

**SABINE PARISH ASSESSOR  
MANY, LOUISIANA  
ANNUAL FINANCIAL REPORT**

**DECEMBER 31, 2022**

Sabine Parish Assessor  
Sabine, Louisiana

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Sabine Parish Assessor  
Sabine, Louisiana

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# SABINE PARISH ASSESSOR

400 S. Capitol Street, Room 106  
Many, LA 71449

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis (MD&A) of the Sabine Parish Assessor (Assessor) provides an overview and overall review of the Assessor's financial activities for the year ended December 31, 2022. The intent of the MD&A is to look at the Assessor's financial performance as a whole. It should; therefore, be read in conjunction with this report.

### Financial Highlights

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Assessor as a whole and presents a longer-term view of the Assessor's finances. These statements tell how these services were financed in the short-term as well as what remains for future spending. Certain comparative information is presented to provide an overview of the Assessor's operations.

#### Government-wide Financial Statements

The Statement of Net Position presents all of the Assessor's assets and liabilities, with the difference between the two reported as "net position". Over time, increases or decreases in the Assessor's net position may serve as a useful indicator of whether the financial position of the Assessor is improving or deteriorating.

The Statement of Activities presents information showing how the Assessor's net position changed during the most current year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Therefore, some revenues and some expenses that are reported in this statement will not result in cash flows until future years.

#### Fund Financial Statements

Governmental Fund Financial Statements. The services provided by the Assessor are financed through a governmental fund. 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 Assessor, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Assessor's only governmental fund is the General Fund and is considered a major fund for presentation purposes. These statements provide a short-term view of the Assessor's finances and assists in determining whether there will be adequate financial resources available to meet the current needs of the Assessor.

A summary of the basic government-wide financial statements is as follows:

Summary of Statement of Net Position

	<u>2022</u>	<u>2021</u>
ASSETS:		
Current Assets	\$ <u>3,032,825</u>	\$ <u>2,760,447</u>
Non-current Assets		
Capital assets, net of accumulated depreciation	\$ 21,564	\$ 50,311
Net Pension Asset	<u>0</u>	<u>355,343</u>
Total Non-current Assets	\$ <u>21,564</u>	\$ <u>405,654</u>
Total Assets	\$ <u>3,054,389</u>	\$ <u>3,166,101</u>
DEFERRED OUTFLOWS OF RESOURCES:	\$ <u>1,244,689</u>	\$ <u>878,357</u>
LIABILITIES:		
Accounts payable and payroll liabilities	\$ <u>12,814</u>	\$ <u>15,106</u>
Long-term Liabilities		
Other post-employment benefits	\$1,932,736	\$2,318,403
Net pension liability	<u>745,703</u>	<u>0</u>
Total Long-term Liabilities	\$ <u>2,678,439</u>	\$ <u>2,318,403</u>
Total Liabilities	\$ <u>2,691,253</u>	\$ <u>2,333,509</u>
DEFERRED INFLOWS OF RESOURCES:	\$ <u>634,143</u>	\$ <u>719,863</u>
NET POSITION:		
Net Investment in Capital Assets	\$ 21,564	\$ 50,311
Unrestricted	<u>952,118</u>	<u>940,775</u>
Total Net Position	\$ <u>973,682</u>	\$ <u>991,086</u>

## Summary of Statement of Activities

	<u>2022</u>	<u>2021</u>
REVENUES:		
Charges for Services	\$ <u>12,777</u>	\$ <u>12,913</u>
General Revenues-		
Property Taxes	\$1,554,526	\$1,536,192
State Revenue Sharing	35,061	23,643
Non-employer Pension Revenue	168,902	161,447
Interest	<u>4,996</u>	<u>4,919</u>
Total General Revenues	<u>\$1,763,485</u>	<u>\$1,726,201</u>
Total Revenues	<u>\$1,776,262</u>	<u>\$1,739,114</u>
EXPENSES:		
Personnel Services	\$1,489,305	\$1,232,416
Operating Services	191,909	249,066
Materials & Supplies	76,766	68,075
Travel & Other Charges	<u>35,686</u>	<u>40,706</u>
Total Expenses	<u>\$1,793,666</u>	<u>\$1,590,263</u>
Change in Net Position	<u>\$ (17,404)</u>	<u>\$ 148,851</u>

- The Assessor's assets exceeded its liabilities by \$973,682 (net position) for the year.
- Unrestricted net position of \$952,118 represents the portion available to maintain the Assessor's obligation to both citizens and creditors.

Capital Assets

The Assessor's investment in capital assets as of December 31, 2022 is \$21,564 (net of accumulated depreciation). This investment in capital assets includes office furniture, vehicles and buildings. Additional information on the Assessor's capital assets can be found on page 23 of this report.

Long-term Obligations

At the end of the fiscal year, the Assessor had total long-term obligations of \$2,678,439, consisting of post-employment benefits and net pension liability.

General Fund Budgetary Highlights

The General Fund is the Assessor's operating fund and the source of funds for the day-to-day operations. Actual revenues were \$127,360 more than the budgeted amount and actual expenditures were less than the budgeted amount by \$47,310 for the year.

Economic Factors and Next Year's Budget

The primary revenue source for the Assessor is property taxes. This tax is not subject to changes in the economy, in the short-term. However, in the long-term, significant increases or decreases in the tax base would be evident. The budget for FY 2023 should not change significantly from the FY 2022 budget.

Contacting the Parish Assessor

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the Assessor's finances and to show the Assessor's accountability for the money it receives. Any questions about this report or requests for additional information may be directed to the Assessor at 400 S. Capitol Street, Room 106, Many, LA 71449.

**T | C | B | T**  
**THOMAS, CUNNINGHAM, BROADWAY & TODTENBIER**  
*Certified Public Accountants*

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation  
Roger M. Cunningham, CPA – LLC  
Jessica H. Broadway, CPA – A Professional Corporation  
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INDEPENDENT AUDITORS' REPORT

Sabine Parish Tax Assessor  
400 South Capitol Street, Room 106  
Sabine Parish Courthouse, Main Floor  
Many, Louisiana 71449

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the accompanying financial statements of the governmental activities and major fund of the Sabine Parish Assessor (Assessor), a component unit of the Sabine Parish Police Jury, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Assessor's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the Assessor as of December 31, 2022, 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.

***Basis for Opinions***

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 and the *Louisiana Governmental Audit Guide*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Assessor and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Responsibilities of Management for the Financial Statements***

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

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Schedule, Schedule of Employer's Share of Net Pension Liability, Schedule of Employer Contributions, and Schedule of Changes in Net OPEB Liability and Related Ratios on pages 1 through 4 and 37 through 40 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in 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.

### ***Supplementary Information***

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2023, on our consideration of the Assessor's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Assessor's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Assessor's internal control over financial reporting and compliance.

### **Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of the Louisiana Legislative Auditor, we have issued a report, dated June 26, 2023, on the results of our state wide agreed-upon procedures performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards*. The purpose of that report is solely to describe the scope of testing performed on those control and compliance areas identified in the Louisiana Legislative Auditor's state wide agreed-upon procedures, and the results of that testing, and not to provide an opinion on control or compliance.

*Thomas, Cunningham, Broadway + Todtenbier, CPA's*

Thomas, Cunningham, Broadway & Todtenbier, CPA's  
Natchitoches, Louisiana

June 26, 2023

## BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE  
FINANCIAL STATEMENTS

Sabine Parish Assessor  
Statement of Net Position  
December 31, 2022

	<u>Governmental Activities</u>
ASSETS:	
Current Assets-	
Cash & Cash Equivalents	\$1,453,141
Revenue Receivable	1,573,449
Prepaid Expenses	<u>6,235</u>
Total Current Assets	\$3,032,825
Non-current Assets-	
Capital Assets (Net)	<u>21,564</u>
Total Assets	\$3,054,389
DEFERRED OUTFLOWS OF RESOURCES:	<u>\$1,244,689</u>
LIABILITIES:	
Current Liabilities-	
Accounts Payable	\$ 2,919
Payroll Liabilities	<u>9,895</u>
Total Current Liabilities	\$ <u>12,814</u>
Non-current Liabilities-	
Other Post-employment Benefits	\$1,932,736
Net Pension Liability	<u>745,703</u>
Total Non-current Liabilities	\$2,678,439
Total Liabilities	\$2,691,253
DEFERRED INFLOWS OF RESOURCES:	\$ <u>634,143</u>
NET POSITION:	
Net Investment in Capital Assets	\$ 21,564
Unrestricted	<u>952,118</u>
Total Net Position	\$ <u>973,682</u>

See independent auditors' report and notes to financial statements.

Sabine Parish Assessor  
Statement of Activities  
December 31, 2022

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense)</u>
		<u>Charges</u>	<u>Operating Grants</u>	<u>Revenue and Changes</u>
		<u>for</u>	<u>and</u>	<u>in Net Position</u>
		<u>Services</u>	<u>Contributions</u>	<u>Governmental Activities</u>
Governmental Activities:				
Personnel Services	\$1,489,305	\$12,777	\$0	\$(1,476,528)
Operating Services	191,909	0	0	(191,909)
Materials & Supplies	76,766	0	0	(76,766)
Travel & Other Charges	<u>35,686</u>	<u>0</u>	<u>0</u>	<u>(35,686)</u>
 Total Governmental Activities	 <u>\$1,793,666</u>	 <u>\$12,777</u>	 <u>\$0</u>	 <u>\$(1,780,889)</u>
 General Revenues:				
Taxes:				
Property Taxes				\$ 1,554,526
State Revenue Sharing				35,061
Non-employer Pension Revenue				168,902
Interest Income				<u>4,996</u>
 Total General Revenues				 <u>\$ 1,763,485</u>
 Change in Net Position				 \$ (17,404)
 Net Position January 1, 2022				 <u>991,086</u>
 Net Position December 31, 2022				 <u>\$ 973,682</u>

See independent auditors' report and notes to financial statements.

## FUND FINANCIAL STATEMENTS

Sabine Parish Assessor  
Balance Sheet-Governmental Fund  
December 31, 2022

Assets:

Cash & Cash Equivalents	\$1,453,141
Revenue Receivable	1,573,449
Prepaid Expenses	<u>6,235</u>
Total Assets	<u>\$3,032,825</u>

Liabilities:

Accounts Payable	\$ 2,919
Payroll Liabilities	<u>9,895</u>
Total Liabilities	<u>\$ 12,814</u>

Fund Balance:

Nonspendable- Prepaid Expenses	\$ 6,235
Unassigned	<u>3,013,776</u>
Total Fund Balance	<u>\$3,020,011</u>
Total Liabilities and Fund Balance	<u>\$3,032,825</u>

See independent auditors' report and notes to financial statements.

Sabine Parish Assessor  
Reconciliation of the Governmental Fund  
Balance Sheet to the Statement of Net Position  
December 31, 2022

Total Fund Balance for the Governmental Fund at December 31, 2022 \$ 3,020,011

Amounts reported for Governmental Activities  
in the Statement of Net Position are different because:

Non-current assets and deferred outflows used in Governmental Activities  
are not financial resources. Therefore, they are not reported in the  
Governmental Fund Balance Sheet –

Capital Assets	625,531
Less Accumulated Depreciation	(603,967)
Deferred Outflows of Resources – Pension	848,533
Deferred Outflows of Resources – OPEB	396,156

Long-term Liabilities and deferred inflows are not due and payable in  
the current period. Therefore, they are not reported in the Governmental  
Fund Balance Sheet -

Other Post Employment Benefit Obligation	(1,932,736)
Net Pension Liability	(745,703)
Deferred Inflows of Resources – Pension	(85,410)
Deferred Inflows of Resources – OPEB	<u>(548,733)</u>

Total Net Position of Governmental Activities at December 31, 2022 \$ 973,682

Sabine Parish Assessor  
Statement of Revenues, Expenditures and Changes in Fund Balance-  
Governmental Fund  
Year Ended December 31, 2022

REVENUES:	
Taxes-	
Ad Valorem	\$1,554,526
State Revenue Sharing	35,061
Charges for Services	12,777
Interest	<u>4,996</u>
Total Revenues	<u>\$1,607,360</u>
EXPENDITURES:	
General Government-	
Current-	
Personnel Services	\$1,057,076
Operating Services	191,909
Materials & Supplies	40,300
Travel & Other Charges	35,686
Capital Outlay	<u>7,719</u>
Total Expenditures	<u>\$1,332,690</u>
Excess of Revenues over Expenditures	\$ 274,670
Fund Balance-Beginning of Year	<u>2,745,341</u>
Fund Balance-End of Year	<u>\$3,020,011</u>

See independent auditors' report and notes to financial statements.

Sabine Parish Assessor  
Reconciliation of the Statement of Revenues, Expenditures  
and Changes in Fund Balance of the Governmental Fund  
to the Statement of Activities  
for the Year Ended December 31, 2022

Net Change in Fund Balance at December 31, 2022, per Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 274,670
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Amounts reported for Governmental Activities in the Statement of  
Activities are different because:

Governmental Funds report Capital Outlays as expenditures. However,  
in the Statement of Activities, the cost of these assets is allocated over  
their estimated useful lives as depreciation expense. The current year  
amounts for these items were-

Capital Outlay	7,719
Depreciation Expense	(36,466)

Some revenues reported in the Statement of Activities do not provide  
current financial resources and these are not reported as revenues in  
governmental funds. Some expenses reported in the Statement of  
Activities do not require the use of current financial resources and,  
therefore, are not reported as expenditures in governmental funds.  
These timing differences are summarized below:

Non-Employer Pension Revenue	168,902
Other Post-employment Benefits	(209,698)
Pension Expense	<u>(22,531)</u>

Total Changes in Net Position at December 31, 2022 per Statement of Activities	\$ <u>(17,404)</u>
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## NOTES TO FINANCIAL STATEMENTS

Sabine Parish Assessor  
Notes to Financial Statements  
December 31, 2022

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 movable property in the parish, subject to ad valorem taxation. The Assessor is authorized to appoint as many deputies as may be necessary for the efficient operation of the office and provide assistance to the taxpayers of the parish. The deputies are authorized to perform all functions of the office, but the Assessor is officially and pecuniarily responsible for the actions of the deputies.

The Assessor's office is located in the Sabine Parish Courthouse in Many, Louisiana. 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 list to the parish governing authority and the Louisiana Tax Commission as prescribed by 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.

1. Summary of Significant Accounting Policies:

The accompanying general purpose financial statements of the Sabine Parish Assessor have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. Reporting Entity-

As the governing authority of the parish, for reporting purposes, the Police Jury is the financial reporting entity for Sabine Parish. The financial reporting entity consists of (a) the primary government (police jury), (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.

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

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the Police Jury to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Police Jury.

Sabine Parish Assessor  
Notes to Financial Statements  
December 31, 2022

2. Organizations for which the Police Jury does not appoint a voting majority but are fiscally dependent on the Police Jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because of item number 2 above, the Sabine Parish Assessor was determined to be a component unit of the Police Jury, the financial reporting entity. The accompanying financial statements present information only on the fund 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.

B. Basis of Presentation-

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and Statement of Activities report information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Assessor's governmental activities. Direct expenses are those that are specifically associated with a program or function. Program revenues include (a) fees and charges paid by the recipient for goods or services offered by the program, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

C. Fund Accounting-

The accounts of the Assessor are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds maintained is consistent with legal and managerial requirements.

The Assessor maintains only one fund. It is categorized as a governmental fund. The emphasis on fund financial statements is on major governmental and enterprise funds; each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity.

Sabine Parish Assessor  
Notes to Financial Statements  
December 31, 2022

The major fund of the Assessor is described below:

Governmental Fund-

General Fund

The General Fund is the general operating fund of the Assessor. It is used to account for all financial resources except those required to be accounted for in another fund.

D. Measurement Focus/Basis of Accounting-

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

Accrual Basis - Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the Assessor as a whole. Both of these statements have been prepared using the economic measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Modified Accrual Basis - Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Assessor considers all revenues "available" if collected within 60 days after year-end. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are that (1) unmatured principal and interest on long-term debt, if any, are recorded when due and (2) claims and judgments and compensated absences are recorded as expenditures when paid with expendable available financial resources.

E. Assets, Liabilities and Equity-

Cash and Interest-Bearing Deposits-

For purposes of the Statement of Net Position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposit of the Assessor.

Sabine Parish Assessor  
Notes to Financial Statements  
December 31, 2022

#### Capital Assets-

Capital assets, which include property, plant and equipment, are reported in the governmental activities column in the government-wide financial statements. 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 \$5,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of that asset or materially extend the life of that asset are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of useful lives by type of asset is as follows:

Furniture, fixtures and equipment	5-10 years
Leasehold Improvements	10-20 years

#### Compensated Absences-

Employees of the Sabine Parish Assessor do not accrue or "carry forward" any type of leave from year to year. Therefore, no entry is made to record compensated absences.

#### Pension-

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 retirement systems and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the retirement systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. See note 7, for more information on the individual retirement system.

#### Deferred Outflows/Inflows of Resources-

The Statement of Net Position reports a separate section for deferred outflows and (or) deferred inflows of financial resources. Deferred outflows of resources represent a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until the applicable period. Deferred inflows of resources represent an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources until that time.

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#### Equity Classification-

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

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

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

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

- a. Non-spendable fund balance - amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;
- b. Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- c. Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint;
- d. Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- e. Unassigned fund balance - amounts that are available for any purpose; positive amounts are reported only in the general fund.

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The General Fund has a non-spendable fund balance of \$6,235 which represents prepaid expenses. The remaining fund balance of \$3,013,776 is classified as unassigned. If applicable, the Assessor would typically use restricted fund balances first, followed by committed resources and assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

F. Budget-

Prior to the beginning of each fiscal year, the Sabine Parish Assessor adopts a budget for the next fiscal year. The budget is open for public inspection. All budgetary appropriations lapse at the end of the fiscal year. The budget is prepared on the modified accrual basis of accounting.

G. Estimates-

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

2. Capital Assets:

Capital asset balances and activity for the year ended December 31, 2022 is as follows:

Governmental Activities	Balance 01-01-22	Increases	Decreases	Balance 12-31-22
Capital Assets:				
Automobiles	\$103,287	\$ 0	\$0	\$103,287
Building improvements	41,468	0	0	41,468
Furniture, fixtures, equipment	<u>473,057</u>	<u>7,719</u>	<u>0</u>	<u>480,776</u>
Total	<u>\$617,812</u>	<u>\$ 7,719</u>	<u>\$0</u>	<u>\$625,531</u>
Less: Accumulated Depreciation:				
Automobiles	\$ 92,783	\$ 10,505	\$0	\$ 103,288
Building improvements	29,697	1,781	0	31,478
Furniture, fixtures, equipment	<u>445,021</u>	<u>24,180</u>	<u>0</u>	<u>469,201</u>
Total	<u>\$567,501</u>	<u>\$ 36,466</u>	<u>\$0</u>	<u>\$603,967</u>
Net Capital Assets	<u>\$ 50,311</u>	<u>\$(28,747)</u>	<u>\$0</u>	<u>\$ 21,564</u>

Depreciation expense of \$36,466 was charged to the general government function.

3. Expenses Paid by the Police Jury:

Certain expenses of the Assessor's office are paid by the Police Jury. In addition to furnishing the building where the Assessor's office is located, the Police Jury pays all utility bills, most insurance, and furnishes some of the equipment in the Assessor's office.

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4. Ad Valorem Taxes:

The Assessor levies taxes on real and business personal property located within the boundaries of Sabine Parish. Property taxes are levied by the Assessor on property values assessed by the Assessor and approved by the State of Louisiana Tax Commission.

The Sabine Parish Sheriff's office bills and collects property taxes for the Assessor. Collections are remitted to the Assessor monthly. The Assessor recognizes property tax revenues when levied.

Property Tax Calendar

Assessment date	January 1
Levy date	June 30
Tax bills mailed	October 15
Total taxes are due	December 31
Penalties and interest added	January 31
Lien date	January 31
Tax sale	May 17

The Assessor is permitted to levy taxes up to 10% of the assessed property valuation for each specified purpose, or, in the aggregate for all purposes 25% of the assessed valuation for the payment of principal and interest on long-term debt after the approval by the voters of the Parish. Property taxes are recorded as receivables and revenues in the year assessed.

Assessed values are established by the Sabine Parish Tax Assessor each year on a uniform basis at the following ratios to fair market value:

10% land	15% machinery
10% residential improvements	15% commercial improvements
15% industrial improvements	25% public service properties, excluding land

A revaluation of all property is required to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2019. Total assessed value was \$315,636,357 in 2022. Louisiana state law exempts the first \$7,500 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was a total of \$40,607,369 of the assessed value in 2022. For the year ended December 31, 2022, taxes of 5.72 mills were levied on the property. Taxes collected totaled \$1,554,526.

The following are the principal taxpayers for the parish:

<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
SWN Productions	\$56,827,480	18.0%
Chesapeake Operating, LLC	42,628,270	13.5%
DTM Leap Gas Gathering	22,330,630	7.1%
DTM Louisiana Gathering	18,191,888	5.8%
GEP Haynesville, LLC	10,545,690	3.4%

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5. Cash and Cash Equivalents:

The cash and cash equivalents of the Assessor are subject to the following risk:

*Custodial Credit Risk:* Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Assessor will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Assessor that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Assessor's name.

*Interest Rate Risk.* This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity is its fair value to changes in market interest rates. The Assessor does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, as a means of offsetting exposure to interest rate risk, the Assessor diversifies its investments by security type and institution.

For reporting purposes, cash and cash equivalents include demand deposits and time deposits. Cash and cash equivalents are stated at cost, which approximates market. At December 31, 2022, the Assessor had cash and cash equivalents (collected bank balances) totaling \$1,482,079, of which \$623,437 was secured by FDIC insurance and the remaining \$858,642 was secured by pledged securities.

6. Receivables:

Substantially all receivables are considered to be fully collectible, and no allowance for uncollectibles is used. The following is a summary of receivables at December 31, 2022:

<u>Class of Receivable</u>	
Ad Valorem Taxes	\$1,573,166
Interest	<u>283</u>
Total	<u>\$1,573,449</u>

7. Employees Retirement System:

*Plan Description*

Substantially all employees of the Sabine Parish Assessor's office are members of the Louisiana Assessors Retirement Fund (Fund), a cost-sharing multiple-employer defined benefit pension plan administered by a separate board of Trustees. The Fund issues an annual publicly available financial report that includes financial statements and required supplementary information for the Fund. The report may be obtained by writing to the Louisiana Assessors' Retirement Fund, Post Office Box 14699, Baton Rouge, LA 70898-4699, or by calling (225) 928-8886.

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***Benefit Provided***

The following is a description of the fund and its benefits and is provided for general information purposes only. Participants should refer to the Plan Agreement for more complete information.

*Eligibility Requirements*

Employees who were hired before October 1, 2013, will be eligible for pension benefits once they have either reached the age of fifty-five and have at least twelve years of service or have at least thirty years of service, regardless of age. Employees who were hired on or after October 1, 2013, will be eligible for pension benefits once they have either reached the age of sixty and have at least twelve years of service or have reached the age of fifty-five and have at least thirty years of service.

*Retirement Benefits*

Members whose first employment making them eligible for membership began prior to October 1, 2006, are entitled to annual pension benefits equal to three and one-third percent of their highest monthly average final compensation received during any 36 consecutive months, multiplied by their total years of service, not to exceed 100% of monthly average final compensation.

Members whose first employment making them eligible for membership began on or after October 1, 2006 but before October 1, 2013, are entitled to annual pension benefits equal to three and one-third percent of their highest monthly average final compensation received during any 60 consecutive months, multiplied by their total years of service, not to exceed 100% of monthly average final compensation.

Members whose first employment making them eligible for membership began on or after October 1, 2013 but who have less than thirty years of service, are entitled to annual pension benefits equal to three percent of their highest monthly average final compensation received during any 60 consecutive months, multiplied by their total years of service, not to exceed 100% of monthly average final compensation. Members whose first employment making them eligible for membership began on or after October 1, 2013 and have thirty or more years of service, are entitled to annual pension benefits equal to three and one-third percent of their highest monthly average final compensation received during any 60 consecutive months, multiplied by their total years of service, not to exceed 100% of monthly average final compensation. Members may elect to receive their pension benefits in the form of a joint and survivor annuity.

If members terminate before rendering 12 years of service, they forfeit the right to receive the portion of their accumulated plan benefits attributable to the employer's contributions. Benefits are payable over the employees' lives in the form of a monthly annuity. Members may elect to receive the actuarial equivalent of their retirement allowance in a reduced retirement payable throughout life with the following options:

1. If the member dies before he has received in retirement payments purchased by his contributions the amount he had contributed to the fund before his retirement, the balance shall be paid to his legal representatives or to such person as he shall nominate by written designation.

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2. Upon the member's death, his reduced retirement allowance shall be continued throughout the life of and paid to his surviving spouse.
3. Upon the member's death, one-half of his reduced retirement allowance shall be continued throughout the life of and paid to his surviving spouse.
4. The member may elect to receive some other board-approved benefit or benefits that together with the reduced retirement allowance shall be of equivalent actuarial value to his retirement allowance.

Survivor Benefits

The Fund provides benefits for surviving spouse and minor children under certain conditions which are outline in the Louisiana Revised Statutes.

Disability Benefits

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

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

Upon approval for disability benefits, the member shall exercise an optional retirement allowance as provided in R.S. 11:1423 and no change in the option selected shall be permitted after it has been filed with the board. The retirement option factors shall be the same as those utilized for regular retirement based on the age of the retiree and that of the spouse, had the retiree continued in active service until the earliest normal retirement date.

Back-Deferred Retirement Option Program (Back-DROP)

In lieu of receiving a normal retirement benefit pursuant to R.S. 11:1421 through 1423, an eligible member of the Fund may elect to retire and have their benefits structured, calculated, and paid as provided in R.S. 11:1456.1. An active, contributing member of the Fund shall be eligible for Back-DROP only if all of the following apply:

1. The member has accrued more service credit than the minimum required for eligibility for a normal retirement benefit.
2. The member has attained an age that is greater than the minimum required for eligibility for a normal retirement benefit, if applicable.
3. The member has revoked his participation, if any, in the Deferred Retirement Option Plan pursuant to R.S. 11:1456.2.

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

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

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

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

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

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Excess Benefit Plan

Under the provisions of this excess benefit plan, a member may receive a benefit equal to the amount by which the member's monthly benefit from the Fund has been reduced because of the limitations of Section 415 of the Internal Revenue Code.

**Contributions**

Contributions for all members are established by statute at 8.00% of earned compensation. The contributions are deducted from the member's salary and remitted by the participating agency.

Administrative costs of the Fund are financed through employer contributions. According to state statute, contributions for all employers are actuarially determined each year. The actuarially-determined employer contribution rate was 2.11% for the year ended September 30, 2022. The actual employer contribution rate was 5.00% of members' earnings for the year ended September 30, 2022.

The Fund also receives one-fourth of one percent of the property taxes assessed in each parish of the state, except for Orleans Parish which is one percent, as well as a state revenue sharing appropriation. According to state statute, in the event that contributions for ad valorem taxes and revenue sharing funds are insufficient to provide for the gross employer actuarially required contribution, the employer is required to make direct contributions as determined by the Public Retirement Systems' Actuarial Committee. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations. The non-employer contribution was \$168,902.

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

At December 31, 2022 and December 31, 2021, the Assessor reported a liability of \$745,703 and an asset of \$335,343, respectively for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of September 30, 2022 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Assessor's proportion of the Net Pension Liability was based on a projection of the Assessor's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At September 30, 2022, the Assessor's proportion was 1.125704%, which was an increase of .04485% from its proportion measured as of September 30, 2021.

For the year ended December 31, 2022, the Assessor recognized pension expense of \$283,594 plus or minus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$1,847.

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At December 31, 2022, 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	\$ 23,682	\$80,010
Changes in assumption	255,668	0
Net difference between projected and actual earnings on pension plan investments	554,436	0
Changes in employer's proportion of beginning net pension liability	5,216	5,027
Differences between employer contributions and proportionate share of employer contributions	4,777	373
Subsequent Measurement Contributions	4,754	0
Total	\$848,533	\$85,410

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

Year ended December 31:	
2023	\$184,664
2024	139,063
2025	166,760
2026	271,676
2027	(3,794)
Total	\$758,369

*Actuarial Assumptions*

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

Valuation Date	September 30, 2022
Actuarial Cost Method	Entry Age Normal Cost
Actuarial Assumptions:	
Investment Rate of Return	5.50%, net of pension plan investment expense, including inflation.
Projected Salary Increases	5.25% (2.10% Inflation)
Mortality Rates	Pub-2010 Public Retirement Plans Mortality Table multiplied by 120% with full generational projection using the appropriate MP-2019 improvement scale.
Expected Remaining Service Lives	6 years

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The actuarial assumptions used were set based upon an experience study performed on plan data for the period October 1, 2014 through September 30, 2019, unless otherwise specified in this report. 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.

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

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

<u>Asset Class</u>	<u>Expected Portfolio Real Rate of Return</u>
Domestic Equity	7.50%
International Equity	8.50%
Domestic Bonds	2.50%
International Bonds	3.50%
Real Estate	4.50%
Alternative Assets	5.87%

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

*Sensitivity of the Employer'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 using the discount rate of 5.50%, 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 (4.50%) or one percentage-point higher (6.50%) than the current rate:

	1.0% Decrease (4.50%)	Current Discount Rate (5.50%)	1.0% Increase (6.50%)
Employer's proportionate share of net pension liability	\$1,412,501	\$745,703	\$179,289

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*Pension Plan Fiduciary Net Position*

Detailed information about the pension plan's fiduciary net position is available in the separately issued Louisiana Assessors' Retirement Fund and Subsidiary Annual Financial Report at [www.la.gov](http://www.la.gov).

*Payables to the Pension Plan*

As of December 31, 2022, there was no payable to the pension plan.

8. Post-employment Benefits Other Than Pensions:

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

*Benefits Provided* – Medical/dental/vision benefits are provided to employees upon actual retirement. The employer pays a 100% of the medical, dental, and vision coverage for the retiree only (not dependents). Employees are covered by a retirement system whose retirement eligibility (D.R.O.P. entry) provisions are 55 years of age and 15 years of service.

*Employees covered by benefit terms* – At January 1, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	3
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	9
	<u>12</u>

**Total OPEB Liability**

The Assessor's total OPEB liability of \$1,932,736 was measured as of December 31, 2022 and was determined by an actuarial valuation as of January 1, 2022.

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

Inflation	2.3%
Salary increases	3.0%, including inflation
Healthcare cost trend rates	5.9% Medical
	4.0% Dental

The discount rate of 3.72% per annum (compounded annually) was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index as of December 31, 2022, the end of the applicable measurement period.

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Mortality Rates-

Healthy Retirement: Sex-distinct Pub-2010 General Mortality with separate employee and healthy annuitant rates, projected generationally using Scale MP-2021.

Beneficiaries: Sex-distinct Pub-2010 General Contingent Survivors Mortality, projected generationally using Scale MP-2021.

Disability Retirement: Sex-distinct Pub-2010 General Disabled Retirees Mortality, projected generationally using Scale MP-2021.

The actuarial assumptions used in the January 1, 2022 valuation were based on the results of ongoing evaluations of the assumptions from January 1, 2020 to January 1, 2022.

**Changes in the Total OPEB Liability**

Balance at January 1, 2022	<u>\$2,318,403</u>
Changes for the year:	
Service cost	192,293
Interest	51,266
Differences between expected and actual experience	(122,497)
Differences due to changes in assumptions	(462,378)
Benefit payments and net transfers	<u>(44,351)</u>
Net changes	<u>(385,667)</u>
Balance at December 31, 2022	<u><u>\$1,932,736</u></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 (1.06%) or 1-percentage-point higher (3.06%) than the current discount rate:

	<b>1.0% Decrease (2.72%)</b>	<b>Current Discount Rate (3.72%)</b>	<b>1.0% Increase (4.72%)</b>
Total OPEB liability	\$2,363,873	\$1,932,736	\$1,598,320

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates* – The following presents the total OPEB liability of the Assessor, as well as what the Assessor’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare trend rates:

	<b>1.0% Decrease</b>	<b>Current Trend</b>	<b>1.0% Increase</b>
Total OPEB liability	\$1,589,575	\$1,932,736	\$2,393,690

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

For the year ended December 31, 2022, the Assessor recognized OPEB expense of \$254,049. At December 31, 2022, the Assessor reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 82,145	\$(133,778)
Changes of assumptions	314,011	(414,955)
<b>Total</b>	<b>\$396,156</b>	<b>\$(548,733)</b>

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

Years ending December 31:	
2023	\$ 10,490
2024	10,490
2025	10,490
2026	10,854
2027	11,339
Thereafter	(206,240)
<b>Total</b>	<b>\$(152,577)</b>

9. Deferred Outflows/Inflows of Resources:

The totals reported for deferred outflows/inflows of resources on the statement of net position are comprised of the following:

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Net Pension Liability	\$ 848,533	\$ 85,410
Other Post-employment Benefits	<u>396,156</u>	<u>548,733</u>
<b>Total</b>	<b><u>\$1,244,689</u></b>	<b><u>\$634,143</u></b>

10. Tax Abatement:

The Louisiana Industrial Ad Valorem Tax Exemption program (Louisiana Administrative Code, Title 13, Chapter 5) is a state incentive program which abates, up to ten years, local ad valorem taxes on a manufacturer's new investment and annual capitalized additions related to the manufacturing site. Applications to exempt qualified property for five years are approved by the Louisiana Economic Development's Board of Commerce and Industry. As a result of program agreements entered into by the State of Louisiana, ad valorem tax revenues for the Sabine Parish Tax Assessor were reduced by \$31,871 for the fiscal year ending December 31, 2022.

Sabine Parish Assessor  
Notes to Financial Statements  
December 31, 2022

11. Litigation:

The Sabine Parish Assessor is not a party to any litigation seeking damages at December 31, 2022.

12. Subsequent Events:

Management has evaluated events through June 26, 2023, the date which the financial statements were available for issue. There was nothing to disclose.

OTHER REQUIRED  
SUPPLEMENTARY INFORMATION

Sabine Parish Assessor  
General Fund  
Budgetary Comparison Schedule  
For the Year Ended December 31, 2022

	Original/Final <u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES:			
Taxes-			
Ad Valorem	\$1,435,000	\$1,554,526	\$119,526
State Revenue Sharing	34,000	35,061	1,061
Charges for Services	7,000	12,777	5,777
Miscellaneous	<u>4,000</u>	<u>4,996</u>	<u>996</u>
Total Revenues	<u>\$1,480,000</u>	<u>\$1,607,360</u>	<u>\$127,360</u>
EXPENDITURES:			
General Government-			
Current-			
Personnel Services	\$1,062,050	\$1,057,076	\$ 4,974
Operating Services	194,500	191,909	2,591
Materials & Supplies	46,000	40,300	5,700
Statutory & Travel	51,450	35,686	15,764
Capital Outlay	<u>26,000</u>	<u>7,719</u>	<u>18,281</u>
Total Expenditures	<u>\$1,380,000</u>	<u>\$1,332,690</u>	<u>\$ 47,310</u>
Excess (Deficiency) of Revenues over Expenditures	\$ 100,000	\$ 274,670	\$174,760
Fund Balance-Beginning of Year	<u>2,745,341</u>	<u>2,745,341</u>	<u>0</u>
Fund Balance-End of Year	<u>\$2,845,341</u>	<u>\$3,020,011</u>	<u>\$174,760</u>

See independent auditors' report and notes to financial statements.

Sabine Parish Assessor  
Schedule of Employer's Share of Net Pension Liability  
For the Year Ended December 31, 2022

<u>Year</u>	<u>Employer's Proportion of the Net Pension Liability (Asset)</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll</u>	<u>Plan Fiduciary Net Pension as a Percentage of the Total Pension Liability</u>
2015	1.01574%	\$ 531,562	\$430,400	124%	85.57%
2016	1.01678%	\$ 358,794	\$450,973	80%	90.68%
2017	1.05309%	\$ 184,788	\$448,038	41%	95.61%
2018	1.00497%	\$ 195,370	\$454,271	43%	95.46%
2019	1.03122%	\$ 272,016	\$461,177	59%	94.12%
2020	1.09530%	\$ 167,334	\$506,984	33%	96.79%
2021	1.08086%	\$(355,343)	\$513,526	(69)%	106.48%
2022	1.12570%	\$ 745,703	\$541,376	138%	87.25%

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

Sabine Parish Assessor  
Schedule of Employer's Contributions  
For the Year Ended December 31, 2022

<u>Year</u>	<u>Contractually Required Contributions</u>	<u>Contributions in Relation to Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a Percentage of Covered Employee Payroll</u>
2015	\$58,104	\$58,104	\$0	\$430,400	13.50%
2016	\$56,825	\$56,825	\$0	\$450,973	12.60%
2017	\$42,772	\$42,772	\$0	\$448,038	9.55%
2018	\$36,342	\$36,342	\$0	\$454,271	8.00%
2019	\$36,894	\$36,894	\$0	\$461,177	8.00%
2020	\$40,559	\$40,559	\$0	\$506,984	8.00%
2021	\$42,967	\$42,967	\$0	\$513,526	8.37%
2022	\$25,031	\$25,031	\$0	\$541,376	4.62%

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

Sabine Parish Assessor  
Schedule of Changes in Total OPEB Liability  
For the Year Ended December 31, 2022

	2022	2021	2020	2019	2018
Service Cost	\$ 192,293	\$ 120,245	\$ 102,269	\$ 80,228	\$ 68,233
Interest on Total OPEB Liability	51,266	47,961	49,270	58,178	46,223
Effect of Plan Changes	0	0	0	0	0
Effect of Economic/Demographic Gains (Losses)	(122,497)	0	128,555	0	(54,415)
Effect of Assumption Changes or Inputs	(462,378)	36,953	216,982	250,186	21,821
Benefit Payments	(44,351)	(57,323)	(44,589)	(18,332)	(18,825)
Net Change in Total OPEB Liability	(385,667)	147,836	452,487	370,260	63,037
Total OPEB Liability, beginning	2,318,403	2,170,567	1,718,080	1,347,820	1,284,783
Total OPEB Liability, ending	1,932,736	2,318,403	2,170,567	1,718,080	1,347,820
Covered payroll	\$ 568,374	\$ 626,822	\$ 551,894	\$ 577,129	\$ 577,129
Total OPEB liability as a % of covered payroll	340.05%	369.87%	393.29%	297.69%	233.54%

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

SUPPLEMENTARY INFORMATION

Sabine Parish Assessor  
Schedule of Compensation, Benefits and Other Payments to  
Agency Head or Chief Executive Officer  
For the Year Ended December 31, 2022

Agency Head Name: Chris Tidwell, Assessor

<u>Purpose</u>	<u>Amount</u>
Salary	\$131,797
Statutory Allowance	13,180
Benefits- Retirement	18,303
Benefits- Deferred Compensation	13,500
Benefits- Insurance Premiums	25,551
Benefits- AFLAC Insurance Premiums	346
Benefits- Taxable Personal Use of Vehicle	2,515
Benefits- Medicare Taxes	2,512
Registration- Seminar/Conference	1,717
Hotel- Seminar/Conference	2,107
Reimbursement of Meals & Mileage	956

See independent auditor's report.

OTHER REPORTS/SCHEDULES

**T | C | B | T**  
**THOMAS, CUNNINGHAM, BROADWAY & TODTENBIER**  
*Certified Public Accountants*

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation  
Roger M. Cunningham, CPA – LLC  
Jessica H. Broadway, CPA – A Professional Corporation  
Ryan E. Todtenbier, CPA – A Professional Corporation

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

Sabine Parish Tax Assessor  
400 South Capitol Street, Room 106  
Sabine Parish Courthouse, Main Floor  
Many, Louisiana 71449

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 and the *Louisiana Governmental Audit Guide*, the financial statements of the governmental activities and major fund as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Sabine Parish Assessor’s (Assessor) basic financial statements and have issued our report thereon dated June 26, 2023.

**Report on Internal Control over Financial Reporting**

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or 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 or significant deficiencies may exist that were not identified.

## **Report on Compliance and Other Matters**

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

### **Purpose of this Report**

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

*Thomas, Cunningham, Broadway & Todtenbier, CPA's*

Thomas, Cunningham, Broadway & Todtenbier, CPA's  
Natchitoches, Louisiana

June 26, 2023

Sabine Parish Assessor  
Schedule of Audit Results  
Year Ended December 31, 2022

I. Summary of Audit Results

1. An unmodified opinion was issued on the financial statements of the Sabine Parish Assessor as of and for the year ended December 31, 2022.
2. The audit did not disclose any material weaknesses in the internal control.
3. The audit disclosed no instances of noncompliance that were required to be reported under *Governmental Auditing Standards*.

II. FINDINGS IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

None identified.

III. PRIOR YEAR AUDIT FINDINGS

None identified.

**T | C | B | T**  
**THOMAS, CUNNINGHAM, BROADWAY & TODTENBIER**  
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**INDEPENDENT ACCOUNTANT’S REPORT ON APPLYING  
STATEWIDE AGREED-UPON PROCEDURES**

To the Sabine Parish Assessor and the Louisiana Legislative Auditor:

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

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

The procedures and associated findings are as follows:

***Written Policies and Procedures***

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1. We obtained and inspected the entity’s written policies and procedures and observed that they address each of the following categories and subcategories (or noted that the entity does not have any written policies and procedures), as applicable:
  - ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
  - ***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.
  - ***Disbursements***, including processing, reviewing, and approving.
  - ***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.)

- **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedule.
- **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- **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).
- **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- **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) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.
  - a) Procedure Results - We noted no exceptions regarding written policies and procedures.

#### ***Board or Finance Committee***

---

2. We obtained and inspected the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent documents in effect during the fiscal period, and:
  - Observed that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
  - Observed that the minutes referenced or included monthly budget-to-actual comparisons on the General Fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds.
  - Obtained the prior year audit report and observed the unassigned fund balance in the General Fund. If the General Fund had a negative ending unrestricted fund balance in the prior year audit report, observed that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the General Fund.

- a) Procedure Results – The Assessor is an elected official with no board oversight; no meetings or minutes are required.

### ***Bank Reconciliations***

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3. We obtained a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Management identified the entity's main operating account. We selected the entity's main operating account and randomly selected 4 additional accounts (or all if less than 5). We randomly selected one month from the fiscal period, and obtained and inspected the corresponding bank statement and reconciliation for the selected accounts, and observed that:
- Bank reconciliations include evidence that they were prepared within two months of the related statement closing date (e.g. initialed and dated, electronically logged);
  - Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g. initialed and dated, electronically logged); and
  - Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

- a) Procedure Results – We noted no exceptions regarding bank reconciliations.

### ***Collections (excluding electronic funds transfers)***

---

4. We obtained a listing of deposit sites for the fiscal period where deposits for cash/check/money order (cash) are prepared and management's representation that the listing is complete. We randomly selected 5 deposit sites (or all deposit sites if less than 5).
5. We obtained a listing of collection locations and management's representation that the listing is complete. We randomly selected one collection location for each deposit site selected. We obtained and inspected written policies and procedures relating to employee job duties (if no written policies or procedures, inquired of employees about their job duties) at each collection location, and observed that job duties were properly segregated at each collection location such that:
- Employees that are responsible for cash collections do not share cash drawers/registers.
  - Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
  - Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
  - The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.
6. We obtained from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. We observed that the bond or insurance policy for theft was enforced during the fiscal period.

7. We randomly selected two deposit dates for each of the bank accounts selected for procedure #3 under “Bank Reconciliations” above (selected the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly selected a deposit if multiple deposits were made on the same day). We obtained supporting documentation for each of the deposits selected and:
  - We observed that receipts are sequentially pre-numbered.
  - We traced sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
  - We traced the deposit slip total to the actual deposit per the bank statement.
  - We observed that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
  - We traced the actual deposit per the bank statement to the general ledger.
  - a) Procedure Results – We noted no exceptions regarding collections.

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

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8. We obtained a listing of locations that process payments for the fiscal period and management’s representation that the listing is complete. We randomly selected the required amount of disbursement locations (up to five).
9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. We obtained 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 we observed that job duties are properly segregated such that:
  - At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
  - At least two employees are involved in processing and approving payments to vendors.
  - 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.
  - 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.
10. For each location selected under #8 above, we obtained the entity’s non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtained management’s representation that the population is complete. We randomly selected 5 disbursements for each location, and obtained supporting documentation for each transaction and:
  - We observed that the disbursement matched the related original itemized invoice and that documentation indicates that deliverables included on the invoice were received by the entity.
  - We observed that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

- a) Procedure Results – We noted no exceptions regarding non-payroll disbursements.

#### ***Credit Cards/Debit Cards/Fuel Cards/P-Cards***

---

11. We obtained from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. We obtained management’s representation that the listing is complete.
12. Using the listing prepared by management, we randomly selected the required amount of cards (up to five) that were used during the fiscal period. We randomly selected one monthly statement or combined statement for each card (for a debit card, randomly selected one monthly bank statement), and obtained supporting documentation, and:
- We observed that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.
  - We observed that finance charges and late fees were not assessed on the selected statements.
13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, we randomly selected the required amount transactions (up to ten) from each statement, and obtained supporting documentation for the transactions. For each transaction, we observed that it is supported by (1) an original itemized receipt that identified precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, we described the nature of the transaction and noted whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

- a) Procedure Results – We noted no exceptions regarding credit cards/debit cards/fuel cards/P-cards.

#### ***Travel and Expense Reimbursement***

---

14. We obtained from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. We randomly selected five reimbursements, and obtained the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the five reimbursements selected:
- If reimbursed using a per diem, we observed that the approved reimbursement rate is no more than those rates established by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).
  - If reimbursed using actual costs, we observed that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

- We observed that each reimbursement was supported by documentation of the business/public purpose (for meal charges, we observed that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
- We observed that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.
  - a) Procedure Results – We noted no exceptions regarding travel and expense reimbursements.

### ***Contracts***

---

15. We obtained from management a listing of all agreements/contracts for professional services, materials, and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. We obtained management's representation that the listing is complete. We randomly selected the required amount of contracts (up to five) from the listing, excluding our contract, and:
- We observed that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
  - We observed that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
  - If the contract was amended (e.g. change order), we observed that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g. if approval is required for any amendment was approval documented).
  - We randomly selected one payment from the fiscal period for each of the selected contracts, obtained the supporting invoice, agreed the invoice to the contract terms, and observed that the invoice and related payment agreed to the terms and conditions of the contract.
- a) Procedure Results – We noted no exceptions regarding contracts.

### ***Payroll and Personnel***

---

16. We obtained a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. We randomly selected five employees/officials, obtained related paid salaries and personnel files, and agreed paid salaries to authorized salaries/pay rates in the personnel files.
17. We randomly selected one pay period during the fiscal period. For the five employees/officials selected under #16 above, we obtained attendance and leave documentation for the pay period, and:
- We observed that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
  - We observed that supervisors approved the attendance and leave of the selected employees/officials.
  - We observed that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
  - We observed that the rate paid to the employees or officials agree to the authorized salary/pay rate found with the personnel file.

18. We obtained a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. If applicable, we selected two employees or officials, and obtained related documentation of the hours and pay rates used in management's termination payment calculations and the entity policy on termination payments. If applicable, we agreed the hours to the employees or officials' cumulative leave records, and the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and the termination payment to entity policy.
19. We obtained management's representation that employer and employee portions of third-party payroll related amounts (e.g. payroll taxes, retirement contributions, health insurance premiums, workers' compensation premiums, etc.) have been paid, and associated forms have been filed, by required deadlines.
  - a) Procedure Results – We noted no exceptions regarding payroll and personnel.

### ***Ethics***

---

20. Using the five randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, we obtained ethics compliance documentation from management, and:
  - We observed that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
  - We observed that the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
  - a) Procedure Results – We noted no exceptions regarding ethics.

### ***Debt Service***

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21. We obtained a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. We selected all debt instruments on the listing, obtained supporting documentation, and observed that State Bond Commission approval was obtained for each bond/note issued.
22. We obtained a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. We randomly selected one bond/note, inspected debt covenants, obtained supporting documentation for the reserve balance and payments, and agreed actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).
  - a) Procedure Results – We noted no exceptions regarding debt service.

### ***Fraud Notice***

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23. We obtained a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. We selected all misappropriations on the listing, obtained supporting documentation, and observed that the entity reported the misappropriation(s) to the legislative auditor and the Assessor attorney of the parish in which the entity is domiciled.

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

a) Procedure Results – We noted no exceptions regarding fraud notice.

### ***Information Technology Disaster Recovery/Business Continuity***

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25. We performed the following procedures:

- We obtained and inspected the entity’s most recent documentation that it has backed up its critical data (if no written documentation, inquired of personnel responsible for backing up critical data) and observed that such backup occurred within the past week. If backups are stored on the physical medium (e.g., tapes, CDs), we observed that backups are encrypted before being transported.
- We obtained and inspected the entity’s most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquired of personnel responsible for testing/verifying backup restoration) and observed evidence that the test/verification was successfully performed within the past 3 months.
- We obtained a listing of the entity’s computers currently in use, and their related locations, and management’s representation that the listing is complete. We randomly selected the required number of computers (at least 5) and observed while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

a) Procedure Results – We performed the procedures regarding Information Technology Disaster Recovery/Business Continuity and discussed the results with management.

### ***Sexual Harassment***

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26. We randomly selected the employees/officials from procedure #16 under “Payroll and Personnel” above, obtained sexual harassment training documentation from management, and observed that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

27. We observed that the entity has posted its sexual harassment policy and complaint procedures on its website (or in a conspicuous location on the entity’s premises if the entity does not have a website).

28. We obtained the entity’s annual sexual harassment report for the current fiscal period, observed that the report was dated on or before February 1, and observed that it includes the applicable requirements of R.S. 42:344:

- Number and percentage of public servants in the agency who have completed the training requirements;
- Number of sexual harassment complaints received by the agency;
- Number of complaints which resulted in a finding that sexual harassment occurred;
- Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- Amount of time it took to resolve each complaint.

- a) Procedure Results – We noted no exceptions regarding sexual harassment.

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

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

This report is intended solely to describe the scope of testing 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.

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June 26, 2023