribed by formula in LRS 47:1907-1908 and ad valorem taxes authorized by Act 806 of 1984, are accounted for in this fund. General operating expenditures are paid from this fund.

The activities reported in this fund are reported as governmental activities in the government-wide financial statements.

**D. Basis of Accounting**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet in the fund statements. Capital assets and long-term liabilities are included in the government-wide statements. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net fund balances.

The government-wide Statement of Net Position and Statement of Activities are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these activities are either included on the Statement of Net Position.

The fund financial statements of the governmental funds are maintained and reported on the modified accrual basis of accounting. Under this method of accounting, revenues are recognized in the period in which they become measurable and available. The Assessor considers all revenues available if they are collected within 60 days after year-end. Interest income is recorded as earned. Federal and state reimbursement-type grants are recorded as revenue when related eligible expenditures are incurred. Expenditures are recorded when the fund liability is incurred.

The Statement of Net Position and the Statement of Activities are presented on the accrual basis of accounting. Under this method of accounting, revenues are recognized when earned and expenses are recorded when liabilities are incurred without regard to receipt or disbursement of cash.

**E. Budgets and Budgetary Accounting**

Budgetary procedures applicable to the Assessor are defined in state law, LRS 39:1301-15. The major requirements of the Louisiana Local Government Budget Act are summarized as follows:

1. The Assessor adopts a budget each year for the Assessor's Salary and Expense Fund.
2. The Chief Financial Officer prepares the proposed budget and submits it to the Assessor for his review no later than fifteen days prior to the beginning of each fiscal year. At the same time, if total proposed expenditures are \$500,000 or more, a notice of public hearing on the proposed budget must be published in the official journal.

**Tangipahoa Parish Assessor**  
**Amite, Louisiana**  
Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2019

3. All action necessary to adopt and implement the budget must be completed prior to the beginning of the fiscal year. A hearing on the proposed budget was held on December 26, 2018. The budget was adopted on December 26, 2018.
4. Budgetary amendments involving the transfer of funds from one program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Assessor. The budget was amended on October 22, 2019.
5. The budgets are integrated into the accounting system, and the budgetary data, as presented in the financial statements for all funds with annual budgets, compare the expenditures with the amended budgets. All budgets are presented on the modified accrual basis of accounting. Accordingly, the Budgetary Comparison Schedule for the Assessor's Salary and Expense Fund presents actual expenditures in accordance with the accounting principles generally accepted in the United States of America on a basis consistent with the legally adopted budgets as amended. Unexpended appropriations on annual budgets lapse at the end of each fiscal year.

F. Cash, Cash Equivalents, and Investments

The Assessor's cash includes amounts in demand deposits, interest bearing demand deposits, and money market accounts. Under state law, the Assessor may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, the Assessor may also invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at fair value using published market values. The state investment pool (LAMP) operates in accordance with state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

G. Allowance for Uncollectible Accounts

The Assessor calculates its allowance for uncollectible accounts using historical collection data and, in certain cases, specific account analysis.

H. Capital Assets

Capital outlays are recorded as expenditures of the governmental funds and as assets in the government-wide financial statements to the extent the Assessor's capitalization threshold is met. Capital assets are valued at historical cost or estimated historical cost if actual cost was not available. Donated capital assets are valued at their estimated fair market value at the date of donation.

Maintenance, repairs, and minor equipment are charged to operations when incurred. Expenditures that materially change capacities or extend useful lives are capitalized. Upon sale or retirement of land, buildings, and equipment, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts and any resulting gain or loss is included in the results of operations.



**Tangipahoa Parish Assessor**  
**Amite, Louisiana**  
Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2019

**I. Pension Plan**

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

**J. Compensated Absences**

The Assessor has the following policy relating to vacation and sick leave:

All full-time employees earn both vacation and sick leave based on years of service. Employees with 0-5 years of service earn 15 days of sick leave and 12 days of vacation. Employees with 6-15 years of service earn 18 days of sick leave and 15 days of vacation. Employees with 16-25+ years of service earn 20 days of sick leave and 20 days of vacation.

Employees may accumulate an unlimited amount of sick and vacation time that will carry over from year-to-year; however, upon retirement or termination of employment, the Assessor will pay the employee his / her accumulated leave balance up to a maximum of 45 days. This will be computed by taking the employee's daily rate of pay, at the time of retirement or termination, times the accumulated balance up to the 45-day maximum.

**K. Net Position**

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

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

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

**L. Fund Balance**

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

1. Nonspendable Fund Balance – amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.

**Tangipahoa Parish Assessor**  
**Amite, Louisiana**  
Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2019

2. Restricted Fund Balance – amounts that can be spent only for the specific purposes due to enabling legislation, State, or Federal laws, or externally imposed by grantors, creditors, or citizens.
3. Committed Fund Balance – amounts that can be used only for the specific purposes determined by a formal action of the Assessor (the office's highest level of decision-making authority).
4. Assigned Fund Balance – amounts intended to be used by the Assessor for specific purposes but do not meet the criteria to be classified as restricted or committed.
5. Unassigned Fund Balance – all amounts not included in other spendable categories.

The Assessor considers restricted fund balances to be spent for governmental expenditures first when both restricted and unrestricted resources are available.

As of December 31, 2019, the Assessor did not have any nonspendable, restricted, or committed fund balances.

**M. Estimates**

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**2. Stewardship, Compliance, and Accountability**

**A. Budgetary Information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles. All annual appropriations lapse at year-end. See Note 1-E for the procedures the Assessor follows regarding budgets and budgetary accounting. The Assessor complied with all aspects of the Louisiana Local Government Budget Act.

**B. Deposits and Investment Laws and Regulations**

In accordance with state law, all uninsured deposits of funds in financial institutions must be secured with acceptable collateral valued at the lower of market or par. As reflected in Note 3 regarding cash, cash equivalents, and investments, the Assessor complied with the deposits and investments laws and regulations.

**C. Deficit Fund Equity**

As of December 31, 2019, the Assessor had no funds with deficit fund equities.

**Tangipahoa Parish Assessor**  
**Amite, Louisiana**  
Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2019

**3. Cash, Cash Equivalents, and Investments**

As reflected in Exhibit A, the Assessor has cash totaling \$3,728,871 and investments totaling \$2,832,921 at December 31, 2019.

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must always 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. The Assessor does not have a deposit policy for custodial credit risk. The following is a summary of cash and investments (bank balances) at December 31, 2019, with the related federal deposit insurance and pledged securities:

Bank Balances:

Insured (FDIC Insurance)	\$ 1,250,000
Uninsured and Collateralized:	
Collateral held by pledging bank's trust department not in the Assessor's name	3,044,785
Uninsured and Uncollateralized	-
Total Deposits	<u>\$ 4,294,785</u>

Even though the pledged securities are not held in the entity's name, LRS 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten days of being notified by the Assessor that the fiscal agent has failed to pay deposited funds upon demand.

At December 31, 2019, the Assessor's investment balance was as follows:

	Reported Amount	Fair Value
Louisiana Asset Management Pool	<u>\$ 1,832,921</u>	<u>\$ 1,832,921</u>

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

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

LAMP is an investment pool that, to the extent practical, invests in a manner consistent with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. The following facts are relevant for investment pools:

- Credit Risk: LAMP is rated AAAm by Standard & Poor's.

**Tangipahoa Parish Assessor  
Amite, Louisiana**

Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2019

- Custodial Credit Risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- Concentration of Credit Risk: Pooled investments are excluded from the 5% disclosure requirement.
- Interest Rate Risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating / variable rate investments. The WAM for LAMP's total investments was 46 days as of December 31, 2019.
- Foreign Currency Risk: Not applicable.

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

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

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

#### 4. Levied Taxes

The Assessor's office is financed by a millage tax authorized by Act 806 of the Louisiana Legislature in 1984. The present tax rate of 4.67 mills is the maximum authorized by law. In 2019, the Assessor levied 4.67 mills on the 2019 tax roll. The principal taxpayers in Tangipahoa Parish are as follows:

<u>Taxpayer</u>	<u>Business Type</u>	<u>2019 Assessed Valuation</u>	<u>Percentage of Total Assessment</u>
Entergy Louisiana, LLC	Public Service	\$ 24,753,150	3.04%
Wal-Mart / Sams Club	Distribution Center	15,801,146	1.94%
C&S Wholesale Services	Distribution Center	13,489,148	1.66%
First Guaranty Bank	Banking	12,218,197	1.50%
Sanderson Farms Inc.	Distribution Center	7,352,758	0.90%
Graham Packaging Company	Public Service	8,294,216	1.02%
Hornbeck Offshore Operators	Public Service	6,098,798	0.75%
Wal-Mart / Sams Club	Distribution Center	7,231,718	0.89%
Grand Trunk Corp.	Public Service	6,349,800	0.78%
Louisiana Machinery Company	Public Service	4,679,532	0.58%
		<u>\$ 106,268,463</u>	<u>13.07%</u>

**Tangipahoa Parish Assessor**  
**Amite, Louisiana**  
Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2019

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the Assessor in September or October and are billed to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted in the year billed.

The Tangipahoa Parish Sheriff bills and collects property taxes for the Assessor using the assessed values determined by the Assessor. For the year ended December 31, 2019, taxes were levied on property with taxable assessed valuations totaling \$601,352,522 and were dedicated to general purposes.

Total taxes levied were \$2,808,327. On December 31, 2019, the net ad valorem tax receivable was \$2,752,160 and the state revenue sharing receivable was \$150,500. Ad valorem taxes receivable on December 31, 2019, are recorded net of a 2.0% allowance for uncollectible taxes.

## 5. Capital Assets

Capital asset activity for the year ended December 31, 2019, is as follows:

	Balance 01/01/19	Additions	Deletions	Balance 12/31/19
Vehicles	\$ 71,930	\$ -	\$ -	\$ 71,930
Office Furniture & Equipment	431,667	-	-	431,667
Total Capital Assets	503,597	-	-	503,597
Less: Accumulated Depreciation	(483,395)	(7,070)	-	(490,465)
Total	\$ 20,202	\$ (7,070)	\$ -	\$ 13,132

Capital assets are stated at cost, less an allowance for accumulated depreciation. Depreciation expense is computed using the straight-line method of the estimated useful lives as follows:

Equipment	5 Years
Furniture	7 Years
Vehicles	5 Years

## 6. Compensated Absences

On December 31, 2019, the employees of the Assessor have accumulated and vested \$109,182 of employee leave benefits. This amount is recorded as a liability on the Statement of Net Position.

## 7. Pension Plan

### *General Information about the Pension Plan*

Plan Description – Employees of the Assessor are eligible for participation in the Louisiana Assessor's Retirement Fund System (the "System") – a cost-sharing, multiple-employer defined benefit pension plan administered by a Board of Trustees and established by Act 91 of the 1950 Regular Session of the Louisiana

**Tangipahoa Parish Assessor**  
**Amite, Louisiana**  
Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2019

Legislature. The System issues a publicly available financial report that can be obtained at [www.louisianaassessors.org/retirement](http://www.louisianaassessors.org/retirement). The report may also be obtained by writing to the Louisiana Assessor's Retirement Fund, P.O. Box 14699, Baton Rouge, Louisiana 70898, or by calling (225) 928-8886.

**Benefits Provided** – The System provides retirement, disability, and death benefits. 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 system in Louisiana are required to participate in the System. 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 3.33% of their final-average salary for each year of credited service, not to exceed 100% of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months 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.

**Contributions** – Contribution rates for employees are established by state law and employer contribution rates are actuarially determined each year by the System's Board of Trustees. Employees are required to contribute 8.00% of their annual pay. For the period January 1, 2019 through December 31, 2019, the Assessor's contractually required contribution rate was 8.00%. Contributions to the System also include one-fourth of one percent (one percent for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each Parish, plus revenue sharing funds appropriated by the legislature. The contribution requirements of plan members and the Assessor are established and may be amended by state statute. As provided by LRS 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. Contributions to the System from the Assessor were \$115,290 for the year ended December 31, 2019.

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

At December 31, 2019, the Assessor reported a liability of \$842,114 for its proportionate share of the net pension liability. The net pension liability was measured as of September 30, 2019, 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 the employer's contribution effort to the plan for the current fiscal year as compared to the total of all employers' contribution effort to the plan for the current fiscal year. At September 30, the Assessor's proportion was 3.192461%, which was an increase of 0.217594% from its proportion measured as of September 30, 2019.

**Tangipahoa Parish Assessor**  
**Amite, Louisiana**  
Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2019

For the year ended December 31, 2019, the Assessor recognized pension expense of \$524,757. At December 31, 2019, the Assessor reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 31,219	\$ 397,313
Changes of Assumptions	889,319	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	97,777
Changes in Proportion and Differences Between Assessor Contributions and Proportionate Share of Contributions	28,691	12,397
Assessor Contributions Subsequent to the Measurement Date	29,351	-
	<u>\$ 978,580</u>	<u>\$ 507,487</u>

\$29,351 was reported as deferred outflows of resources related to pensions resulting from Assessor contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ended:</b>	
September 30, 2020	31,314
September 30, 2021	66,940
September 30, 2022	162,289
September 30, 2023	157,782
September 30, 2024	23,906
Thereafter	-

Actuarial Assumptions – The total pension liability in the September 30, 2019, 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	6.00%, Net of Pension Plan Investment Expense
Inflation	2.20%
Salary Increases	5.75%
Annuitant and Beneficiary Mortality	RP 2000 Healthy Annuitant Table set forward one year and projected to 2030 for males and females
Active Members Mortality	RP-2000 Employee Table set back four years for males and three years for females
Disabled Lives Mortality	RP-2000 Disabled Lives Mortality Table set back five years for males and three years for females

**Tangipahoa Parish Assessor**  
**Amite, Louisiana**  
Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2019

The mortality rate assumption used in the September 30, 2019, valuation was set based upon an experience study performed on plan data for the period October 1, 2009 through September 30, 2014. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that the tables used would produce liability values approximating the appropriate generational mortality tables.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing / diversification. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2019, are summarized in the following table:

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

Discount Rate – The discount rate used to measure the total pension liability was 6.00%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from participating employers will be made at the actuarially determined rates approved by the Board of Trustees and the Louisiana Public Retirement Systems' Actuarial Committee ("PRSAC") taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.



**Tangipahoa Parish Assessor**  
**Amite, Louisiana**  
Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2019

Sensitivity of the Assessor's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the Assessor's proportionate share of the net pension liability calculated using the discount rate of 6.00%, as well as what the Assessor's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (5.00%) or one percentage-point higher (7.00%) than the current rate:

	1.0% Decrease (5.00%)	Current Discount Rate (6.00%)	1.0% Increase (7.00%)
Assessor's Proportionate Share of the Net Pension Liability	\$ 2,392,749	\$ 842,114	\$ (486,944)

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in the separately issued System financial report.

Payables to the Pension Plan – As of December 31, 2019, the Assessor did not have any payables due to the System.

## 8. Deferred Compensation Plans

Eligible employees of the Assessor may voluntarily participate in the Louisiana Deferred Compensation Plan and a private deferred compensation plan, both adopted under the provisions of Internal Revenue Code Section 457. Employees may elect to contribute a maximum of \$19,000 of their salaries to the plans. Employees over the age of 50 may elect to contribute a maximum catch-up of \$25,000 of their salaries to the plans.

For employees with 3-5 years of service, the Assessor matches up to 25% of employee contributions. For employees with 5+ years of service, the Assessor matches up to 50% of employee contributions. For employees with 12+ years of service, the Assessor matches up to 100% of employee contributions. As of December 31, 2019, there were fifteen participants in the plan who contributed \$48,050.

## 9. Postemployment Healthcare Benefits

### General Information about the OPEB Plan

Plan Description – The Insurance Committee of the Assessor's Insurance Fund dba Louisiana Assessor's Association Employee Benefits Plan (hereinafter referred to as the "Plan"), is a group health plan sponsored and maintained by the Louisiana Assessor's Association. The Plan is an agent, multiple-employer, defined benefit plan that is maintained for the purpose of providing benefits for eligible employees and their eligible dependents. Eligible employees are those employees who work at least 35 hours a week for their employer, who have completed a waiting period of thirty consecutive days while employed, and who is eligible for the employer's retirement plan. Eligible employees are also retired employees who are at least 55 years of age (or have at least 30 years of service regardless of age); who have at least 12 years of service with the employer; and who were covered under the Plan for a minimum of 30 consecutive days immediately preceding the date of retirement.

**Tangipahoa Parish Assessor**  
**Amite, Louisiana**  
Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2019

The Plan issues an annual publicly available financial report that includes financial statements and required supplementary information for the Plan. That report may be obtained by writing to the Insurance Committee of the Assessor's Insurance Fund dba Louisiana Assessor's Association, 3060 Valley Creek Drive, Baton Rouge, Louisiana 70808, or by calling (225) 928-8886.

Benefits Provided – The Assessor provides medical, dental, and vision benefits for retirees and their dependents. An employee is eligible to elect medical coverage upon retiring or disability. Employees are eligible for benefits at age 55 with at least 12 years of service or any age with at least 30 years of service. Spouses of retiring members are also eligible for coverage under the Plan.

Employees Covered by Benefit Terms – At January 1, 2019, the following employees were covered by the benefit terms:

Actives	24
Retirees	14
Beneficiaries	-
Spouses of Retirees	<u>3</u>
Total	<u>41</u>

Total OPEB Liability – The Assessor's total OPEB liability of \$9,067,865 was measured as of December 31, 2019 and was determined by an actuarial valuation as of January 1, 2019.

Actuarial Assumptions and Other Inputs – The total OPEB liability in the January 1, 2019, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.30%
Salary, Increases, Including Inflation	3.00%
Discount Rate	2.74%

The discount rate was based on the Bond Buyer General Obligation 20-Bond Municipal Index immediately prior to or coincident with the measurement date.

Mortality rates for healthy lives were based on the Sex-distinct Pub-2010 General Mortality with separate employee and healthy annuitant rates, projected generationally using Scale MP-2019.

Mortality rates for disabled lives were based on the Sex-distinct Pub-2010 General Disabled Retirees Mortality, projected generationally using Scale MP-2019.

**Tangipahoa Parish Assessor**  
**Amite, Louisiana**  
Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2019

Changes in the Total OPEB Liability:

Balance at December 31, 2018	\$ 6,931,614
Changes for the Year:	
Service Cost	217,563
Interest on Total OPEB Liability	290,544
Effect of Plan Changes	-
Effect of Economic / Demographic Gains and Losses	-
Effect of Assumptions, Changes, or Inputs	1,754,874
Benefit Payments	<u>(126,730)</u>
Balance at December 31, 2019	<u>\$ 9,067,865</u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the Assessor, as well as what the Assessor's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.74%) or 1 percentage point higher (3.74%) than the current rate:

	1.0% Decrease (1.74%)	Current Rate (2.74%)	1.0% Increase (3.74%)
Total OPEB Liability	\$ 11,013,919	\$ 9,067,865	\$ 7,565,255

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the total OPEB liability of the Assessor, calculated using the current healthcare cost trend rates as well as what the Assessor's total OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates:

	1.0% Decrease	Current Trend Rate	1.0% Increase
Total OPEB Liability	\$ 7,617,919	\$ 9,067,865	\$ 10,991,247

**Tangipahoa Parish Assessor**  
**Amite, Louisiana**  
Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2019

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

For the year ended December 31, 2019, the Assessor recognized an OPEB expense of \$866,181. At December 31, 2019, the Assessor reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences Between Expected and Actual Experience	\$ (126,009)	\$ -
Changes of Assumptions or Other Inputs	-	2,007,321
Amounts Paid Subsequent to the Measurement Date	-	-
Total	<u>\$ (126,009)</u>	<u>\$ 2,007,321</u>

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

Year Ended December 31:	
2019	\$ 358,074
2020	358,074
2021	358,074
2022	358,074
2023	314,028
Thereafter	134,988

## 10. Tax Abatements

The Louisiana Industrial Ad Valorem Tax Exemption Program (ITEP) is an original state incentive program which offers attractive tax incentive for manufacturers within the state. The program abates, for up to ten years, local property taxes (ad valorem) on a manufacturer's new investment and annual capitalized additions related to the manufacturing site. This exemption is granted per contract with the Louisiana Department of Economic Development and will specify the buildings and / or personal property items covered by the exemption. There are currently sixty-six tax abatements in Tangipahoa Parish, related to 17 companies, under the Louisiana ITEP. For the Assessor, there are currently sixty-six tax abatements, related to 17 companies under the Louisiana ITEP. For the 2019 calendar year, estimated forgone ad valorem taxes due to this abatement program was \$27,093 for the Assessor.

**Tangipahoa Parish Assessor**  
**Amite, Louisiana**  
Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2019

**11. Assigned Fund Balance**

Assignments of fund balance are used to show the amounts within fund balance that are intended to be used for specific purposes in future years but are not legally restricted.

Fund	Purpose	Amount
General Fund	Health Insurance - Increase	\$ 40,000
General Fund	Protested Taxes Received	20,000
General Fund	Web Site Upgrade	15,000
General Fund	Computer Upgrade & Equipment	50,000
General Fund	Professional Fees	30,000
General Fund	New Vehicles	75,000
General Fund	Retirement Contribution - Increase	35,000
		<u>\$ 265,000</u>

**12. Expenditures of the Assessor not Included in the Financial Statements**

Certain operating expenditures of the Assessor's office are paid by the Council as required by LRS 33:4713. The Assessor's office has two locations, with the first being located in the Tangipahoa Parish Courthouse in Amite and the second being located in the Tangipahoa Parish Government Building in Hammond. The upkeep and maintenance of both locations are paid by the Council.

**13. Litigation and Claims**

The Assessor is named as a party to various suits filed against the Louisiana Tax Commission protesting certain taxes paid by various companies. It is not possible to tell what liability, if any, the Assessor may have for repayment of any taxes paid under protest by the various companies. Therefore, no accrual for any loss contingency has been made in the financial statements.

**14. Prior Period Adjustment**

At December 31, 2019, a prior period adjustment was made for \$484,512 to beginning Net Position to adjust both Deferred Outflows and Inflows of Resources related to the prior year adoption of GASB 75. This prior period adjustment affects only the government-wide Statement of Net Position and the Statement of Activities. Beginning Net Position changed from \$1,749,365 to \$2,233,877 after the prior period adjustment.

**15. Subsequent Events**

Management has evaluated subsequent events through the date that the financial statements were available to be issued, July 23, 2020. In March 2020, the COVID-19 virus began spreading throughout the United States resulting in the temporary closure of many non-essential businesses. Management has evaluated the possible impacts of this situation and does not believe that this will have a significant impact on the continued operations of the Assessor. No other subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

## **Required Supplemental Information**

**Tangipahoa Parish Assessor  
Amite, Louisiana**

Schedule 1

Statement of Revenues, Expenditures, and Changes in Fund Balance –  
Budget (GAAP Basis) and Actual  
For the Year Ended December 31, 2019

	Original Budget	Final Budget	Actual Amounts - Budgetary Basis	Variance with Final Budget Favorable / (Unfavorable)
<b>Revenues:</b>				
Ad Valorem Taxes	\$ 2,663,988	\$ 2,690,000	\$ 2,802,207	\$ 112,207
State Revenue Sharing	150,500	150,500	153,199	2,699
Tax Roll Fees	18,700	18,500	18,742	242
Interest Earnings	28,500	56,000	57,213	1,213
Other Revenues	5,000	4,500	4,508	8
Total Revenues	2,866,688	2,919,500	3,035,869	116,369
<b>Expenditures:</b>				
Salaries and Related Benefits:				
Assessor	144,314	144,314	144,314	-
Deputies	1,417,080	1,400,000	1,411,839	(11,839)
Retirement Contributions	247,200	275,000	281,599	(6,599)
Insurance - Employees	427,000	432,000	305,431	126,569
FICA and Medicare	42,500	30,500	29,310	1,190
Assessor's Expense Allowance	14,431	14,431	14,431	-
General Office Expenditures	75,000	71,000	71,130	(130)
Automobile Expenditures	35,000	33,000	33,743	(743)
Post Employment Benefits -				
Retirees	-	-	128,890	(128,890)
Property and Casualty Insurance	25,000	33,000	33,505	(505)
Education and Travel	15,000	18,500	19,309	(809)
Professional Services	85,000	138,000	139,648	(1,648)
Cooperative Endeavor	8,500	3,000	3,000	-
Capital Outlay - Equipment	95,000	-	-	-
Total Expenditures	2,631,025	2,592,745	2,616,149	(23,404)
Excess of Revenues over Expenditures	235,663	326,755	419,720	92,965
<b>Fund Balance:</b>				
Beginning of the Year	9,063,474	9,063,474	9,063,474	-
End of the Year	\$ 9,299,137	\$ 9,390,229	\$ 9,483,194	\$ 92,965

See auditor's report.

**Tangipahoa Parish Assessor  
Amite, Louisiana**

Schedule 2

Schedule of Changes in the Assessor's Total OPEB Liability and Related Ratios  
For the Year Ended December 31, 2019

	<u>2019</u>	<u>2018</u>
Total OPEB Liability:		
Service Cost	\$ 217,563	\$ 230,350
Interest on Total OPEB Liability	290,544	213,591
Change of Benefit Term	-	-
Differences Between Expected and Actual Experience	-	(182,013)
Changes in Assumptions or Other Inputs:		
Change Due to Claims Costs Update	501,698	1,366,688
Change Due to Trend Update	(251,919)	(514,264)
Change Due to Mortality Update	(230,013)	614,860
Change Due to Discount Rate Update	<u>1,735,108</u>	<u>(712,666)</u>
Total Assumption Changes	1,754,874	754,618
Benefit Payments	<u>(126,730)</u>	<u>(126,217)</u>
Net Change in Total OPEB Liability	2,136,251	890,329
Total OPEB Liability - Beginning	<u>6,931,614</u>	<u>6,041,285</u>
Total OPEB Liability - Ending	<u><u>\$ 9,067,865</u></u>	<u><u>\$ 6,931,614</u></u>
 Covered Employee Payroll	 \$ 1,601,252	 \$ 1,474,177
Total OPEB Liability as a Percentage of Covered Employee Payroll	566.30%	470.20%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

Notes to Schedule:

Changes of Benefit Terms:	None	None
Changes of Assumptions:	None	None

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75 to pay related benefits.

See auditor's report.



**Tangipahoa Parish Assessor  
Amite, Louisiana**

Schedule 3

Schedule of the Assessor's Proportionate Share of the Net Pension Liability  
For the Year Ended December 31, 2019

<u>Fiscal Year*</u>	<u>Assessor's Proportion of the Net Pension Liability</u>	<u>Assessor's Proportionate Share of the Net Pension Liability</u>	<u>Assessor's Covered Employee Payroll</u>	<u>Assessor's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
2019	3.192461%	\$ 842,114	\$ 1,441,126	58.43%	94.12%
2018	2.974867%	\$ 578,325	\$ 1,340,468	43.14%	95.46%
2017	2.953328%	\$ 518,224	\$ 1,290,098	40.17%	95.61%
2016	3.053823%	\$ 1,077,601	\$ 1,329,554	81.05%	90.68%
2015	3.065425%	\$ 1,604,207	\$ 1,288,069	124.54%	85.57%
2014	2.985363%	\$ 1,043,672	\$ 1,175,882	88.76%	89.98%
2013	2.441534%	\$ 1,069,163	\$ 1,052,334	101.60%	86.72%

\* The amounts presented for each fiscal year were determined as of September 30 of that year

See auditor's report.

**Tangipahoa Parish Assessor**  
**Amite, Louisiana**  
Schedule of the Assessor's Contributions  
For the Year Ended December 31, 2019

Schedule 4

<u>Fiscal Year*</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to the Contractually Required Contribution</u>	<u>Contribution Deficiency / (Excess)</u>	<u>Assessor's Covered Employee Payroll</u>	<u>Contributions as a Percentage of Covered Employee Payroll</u>
2019	\$ 115,290	\$ 115,290	\$ -	\$ 1,441,126	8.00%
2018	\$ 107,237	\$ 107,237	\$ -	\$ 1,340,468	8.00%
2017	\$ 129,657	\$ 129,657	\$ -	\$ 1,290,098	10.05%
2016	\$ 179,490	\$ 179,490	\$ -	\$ 1,329,554	13.50%
2015	\$ 173,889	\$ 173,889	\$ -	\$ 1,288,069	13.50%
2014	\$ 158,744	\$ 158,744	\$ -	\$ 1,175,882	13.50%
2013	\$ 142,065	\$ 142,065	\$ -	\$ 1,052,334	13.50%

\* The amounts presented for each fiscal year were determined as of September 30 of that year

See auditor's report.

## **Other Supplemental Information**

**Tangipahoa Parish Assessor  
Amite, Louisiana**

Schedule 5

Schedule of Compensation, Benefits, and Other Payments to Agency Head  
For the Year Ended December 31, 2019

Agency Head: Honorable Joaquin "JR." Matheu, Assessor

Purpose	Amount
Salary:	
Annual Base Compensation - RS 47:1907	\$ 134,873
7% Certification - RS 47:1907(H)(1)	9,441
10% Personal Expense Allowance - RS 47:1907(B)	14,431
Benefits - Insurance - RS 47:1923	16,989
Benefits - Retirement - RS 11:1481	12,700
Deferred Compensation	6,000
Benefits - Other - Supplemental Pay	-
Car Allowance	-
Vehicle Provided by Government	-
Vehicle Rental	-
Cell Phone	810
Dues	-
Per Diem	312
Reimbursements	-
Mileage	10,469
Registration Fees	-
Conference Travel	935
Housing	-
Unvouchered Expenses	-
Special Meals	-
Other	-
	<u>\$ 206,960</u>

See auditor's report.

**Other Independent Auditor's Report and  
Findings and Recommendations**

Dennis E. James, CPA  
Lyle E. Lambert, CPA  
Paul M. Riggs, Jr., CPA  
J. Bryan Ehricht, CPA

Megan E. Lynch, CPA  
B. Jacob Steib, CPA  
Christie J. Barado  
Connor J. Collura  
Sharon B. Bravata  
Krystal L. Waddell  
Jenny I. Schliegmeyer  
Debbie G. Faust, EA



**JAMES  
LAMBERT RIGGS  
& ASSOCIATES, INC.**  
CERTIFIED PUBLIC ACCOUNTANTS  
www.jlrcpafirm.com

**AICPA**  
Member of  
American Institute of CPAs  
Society of Louisiana CPAs

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*

The Honorable Joaquin "JR." Matheu  
Tangipahoa Parish Assessor  
Amite, 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 governmental activities and the general fund of the Tangipahoa Parish Assessor, as of for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Tangipahoa Parish Assessor's basic financial statements and have issued our report thereon dated July 23, 2020.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Tangipahoa Parish Assessor's internal control over financial reporting (internal control) to determine the auditing 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 Tangipahoa Parish Assessor's internal control. Accordingly, we do not express an opinion on the effectiveness of the Tangipahoa 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 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**

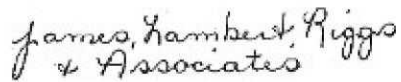
As part of obtaining reasonable assurance about whether the Tangipahoa Parish Assessor's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a 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

Tangipahoa Parish Assessor  
July 23, 2020

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.

A handwritten signature in cursive script that reads "James, Lambert, Riggs & Associates".

James, Lambert, Riggs and Associates, Inc.  
Hammond, Louisiana

July 23, 2020

**Tangipahoa Parish Assessor**  
**Amite, Louisiana**  
Schedule of Findings and Responses  
For the Year Ended December 31, 2019

We have audited, in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of the governmental activities and the general fund of the Tangipahoa Parish Assessor as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Assessor's basic financial statements, and have issued our report thereon dated July 23, 2020. Our audit of the basic financial statements resulted in an unmodified opinion.

**Section I Summary of Auditor's Reports**

**1. Report on Internal Control and Compliance Material to the Financial Statements**

**Internal Control:**

Material Weakness	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Significant Deficiencies	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

**Compliance:**

Compliance Material to the Financial Statements	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
---	------------------------------	--

**2. Management Letter**

Was a management letter issued?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
---------------------------------	------------------------------	--

**Section II Financial Statement Findings**

**Internal Control over Financial Reporting:**

None

**Compliance and Other Matters:**

None



**Tangipahoa Parish Assessor**  
**Amite, Louisiana**  
Summary Schedule of Prior Audit Findings  
For the Year Ended December 31, 2019

<u>Ref.#</u>	<u>Fiscal Year Findings Initially Occurred</u>	<u>Description of Findings</u>	<u>Corrective Action Taken</u>
--------------	--	--------------------------------	--------------------------------

**Internal Control over Financial Reporting**

None

**Compliance and Other Matters**

None

*Note: This schedule prepared by the Tangipahoa Parish Assessor.*

**TANGIPAHOA PARISH ASSESSOR**  
**STATEWIDE AGREED UPON PROCEDURES ENGAGEMENT**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

Dennis E. James, CPA  
Lyle E. Lambert, CPA  
Paul M. Riggs, Jr., CPA  
J. Bryan Ehricht, CPA

Megan E. Lynch, CPA  
B. Jacob Steib, CPA  
Christie J. Barado  
Connor J. Collura  
Sharon B. Bravata  
Krystal L. Waddell  
Jenny I. Schliegmeyer  
Debbie G. Faust, EA



**JAMES  
LAMBERT RIGGS  
& ASSOCIATES, INC.**  
CERTIFIED PUBLIC ACCOUNTANTS  
[www.jlrcpafirm.com](http://www.jlrcpafirm.com)

  
Member of  
American Institute of CPAs  
Society of Louisiana CPAs

## **Independent Accountants' Report on Applying Agreed-Upon Procedures**

The Honorable Joaquin "JR." Matheu  
Tangipahoa Parish Assessor  
Amite, Louisiana

Louisiana Legislative Auditor  
Baton Rouge, Louisiana

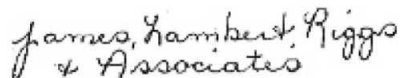
We have performed the procedures enumerated below, which were agreed to by the Tangipahoa Parish Assessor (the "Assessor") and the Louisiana Legislative Auditor (the "LLA") on the control and compliance areas identified in the LLA's Statewide Agreed-Upon Procedures (the "SAUPs") of the Assessor for the period January 1, 2019 through December 31, 2019. The Assessor's management is responsible for those control and compliance 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*, issued by the Comptroller General of the United States. The sufficiency of these procedures is solely the responsibility of the Assessor and the LLA. 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.

Our procedures and findings are detailed in Schedule "A."

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 control and compliance 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 control and compliance areas identified in the SAUPs, and the results of that testing, and not to provide an opinion on control or compliance. This report is intended solely for the information and use of the Assessor and the LLA and is not intended to be and should not be used by anyone other than those specified parties. 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.



James Lambert Riggs & Associates, Inc.  
Hammond, Louisiana

July 23, 2020

***Written Policies and Procedures***

---

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

- a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget

**Results:** No exceptions were noted for the above listed procedures.

- 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.

**Results:** No exceptions were noted for the above listed procedures.

- c) ***Disbursements***, including processing, reviewing, and approving

**Results:** No exceptions were noted for the above listed procedures.

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

**Results:** No exceptions were noted for the above listed procedures.

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

**Results:** No exceptions were noted for the above listed procedures.

- 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

**Results:** No exceptions were noted for the above listed procedures.

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

**Results:** No exceptions were noted for the above listed procedures.

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

**Results:** No exceptions were noted for the above listed procedures.

- i) ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.

**Results:** No exceptions were noted for the above listed procedures.

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

**Results:** No exceptions were noted for the above listed procedures.

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

**Results:** No exceptions were noted for the above listed procedures.

**Non-Payroll Disbursements (excluding card purchases / payments, travel reimbursements, and petty cash purchases)**

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

**Results:** Management provided us with the required listing of disbursements as well as management's representation that the listing is complete.

- 3. For each location selected under #2 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order / making the purchase.

**Results:** No exceptions were noted for the above listed procedures.

- b) At least two employees are involved in processing and approving payments to vendors.

**Results:** No exceptions were noted for the above listed procedures.

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

**Results:** No exceptions were noted for the above listed procedures.

- d) Either the employee / official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

**Results:** No exceptions were noted for the above listed procedures.

- 4. For each location selected under #2 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

- a) Observe that the disbursement matched the related original invoice / billing statement.

**Results:** No exceptions were noted for the above listed procedures.

- b) Observe that the disbursement documentation included evidence (e.g., initial / date, electronic logging) of segregation of duties tested under #3, as applicable.

**Results:** No exceptions were noted for the above listed procedures.

#### Payroll and Personnel

---

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

**Results:** Management provided us with the required listing of employees as well as management's representation that the listing is complete. For the selected 5 employees, the paid salaries agreed to the authorized salaries in the personnel files.

- 6. Randomly select one pay period during the fiscal period. For the 5 employees / officials selected under #5 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe that all selected employees / officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his / her attendance and leave. However, if the elected official is earning leave according to policy and / or contract, the official should document his / her daily attendance and leave.)

**Results:** No exceptions were noted for the above listed procedures.

- b) Observe that supervisors approved the attendance and leave of the selected employees / officials.

**Results:** No exceptions were noted for the above listed procedures.

- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

**Results:** No exceptions were noted for the above listed procedures.

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

**Results:** No employees were terminated during the audit period. No exceptions were noted.

8. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

**Results:** No exceptions were noted for the above listed procedures.