

**Bossier Parish Assessor  
Benton, Louisiana  
Financial Statements With Auditor's Report  
As of and For the Year Ended December 31, 2018**

Bossier Parish Assessor  
Benton, Louisiana

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# COOK & MOREHART

*Certified Public Accountants*

1215 HAWN AVENUE • SHREVEPORT, LOUISIANA 71107 • P.O. BOX 78240 • SHREVEPORT, LOUISIANA 71137-8240

TRAVIS H. MOREHART, CPA  
VICKIE D. CASE, CPA

TELEPHONE (318) 222-5415

FAX (318) 222-5441

STUART L. REEKS, CPA  
J. PRESTON DELAUNE, CPA

MEMBER  
AMERICAN INSTITUTE  
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

## Independent Auditors' Report

Bossier Parish Assessor  
Benton, Louisiana

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

We have audited the accompanying financial statements of the governmental activities and major fund of the Bossier Parish Assessor, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Bossier Parish Assessor's basic financial statements as listed in the table of contents.

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

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

### ***Auditors' Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## ***Opinions***

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

## **Change in Accounting Principle**

As discussed in Note 7 to the financial statements, in 2018, the Bossier Parish Assessor adopted Government Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which replaces the requirements of Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. Our opinion is not modified with respect to this matter.

## ***Other Matters***

### *Required Supplementary Information*

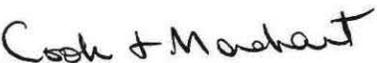
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-9, the budgetary comparison information on pages 38-39, the Schedule of Changes in Net OPEB Liability and Related Ratios on page 40, the Schedule of Proportionate Share of Net Pension Liability on page 41, and the Schedule of Contributions on page 42, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Bossier Parish Assessor's basic financial statements. The accompanying other supplementary information listed in the table of contents as Schedule of Compensation, Benefits, and Other Payments to Agency Head and shown on page 43 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying Schedule of Compensation, Benefits, and Other Payments to Agency Head is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Compensation, Benefits, and Other Payments to Agency Head is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2019, on our consideration of Bossier Parish Assessor's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Bossier Parish Assessor's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Bossier Parish Assessor's internal control over financial reporting and compliance.

  
Cook & Morehart  
Certified Public Accountants  
June 25, 2019

## BOSSIER PARISH ASSESSOR

### MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Bossier Parish Assessor's financial performance provides an overview of the Bossier Parish Assessor's financial activities for the fiscal year ended December 31, 2018. Please read it in conjunction with the Assessor's financial statements, which begin on page 10.

#### FINANCIAL HIGHLIGHTS

The Bossier Parish Assessor's net assets increased by \$1,618,973 or 16%.

The Bossier Parish Assessor's total general revenues were \$3,926,460 in 2018 compared to \$3,875,733 in 2017.

The Bossier Parish Assessor's total program revenues were \$559,904 in 2018 compared to \$565,502 in 2017.

During the year ended December 31, 2018, the Bossier Parish Assessor had total expenses, excluding depreciation of \$2,820,227, compared to \$2,864,175 in 2017.

#### USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 10 and 11) provide information about the activities of the Bossier Parish Assessor as a whole and present a longer-term view of the Assessor's finances. Fund financial statements start on page 12. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Bossier Parish Assessor's operations in more detail than the government-wide statements by providing information about the Bossier Parish Assessor's most significant funds.

#### Reporting the Bossier Parish Assessor as a Whole

Our analysis of the Bossier Parish Assessor as a whole begins on page 10. One of the most important questions asked about the Bossier Parish Assessor's finances is "Is the Bossier Parish Assessor as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the funds maintained by the Bossier Parish Assessor as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Bossier Parish Assessor's *net position* and changes in them. You can think of the Bossier Parish Assessor's net position – the difference between assets and liabilities – as one way to measure the Bossier Parish Assessor's financial health, or *financial position*. Over time, *increases* or *decreases* in the Bossier Parish Assessor's net position are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the Assessor's property tax base, to assess the overall health of the Assessor.

In the Statement of Net Position and the Statement of Activities, we record the funds maintained by the Bossier Parish Assessor as governmental activities:

Governmental activities – all of the expenses paid from the funds maintained by the Bossier Parish Assessor are reported here which consists primarily of personal services, materials and supplies, travel, and other program services. Ad valorem taxes finance most of these activities.

### **Reporting the Assessor's Most Significant Funds**

Our analysis of the major funds maintained by the Bossier Parish Assessor begins on page 12. The fund financial statements begin on page 12 and provide detailed information about the most significant funds maintained by the Bossier Parish Assessor – not the Bossier Parish Assessor as a whole. The Bossier Parish Assessor's *governmental funds* use the following accounting approaches:

Governmental funds – All of the Bossier Parish Assessor's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the Bossier Parish Assessor's general government operations and the expenses paid from those funds. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance certain Bossier Parish Assessor expenses. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Assets and the Statement of Activities) and governmental *funds* in a reconciliation at the bottom of the fund financial statements.

### **THE BOSSIER PARISH ASSESSOR AS A WHOLE**

The Bossier Parish Assessor's total net position changed from a year ago, increasing from \$10,438,521 to \$12,057,494. Our analysis below will focus on key elements of the total governmental funds for both December 31, 2018 and 2017 years.

**Table 1**  
**Net Assets**

	Governmental Activities	
	2018	2017
Current and other assets	\$ 18,107,732	\$ 16,677,283
Capital assets	904,161	774,863
Total assets	<u>\$ 19,011,893</u>	<u>\$ 17,452,146</u>
Deferred outflows of resources		
Pension related	\$ 805,688	\$ 433,042
Current liabilities	15,644	62,988
Long-term liabilities:		
Due within one year	5,062	3,301
Due in more than one year	3,510,985	3,639,116
Total liabilities	<u>3,531,691</u>	<u>3,705,405</u>
Deferred inflows of resources		
Unavailable revenue - property tax	3,405,616	3,322,163
Other post employment benefits	225,848	
Pension related	596,932	419,099
Total deferred inflows	<u>4,228,396</u>	<u>3,741,262</u>
Net position:		
Investment in capital assets	904,161	774,863
Unrestricted	11,153,333	9,663,658
Total net position	<u>\$ 12,057,494</u>	<u>\$ 10,438,521</u>

Net position of the Bossier Parish Assessor's governmental activities increased by \$1,618,973 or 16%. Unrestricted net position, the part of net assets that can be used to finance Bossier Parish Assessor expenses without constraints or other legal requirements, increased from \$9,663,658, as restated, at December 31, 2017 to \$11,153,333 at December 31, 2018.

**Table 2**  
**Change in Net Assets**

	<u>Governmental Activities</u>	
	<u>2018</u>	<u>2017</u>
Revenues		
Program revenues		
Charges for services	\$ 168,947	\$ 174,131
Operating grants and contributions	390,957	391,371
General revenue		
Ad valorem taxes	3,273,078	3,348,296
Intergovernmental	266,582	266,917
Interest income	293,462	136,856
Miscellaneous	93,338	70,084
Gain on sale of assets		53,580
Total revenues	<u>\$ 4,486,364</u>	<u>\$ 4,441,235</u>
Expenses		
Property assessment	<u>2,867,391</u>	<u>2,908,931</u>
Increase in net position	<u>\$ 1,618,973</u>	<u>\$ 1,532,304</u>

Total revenues increased \$45,129 or 1%, from total revenues in the year ended December 31, 2017 of \$4,441,235 to total revenues of \$4,486,364 in the year ended December 31, 2018.

### THE ASSESSOR'S FUNDS

As the Assessor completed the year, its governmental funds (as presented in the balance sheet on page 12) reported a fund balance of \$14,660,337, which is higher than last year's fund balance of \$13,267,655.

### General Fund Budgetary Highlights

The Assessor adopted a budget for its General Fund for the year ended December 31, 2018. There was not an amendment to the budget during the year. The Assessor's budgetary comparison is presented as required supplementary information and shown on page 38. Highlights for the year are as follows:

- Actual revenues were higher than budgeted due to higher than anticipated interest income.
- Expenses were lower than budgeted due to lower than expected computer and capital expenditures.

The Assessor's General Fund balance of \$14,660,337 reported on page 12 differs from the General Fund's *budgetary* fund balance of \$14,758,868 reported in the budgetary comparison schedule on page 38. This is primarily due to the Assessor budgeting on the cash basis of accounting.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

At the end of December 31, 2018 and 2017, the Bossier Parish Assessor had invested \$904,161 and \$774,863, respectively, in capital assets. (see table 3 below)

**Table 3**  
**Capital Assets at Year End**  
**(Net Depreciation)**

	Governmental Activities	
	2018	2017
Construction in process	\$	\$ 19,846
Software in process	759,867	607,300
Office equipment	4,586	6,086
Computer equipment	7,902	8,154
Building improvements	58,488	30,984
Software	44,342	66,119
Vehicles	28,976	36,374
Total assets	<u>\$ 904,161</u>	<u>\$ 774,863</u>

This year's major additions included:

Software	\$ 156,209	\$ 392,113
Computer equipment	3,467	5,943
Building improvements	18,744	19,846
Office equipment		5,450
Vehicles		36,990
Total major additions	<u>\$ 178,420</u>	<u>\$ 460,342</u>

More detailed information about the capital assets are presented in Note 8 to the financial statements.

## Debt Administration

Long-term liabilities of the Bossier Parish Assessor are summarized as follows:

**Table 4**  
**Outstanding Debt At Year End**

	Governmental Activities	
	2018	2017
Compensated absences	\$ 5,062	\$ 3,301
Other post-employment benefit obligation	2,948,267	3,120,141
Net pension liability	562,718	518,975
Total	<u>\$ 3,516,047</u>	<u>\$ 3,642,417</u>

More detailed information about the long-term liabilities are presented in Note 16 to the financial statements.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The Bossier Parish Assessor's management considered many factors when setting a fiscal year December 31, 2019 budget. Property tax millage will remain at 3.45 mills.

Non-capital expenditures for 2019 are expected to remain stable.

## CONTACTING THE ASSESSOR'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens and taxpayers with a general overview of the finances for those funds maintained by the Bossier Parish Assessor and to show the Bossier Parish Assessor's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Bossier Parish Assessor.

Bossier Parish Assessor  
 Benton, Louisiana  
 Statement of Net Position  
 December 31, 2018

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 94,579
Investments	14,663,325
Receivables	3,323,693
Prepaid expenses	26,135
Capital assets	
Depreciable (net)	144,294
Non-depreciable	<u>759,867</u>
Total assets	<u>19,011,893</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension related	<u>805,688</u>
<b>LIABILITIES</b>	
Accounts payable and accrued expenses	15,644
Long-term liabilities:	
Due within one year	5,062
Due in more than one year	<u>3,510,985</u>
Total liabilities	<u>3,531,691</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Unavailable revenue - property taxes	3,405,616
Other post employment benefits related	225,848
Pension related	<u>596,932</u>
Total deferred inflows	<u>4,228,396</u>
<b>NET POSITION</b>	
Investment in capital assets	904,161
Unrestricted	<u>11,153,333</u>
Total net position	<u>\$ 12,057,494</u>

See accompanying notes to the basic financial statements.

Bossier Parish Assessor  
 Benton, Louisiana  
 Statement of Activities  
 For the Year Ended December 31, 2018

	Governmental Activities
Expenses:	
General government	
Salaries	\$ 1,361,907
Group insurance	585,092
Other employee benefits	494,656
Office expense	331,126
Travel	47,446
Depreciation	47,164
	2,867,391
Total expenses	
Program revenues:	
Operating grants and contributions - pension related	390,957
Charges for services	168,947
Total program revenues	559,904
Net program expenses	(2,307,487)
General revenues:	
Ad valorem taxes	3,273,078
Intergovernmental revenue	266,582
Interest income	293,462
Miscellaneous	93,338
Total general revenues	3,926,460
Change in net position	1,618,973
Net position - beginning, as restated	10,438,521
Net position - ending	\$ 12,057,494

See accompanying notes to the basic financial statements.

Bossier Parish Assessor  
Benton, Louisiana  
Balance Sheet  
Governmental Fund  
December 31, 2018

	General Fund
<b>Assets</b>	
Cash and cash equivalents	\$ 94,579
Investments	14,663,325
Receivables	3,323,693
Total assets	\$ 18,081,597
 <b>Liabilities, Deferred Inflows of Resources, and Fund Balance</b>	
<b>Liabilities</b>	
Accounts payable and accrued expenses	\$ 15,644
Total liabilities	15,644
 <b>Deferred inflows of resources</b>	
Unavailable revenue - property taxes	3,405,616
Total deferred inflows of resources	3,405,616
 <b>Fund balance</b>	
Unassigned	14,660,337
Total liabilities, deferred inflows of resources, and fund balances	\$ 18,081,597
Total fund balance - governmental funds	\$ 14,660,337
 <b>Amounts reported for governmental activities in the statement of net position are different because:</b>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	904,161
 Other long-term assets and other amounts are not available to pay for current-period expenditures and therefore are unavailable in the funds.	
Prepaid expenses	26,135
Deferred outflows - pension related	805,688
 Long-term liabilities and other amounts are not due and payable in the current period and therefore are not reported in the funds.	
Compensated absences	(5,062)
Other post employment benefits	(2,948,267)
Net pension liability	(562,718)
Deferred inflows - pension related	(596,932)
Deferred inflows - other postemployment benefits	(225,848)
Net position of governmental activities	\$ 12,057,494

See accompanying notes to the basic financial statements.

Bossier Parish Assessor  
 Benton, Louisiana  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Governmental Fund  
 For the Year Ended December 31, 2018

	General Fund
Revenues	
Ad valorem taxes	\$ 3,273,078
Intergovernmental revenue	266,582
Fees, charges and commissions for services	168,947
Interest income	293,462
Miscellaneous	93,338
Total revenues	4,095,407
Expenditures	
Current:	
Salaries	1,360,145
Group insurance	531,118
Other employee benefits	254,770
Office expense	330,826
Travel	47,446
Capital outlay	178,420
Total expenditures	2,702,725
Excess of revenues over expenditures	1,392,682
Fund balance at beginning of year	13,267,655
Fund balance at end of year	\$ 14,660,337

See accompanying notes to the basic financial statements.

Bossier Parish Assessor  
 Benton, Louisiana  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in  
 Fund Balance of Governmental Funds to the Statement of Activities  
 For the Year Ended December 31, 2018

Net change in fund balance - total governmental funds \$ 1,392,682

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 those assets is allocated over their  
 estimated useful lives and reported as depreciation expense. This is the  
 amount by which capital outlays of \$178,420 exceeds depreciation  
 expense of \$47,164. 131,256

A loss on disposal of capital assets is recorded in the statement of  
 activities, but is not recognized in the fund statements. (1,958)

The nonallocation method of accounting for prepayments is used in the  
 fund statements, since the prepayment does not provide expendable  
 financial resources. 1,658

Revenues in the statement of activities that do not provide current  
 Non-employer contributions to cost-sharing pension plan 390,957

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 the governmental funds.

Compensated absences	(1,761)
Net OPEB expense	(53,974)
Net pension expense	(239,887)

Change in net position of governmental activities	\$ 1,618,973
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See accompanying notes to the basic financial statements.

Bossier Parish Assessor  
Benton, Louisiana  
Notes to Financial Statements  
December 31, 2018

## 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 provides assistance to the taxpayers of the parish. The deputies are authorized to perform all functions of the office, but the assessor is officially and pecuniary responsible for the actions of the deputies.

The Assessor's office is located in the Bossier Parish Courthouse in Benton, Louisiana. The Assessor employs twenty employees, all are considered deputies. In accordance with Louisiana law, the Assessor bases real and movable property assessments on conditions existing on January 1 of the tax year. The Assessor completes an assessment listing by May 1 of the tax year and submits the 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.

For 2018, there are 63,661 real property and movable property assessments totaling \$895,777,076 and \$285,884,884 respectively. This represents an increase of 917 assessments and an increase in assessment value totaling \$28,020,435 over the prior year, caused by growth in the parish during the year.

### (1) Summary of Significant Accounting Policies

The Bossier Parish Assessor's financial statements are prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the Bossier Parish Assessor are discussed below.

#### A. Reporting Entity

Governmental Accounting Standards Board Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. The basic criterion for including a potential component unit within the reporting entity is financial accountability. Although the Bossier Parish Police Jury is required to provide office space, janitorial services, and utilities for the Bossier Parish Assessor, the Bossier Parish Assessor is not financially accountable to the Police Jury since 1) the Assessor is a separate independently elected official; 2) the Assessor is a legally separate organization and holds its own corporate powers; and 3) the Assessor is fiscally independent and does not require approval from the Police Jury for its budget, to levy taxes, or to issue debt.

For financial reporting purposes, in conformance with GASB Statement 14, the Bossier Parish Tax Assessor includes all funds that are within the oversight responsibility of the Assessor. Oversight responsibility is determined on the basis of the ability to significantly influence operations, accountability for fiscal matters, and the nature and significance of an organization's relationship. Based on this criterion, the Bossier Parish Tax Assessor has no component units.

(Continued)

Bossier Parish Assessor  
Benton, Louisiana  
Notes to Financial Statements  
December 31, 2018  
(Continued)

B. Basic Financial Statements – Government-Wide Statements

The Bossier Parish Assessor's basic financial statements include both government-wide (reporting the funds maintained by the Bossier Parish Assessor as a whole) and fund financial statements (reporting the Bossier Parish Assessor's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Bossier Parish Assessor's general fund is classified as governmental activities. The Bossier Parish Assessor does not have any business-type activities.

In the government-wide Statement of Net Position, the governmental activities column is presented on a consolidated basis and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables. The Bossier Parish Assessor's net position is reported in two parts – investment in capital assets and unrestricted net position.

The government-wide Statement of Activities reports both the gross and net cost of each of the Bossier Parish Assessor's functions. The functions are supported by general government revenues. The Statement of Activities reduces gross expenses (including depreciation) by any related program revenues, which must be directly associated with the function. The Assessor's program revenues consisted of charges for services, including permits and intergovernmental reimbursements, and operating grants and contributions consisting of non-employer contributions to cost-sharing pension plan. The net costs (by function) are covered by general revenues.

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

C. Basic Financial Statements – Fund Financial Statements

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

The following fund types are used by the Bossier Parish Assessor:

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

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

(Continued)

Bossier Parish Assessor  
Benton, Louisiana  
Notes to Financial Statements  
December 31, 2018  
(Continued)

The emphasis in fund financial statements is on the major funds in the governmental category. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Assessor's general fund was determined to be a major fund.

D. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures 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.

1. Accrual:

The governmental funds in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Revenues of the Bossier Parish Assessor consist principally of property taxes, other intergovernmental revenues, charges for services, and interest income. Property taxes are recorded in the year in which the taxes are levied. Property taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The 2018 tax levy is intended to fund the 2019 fiscal year; therefore, the levy has been recorded as a receivable and deferred inflows of resources. Interest income is recorded when earned. Intergovernmental revenues are recorded when received in cash because they are generally not measurable until actually received.

2. Modified Accrual:

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under modified accrual basis of accounting, revenues are recorded when susceptible to accrual: i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this rule is that principal and interest on general obligation long-term debt, if any, is recognized when due. Depreciation is not recognized in the governmental fund financial statements.

E. Budgets

The Bossier Parish Assessor follows these procedures in establishing the budgetary data reflected in these financial statements:

1. The Bossier Parish Assessor prepares a proposed budget and holds a public hearing no later than fifteen days prior to the beginning of each fiscal year.
2. The budget is adopted at the public hearing.
3. All budgetary appropriations lapse at the end of each fiscal year.

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F. Cash and Cash Equivalents

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

G. Investments

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are carried at cost, which approximates market.

H. Capital Assets

Capital assets purchased or acquired with an original cost of \$2,500 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Building improvements	2 – 4 years
Office equipment	5 – 7 years
Computer equipment	3 – 5 years
Vehicles	5 – 7 years

I. Compensated Absences

Full-time employees of the Assessor earn one-half day of paid time off (PTO) for each year of eligible service. Any earned PTO not taken will be paid upon separation. Sick leave benefits are also available. Sick leave earned but not taken will not be paid upon separation.

J. Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Actual results could differ from those estimates.

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K. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the government-wide financial statements.

L. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Assessor currently has deferred outflows of resources related to pensions in the governmental-wide statement of net position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element reflects an increase in net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Assessor has several types of these items that meet this definition and qualify for reporting in this category. Accordingly, the items unavailable revenue from property taxes, pension-related, and other post-employment benefits related are reported in the statement of net position, and unavailable revenue from property taxes is also reported in the governmental funds balance sheet.

M. Net Position

Government-wide net position is divided into three components: Net investment in capital assets consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets. Restricted net position consists of assets that are restricted by the Assessor's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors (less related liabilities and deferred inflows of resources). All other net position is reported as unrestricted net position. When an expense is incurred that can be paid using either restricted or unrestricted resources (net position), the Assessor's policy is to first apply the expense toward restricted resources and then toward unrestricted resources.

N. Fund Balance

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

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

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2. Restricted – amounts that can be spent only for specific purposes due to constraints placed on the use of resources that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
3. Committed - amounts that can be used only for the specific purposes as a result of constraints imposed by the Assessor (the Entity's highest level of decision making authority). Committed amounts cannot be used for any other purpose unless the judge removes those constraints by taking the same type of action (i.e. legislation, resolution, ordinance).
4. Assigned - amounts that are constrained by the Assessor's intent to be used for specific purposes, but are neither restricted nor committed.
5. Unassigned - all amounts not included in other spendable classifications

The Assessor's policy is to apply expenditures against restricted fund balance and then to other, less-restrictive classifications – committed and then assigned fund balances before using unassigned fund balances.

The calculation of fund balance amounts begins with the determination of nonspendable fund balances. Then restricted fund balances for specific purposes are determined (not including non-spendable amounts). Then any remaining fund balance amounts for the non-general funds are classified as restricted fund balance. It is possible for the non-general funds to have negative unassigned fund balance when non-spendable amounts plus the restricted fund balances for specific purpose amounts exceeds the positive fund balance for the non-general fund.

O. Pension Plan

The Assessor is a member of the Louisiana Assessor's Retirement System, a cost sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions for the plans fiduciary net position have been determined on the same basis as they are reported by the plan.

Eligible employees may also elect to participate in the Louisiana Public Employees Deferred Compensation Plan, a 457 Deferred Compensation Plan. Employee contributions are eligible for a 100% match by the Assessor's office up to certain limits.

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P. Other Post Employment Benefit Plan

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

(2) Ad Valorem Taxes and Deferred Revenue

Ad Valorem tax revenues collected by the Assessor in the year 2018 totaled \$3,273,078 at a millage rate of 3.45. The 2018 tax levy is intended to fund the 2019 fiscal year and has been recorded as a receivable and deferred inflow of resources for both the government-wide and fund statements. Amounts recognized as revenue from property taxes in 2018 represent the 2017 tax levy that is considered to be collectible.

Approximately twelve percent (12%) of the Assessor's property tax revenue is derived from ten taxpayers in the parish.

(3) Cash, Cash Equivalents, and Investments

At December 31, 2018, the Assessor has cash, cash equivalents and investments (book balances), totaling \$14,757,904 as detailed below.

A. Cash and Cash Equivalents

Cash and cash equivalents at December 31, 2018 (book balances) consists of demand deposit account totaling \$94,579. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

B. Investments

At December 31, 2018, the Assessor has investments that consist of investments in Louisiana Asset Management Pool (LAMP) totaling \$14,663,325.

The Louisiana Asset Management Pool (LAMP) is a local government investment pool. In accordance with GASB codification section 150.126, the investment in LAMP at the Bossier Parish Assessor is not categorized in the three risk categories provided by GASB Codification Section 150.125 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

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LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA-R.S. 33:2955(A)(1)(h) which allows municipalities, parishes, school boards, and any other political subdivisions of the State to invest in "Investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

The following facts are relevant for LAMP:

Credit risk: LAMP is rated AAAM by Standard & Poor's.

Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.

Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments.

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The WAM for LAMP's total investments is (NUMBER- days) (from LAMP's monthly Portfolio Holdings) as of (DATE – month-end).  
Foreign currency risk: Not applicable.

The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares. LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

C. Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As of December 31, 2018, the Assessor's bank balances totaling \$176,342 were entirely secured by the Federal Depository Insurance Corporation (FDIC).

(4) Receivables

The following is a summary of receivables at December 31, 2018:

Property taxes	\$ 3,319,757
License and Permits	<u>3,936</u>
	<u>\$ 3,323,693</u>

(5) Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses at December 31, 2018, consisted of the following:

Compensated absences	\$ 2,531
Accounts	<u>13,113</u>
	<u>\$ 15,644</u>

(6) Leases

The Assessor has operating lease agreements for office equipment. During 2018, payments under these leases totaled \$8,997. The minimum annual commitments under leases are as follows:

<u>Year Ending</u> <u>December 31,</u>	
2019	\$ 8,997
2020	8,878
2021	<u>4,416</u>
	<u>\$ 22,291</u>

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(7) New Accounting Pronouncement

The Assessor adopted Government Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which replaces the requirements of Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. The adoption of GASB Statement No. 75 resulted in a restatement of net position in the Government-Wide Financial Statements of \$1,665,280, as disclosed in Note 10.

(8) Capital Assets

Capital asset activity for the year ended December 31, 2018, was as follows:

	Balance at Jan 1, 2018	Additions	Transfers	Deletions	Balance at Dec. 31, 2018
<b>Governmental Activities</b>					
Capital asset, not being depreciated					
Construction in process	\$ 19,846	\$	\$ (19,846)	\$	\$
Software development in process	607,300	152,567			759,867
Total capital assets, not being depreciated at historical cost	627,146	152,567	(19,846)		759,867
Capital assets, being depreciated					
Office equipment	91,265				91,265
Computer equipment	65,321	3,467		(6,272)	62,516
Building improvements	63,990	18,744	19,846	(5,000)	97,580
Software	73,221	3,642			76,863
Vehicles	36,990				36,990
Total capital assets, being depreciated at historical cost	330,787	25,853	19,846	(11,272)	365,214
Less accumulated depreciation					
Office equipment	(85,179)	(1,500)			(86,679)
Computer equipment	(57,167)	(3,719)		6,272	(54,614)
Building improvements	(33,006)	(9,128)		3,042	(39,092)
Software	(7,102)	(25,419)			(32,521)
Vehicles	(616)	(7,398)			(8,014)
Total accumulated depreciation	(183,070)	(47,164)		9,314	(220,920)
Total capital assets, being depreciated, net	147,717	(21,311)	19,846	(1,958)	144,294
Governmental activities capital assets, net	\$ 774,863	\$ 131,256	\$	\$ (1,958)	\$ 904,161

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Depreciation expense for the year ended December 31, 2018, was \$47,164.

(9) Pension Plan

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

Plan fiduciary net position is a significant component of the Fund's collective net pension liability. The Fund's plan fiduciary net position was determined using the accrual basis of accounting. The Fund's assets, liabilities, revenues, and expenses were recorded with the use of estimates and assumptions in conformity with accounting principles generally accepted in the United States of America. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements and estimates in the determination of the fair market value of the Fund's investments. Accordingly, actual results may differ from estimated amounts.

**PLAN DESCRIPTION**

The following brief description of the Louisiana Assessors' Retirement Fund and Subsidiary (collectively referred to as the "Fund") is provided for general information purposes only. Participants should refer to the Plan Agreement for more complete information.

**Pension Benefits**

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

Employees who became members prior to October 1, 2006, are entitled to annual pension benefits equal to three and one-third percent of their average final compensation based on the 36 consecutive months of highest pay, multiplied by their total years of service, not to exceed 100% of final compensation. Employees who become members on or after October 1, 2006 will have their benefit based on the highest 60 months of consecutive service. Employees may elect to receive their pension benefits in the form of a joint and survivor annuity.

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

1. If the member dies before he has received in annuity payments the present value of the member's annuity, as it was at the time of retirement, the balance is paid to his beneficiary.
2. Upon retirement, the member receives a reduced benefit. Upon the member's death, the surviving spouse will continue to receive the same reduced benefit.
3. Upon retirement, the member receives a reduced benefit. Upon member's death, the surviving spouse will receive one-half of the member's reduced benefit.
4. Upon retirement, the member may elect to receive a board-approved benefit that is actuarially equivalent to the maximum benefit.

**Death Benefits**

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

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

**Disability Benefits**

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

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

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

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**Back-Deferred Retirement Option Plan (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 this section.

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

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

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

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

1. Creditable service shall not include service credit reciprocally recognized pursuant to R.S. 11:142.
2. Accrued service at retirement shall be reduced by the Back-DROP.
3. Final average compensation shall be calculated by excluding all earnings during the Back-DROP period.
4. Contributions received by the Fund during the Back-DROP period and any interest that has accrued on employer and employee contributions received during the period shall remain with the Fund and shall not be refunded to the employee or 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.

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

**Excess Benefit Plan**

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

**CONTRIBUTIONS**

Contributions for all members are established by statute at 8.0% of earned compensation. The contributions are deducted from the member's salary and remitted by the participating agency.

Administrative costs of the Fund are financed through employer contributions. According to state statute, contributions for all employers are actuarially determined each year. Employer contributions were 8% of members' earnings for the year ended September 30, 2017.

The Fund also receives one-fourth of one percent of the property taxes assessed in each parish of the state as well as a state revenue sharing appropriation. According to state statute, in the event that contributions for ad valorem taxes and revenue sharing funds are insufficient to provide for the gross employer actuarially required contribution, the employer is required to make direct contributions as determined by the Public Retirement Fund's Actuarial Committee. The Assessor's contributions to the Fund for the years ended December 31, 2018, 2017, and 2016 were \$103,493, \$118,525, and \$180,578, respectively.

Non-employer contributions are recognized as revenue during the year ended December 31, 2018 and were excluded from pension expense. Non-employer contributions received by the Fund and attributable to the Assessor during the year ended December 31, 2018 were \$390,957.

**PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS**

At December 31, 2018, the Assessor reported a liability of \$562,718 for its proportionate share of the net pension liability. The net pension liability was measured as of September 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

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The allocation method used in determining each employer's proportion was based on the employer's contribution effort to the plan for the current fiscal year as compared to the total of all employers' contribution effort to the plan for the current fiscal year. The employers' contribution effort was based on actual employer contributions made to the Fund for the fiscal year ended September 30, 2018.

At September 30, 2018, the Assessor's proportion was 2.894580%, which was a decrease of .06303% from its proportion measured as of September 30, 2017.

For the year ended December 31, 2018, the Assessor recognized pension expense of \$344,178, plus employer's amortization of change in proportionate share and the difference between employer contributions and proportionate share of contributions, \$(857).

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 42,461	\$ 257,632
Changes of assumptions	722,088	
Net difference between projected and actual earnings on pension plan investments		286,499
Changes in proportion and differences between employer contributions and proportionate share of contributions	15,523	52,801
Employer contributions subsequent to the measurement Date	<u>25,616</u>	
Totals	<u>\$ 805,688</u>	<u>\$ 596,932</u>

The Assessor reported a total of \$25,616 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of September 30, 2018, which will be recognized as a reduction in net pension liability in the year ended December 31, 2019.

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

<u>Year</u>	<u>Amount</u>
2018	\$ 129,067
2019	(54,229)
2020	(22,460)
2021	63,681
2022	<u>67,081</u>
Total	<u>\$ 183,140</u>

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**ACTUARIAL METHODS AND ASSUMPTIONS**

*Net Pension Liability*

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

*Actuarial Methods and Assumptions*

The current year actuarial assumptions utilized for this report are based on the assumptions used in the September 30, 2018 actuarial funding valuation, which (with the exception of mortality) were based on results of an actuarial experience study for the period October 1, 2009 - September 30, 2014, 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.

Additional information on the actuarial methods and assumptions used as of September 30, 2017 actuarial valuation follows:

Valuation Date	September 30, 2018
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return (discount rate)	6.25%, net of pension plan investment expense, including inflation
Inflation Rate	2.2%
Salary increases	5.75%
Annuitant and beneficiary mortality	RP 2000 Healthy Annuitant Table set forward one year and projected to 2030 for males and females.
Active Members Mortality	RP-2000 Employee Table set back four Years for males and three years for Females.
Disabled Lives Mortality	RP-2000 Disabled Lives Mortality Tables Set back five years for males and three years for females.

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 Notes to Financial Statements  
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 (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. Best estimates of real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic equity	7.50%
International equity	8.50%
Domestic bonds	2.50%
International bonds	3.50%
Real estate	4.50%
Alternative Assets	6.24%

The long-term expected rate of return selected for this report by the Fund was 6.25%. 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 Funds' Actuarial Committee. Based on these assumptions and the other assumptions and methods as specified in this report, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. Thus, the discount rate used to measure the total pension liability was 6.25%.

The effects of certain other changes in the net pension liability are required to be included in pension expense over the current and future periods. The effects on the total pension liability of (1) changes of economic and demographic assumptions or of other inputs and (2) differences between expected and actual experience are required to be included in pension expense in a systematic and rational manner over a closed period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees), determined as of the beginning of the measurement period. The effect on net pension liability of differences between the projected earnings on pension plan investments and actual experience with regard to those earnings is required to be included in pension expense in a systematic and rational manner over a closed period of five years, beginning with the current period. The Expected Remaining Service Lives (ERSL) for 2018 is 6 years.

(Continued)

Bossier Parish Assessor  
 Benton, Louisiana  
 Notes to Financial Statements  
 December 31, 2018  
 (Continued)

**SENSITIVITY TO CHANGES IN DISCOUNT RATE**

The following presents the net pension liability of the Assessor calculated using the discount rate of 6.25%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower 5.25% or one percentage point higher 7.25% than the current rate:

	Changes in Discount Rate		
	1% Decrease	Current Discount Rate	1% Increase
	<u>5.25%</u>	<u>6.25%</u>	<u>7.25%</u>
Net Pension Liability	\$ 1,892,660	\$ 562,718	\$(576,661)

**CHANGE IN NET PENSION LIABILITY**

The changes in the net pension liability for the year ended September 30, 2018 were recognized in the current reporting period as pension expense except as follows:

*Differences between Expected and Actual Experience*

Differences between expected and actual experience with regard to economic or demographic factors in the measurement of total pension liability were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan.

*Differences between Projected and Actual Investment Earnings*

Differences between projected and actual investment earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed five-year period.

*Changes of Assumptions or Other Inputs*

Changes of assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan.

*Changes in Proportion*

Changes in the employer's proportionate shares of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in employer's pension expense (benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan.

(Continued)

Bossier Parish Assessor  
 Benton, Louisiana  
 Notes to Financial Statements  
 December 31, 2018  
 (Continued)

**CONTRIBUTIONS - PROPORTIONATE SHARE**

Differences between contributions remitted to the Fund and the employer's proportionate share are recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a pension through the pension plan.

**PLAN FIDUCIARY NET POSITION**

Plan fiduciary net position is a significant component of the Fund's collective net pension liability. The Fund's plan fiduciary net position was determined using the accrual basis of accounting. The Fund's assets, liabilities, revenues and expenses were recorded with the use of estimates and assumptions in conformity with accounting principles generally accepted in the United States of America. Such estimates primarily related to unsettled transactions and events as of the date of the financial statements and estimates over the determination of the fair market value of the Fund's investments. Accordingly, actual results may differ from estimated amounts. The Plan's fiduciary net position has been determined on the same basis as that used by the plan. Detailed information about the fiduciary net position is available in a stand-alone audit report on their financial statements for the year ended September 30, 2018. Access to these reports can be found on the Louisiana Legislative Auditor's website, [www.lla.la.gov](http://www.lla.la.gov).

**RETIREMENT FUND AUDIT REPORT**

The Louisiana Assessors' Retirement Fund issued a stand-alone audit report on its financial statements for the year ended September 30, 2018. Access to the audit report can be found on the Fund's website: [www.lafirefightersret.com](http://www.lafirefightersret.com) or on the Office of Louisiana Legislative Auditor's official website: [www.lla.la.gov](http://www.lla.la.gov).

(10) Prior Period Restatement

Beginning net position for the governmental activities in the Statement of Activities has been restated by \$1,665,280 due to the adoption of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The net effect to the Statement of Net Position is as follows:

	Governmental Activities
Total Net Position, December 31, 2017, as previously reported	\$ 12,103,801
Postemployment Benefits Other Than Pensions	<u>(1,665,280)</u>
Total Net Position, December 31, 2017, as restated	<u>\$ 10,438,521</u>

(11) Litigation and Claims

At December 31, 2018, the Assessor is involved in a lawsuit involving property assessments. The Assessor does not believe any potential loss from the lawsuit would have a material impact on the financial statements.

(Continued)

Bossier Parish Assessor  
 Benton, Louisiana  
 Notes to Financial Statements  
 December 31, 2018  
 (Continued)

(12) Postemployment Health Care and Life Insurance Benefits

**General Information about the OPEB Plan**

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

*Benefits Provided* – Medical, dental, vision, and life benefits are provided through comprehensive plans and are made available to employees upon actual retirement. Employees are covered by the Louisiana Assessors' Retirement Fund, whose retirement eligibility (D.R.O.P. entry) provisions are as follows: Attainment of age 55 and 12 years of service; or, any age and 15 years of service; employees hired on and after October 1, 2013 are not able to retire or enter DROP until age 55 with 12 years of service; or, any age 55 with 15 years of service. An additional service requirement of a minimum of 15 years of service was added on all employees.

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

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

Inactive employees or beneficiaries currently receiving benefit payments	17
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>21</u>
	<u><u>38</u></u>

**Total OPEB Liability**

The Assessor's total OPEB liability of \$2,948,267 was measured as of December 31, 2018 and was determined by an actuarial valuation as of that date.

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

(Continued)

Bossier Parish Assessor  
 Benton, Louisiana  
 Notes to Financial Statements  
 December 31, 2018  
 (Continued)

Inflation	2.5%
Salary increases	3.0%, including inflation
Discount rate	3.44% annually (Beginning of Year to Determine ADC)
	4.10%, annually (As of End of Year Measurement Date)
Healthcare cost trend rates	Flat 5.5% annually

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

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

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

**Changes in the Total OPEB Liability**

Balance at December 31, 2017	<u>\$ 3,120,141</u>
Changes for the year:	
Service cost	108,216
Interest	109,194
Differences between expected and actual experience	(10,579)
Changes in assumptions	(260,439)
Benefit payments and net transfers	<u>(118,266)</u>
Net changes	<u>(171,874)</u>
Balance at December 31, 2018	<u>\$ 2,948,267</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.44% in 2017 to 4.10% in 2018.

*Sensitivity of the total OPEB liability to changes in the discount rate* – The following presents the total OPEB liability of the Assessor, as well as what the Assessor's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.10%) or 1-percentage-point higher (5.10%) than the current discount rate:

	1.0% Decrease (3.10%)	Current Discount Rate (4.10%)	1.0% Increase (5.10%)
Total OPEB liability	\$ 3,366,011	\$ 2,948,267	\$ 2,606,010

(Continued)

Bossier Parish Assessor  
 Benton, Louisiana  
 Notes to Financial Statements  
 December 31, 2018  
 (Continued)

*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 (4.5%) or 1-percentage-point higher (6.5%) than the current healthcare trend rates:

	1.0% Decrease (4.5%)	Current Healthcare Trent Rate (5.5%)	1.0% Increase (6.5%)
Total OPEB liability	\$ 2,685,677	\$ 2,948,267	\$ 3,266,988

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

For the year ended December 31, 2018, the Assessor recognized OPEB expense of \$172,240. At December 31, 2018, the Assessor reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$	\$ (8,816)
Changes in assumptions		(217,032)
Total	<u>\$</u>	<u>\$ (225,848)</u>

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

<u>Years ending December 31:</u>	
2019	(45,170)
2020	(45,170)
2021	(45,170)
2022	(45,170)
2023	(45,168)

(13) Deferred compensation plan

The Assessor participates in the Louisiana Public Employees Deferred Compensation Plan, a 457 Deferred Compensation Plan for its employees. The amounts contributed by the Assessor during the years ended December 31, 2018, 2017, and 2016 were \$112,995, \$124,044 and \$143,112, respectively.

(Continued)

Bossier Parish Assessor  
Benton, Louisiana  
Notes to Financial Statements  
December 31, 2018  
(Continued)

(14) Expenditures of the Assessor Paid by the Police Jury

The Assessor's office is located in the Bossier Parish Courthouse. Expenditures for operations and maintenance of the parish courthouse, as required by state statute, are paid by the Bossier Parish Police Jury and are not included in the expenditures of the Assessor.

(15) Risk Management

The Assessor is exposed to various risks of loss related to torts; theft of, damage to and destruction of its assets; errors and omissions; injuries to employees; and natural disasters. The Assessor carries commercial insurance to cover risks of loss. There were no significant reductions in insurance coverage from the prior year.

(16) Long-term Liabilities

Long-term liability activity for the year ended December 31, 2018, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Total other post-employment benefit obligations	\$ 3,120,141	\$	\$ (171,874)	\$2,948,267	\$
Net pension liability	518,975	43,743		562,718	
Compensated absences	4,951	50,017	(47,375)	7,593	7,593
 Governmental Activities long-term liabilities	 <u>\$ 3,644,067</u>	 <u>\$ 93,760</u>	 <u>\$ (219,249)</u>	 3,518,578	 7,593
 Less amounts due within period of availability - recorded in accounts payable				 <u>(2,531)</u>	 <u>(2,531)</u>
 Total long-term liabilities, government-wide statements				 <u>\$3,516,047</u>	 <u>\$ 5,062</u>

Beginning balance for other post-employment benefit obligations has been restated by \$1,665,280, to reflect changes due to the adoption of GASB Statement No. 75, as described in Note 10.

(17) Subsequent events

Subsequent events have been evaluated through June 25, 2019, the date the financial statements were available to be issued.



Bossier Parish Assessor  
Benton, Louisiana  
Notes to Required Supplementary Information  
December 31, 2018

The Assessor's budget is adopted on a cash basis for all funds. There were no amendments to the 2018 budget. Budget comparison statements included in the accompanying financial statements include the original and adopted budget. The schedule below reconciles excess (deficiency) of revenues and other sources over expenditures and other uses on the budget basis with GAAP basis:

	<u>General Fund</u>
Excess of revenues and other sources over expenditures and other uses (budget basis)	\$ 1,295,220
Adjustments:	
Revenue accruals – net	58,024
Expenditure accruals – net	<u>39,438</u>
Excess of revenues and other sources over expenditures and other uses (GAAP basis)	<u>\$ 1,392,682</u>

Bossier Parish Assessor  
 Benton, Louisiana  
 Schedule of Changes in Total OPEB Liability and Related Ratios  
 For the Year Ended December 31, 2018

<b>Total OPEB Liability</b>	
Service cost	\$ 108,216
Interest	109,194
Differences between expected and actual experience	(10,579)
Changes of assumptions	(260,439)
Benefit payments	(118,266)
<b>Net change in total OPEB liability</b>	<u>(171,874)</u>
<b>Total OPEB liability - beginning</b>	<u>3,120,141</u>
<b>Total OPEB liability - ending</b>	<u><u>\$ 2,948,267</u></u>
Covered-employee payroll	\$ 1,280,825
Total OPEB liability as a percentage of covered-employee payroll	230.18%

**Notes to Schedule:**

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

*Changes of Assumptions. The discount rate as of 12/31/2017 was 3.44% and it changed to 4.10% as of 12/31/18.*

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

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

Bossier Parish Assessor  
 Benton, Louisiana  
 Schedule of Proportionate Share of Net Pension Liability  
 For the Year Ended December 31, 2018

Louisiana Assessor's Retirement Fund

	2018	2017	2016	2015
Proportion of the net pension liability	2.894580%	2.957610%	3.259658%	3.264188%
Proportionate share of the net pension liability	\$ 562,718	\$ 518,975	\$ 1,150,234	\$ 1,708,224
Covered-employee payroll	\$ 1,288,249	\$ 1,298,454	\$ 1,419,170	\$ 1,371,582
Proportionate share of the net pension liability as a percentage of covered employee payroll	43.68%	39.97%	81.05%	124.54%
Plan fiduciary net position as a percentage of the total pension liability	95.46%	95.61%	90.68%	85.57%

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

Bossier Parish Assessor  
 Benton, Louisiana  
 Schedule of Contributions  
 December 31, 2018

Louisiana Assessor's Retirement Fund

	2018	2017	2016	2015
Contractually required contribution	\$ 103,493	\$ 118,525	\$ 180,578	\$ 187,766
Contributions in relation to the contractually required contribution	103,493	118,525	180,578	187,766
Contribution deficiency (excess)	-	-	-	-
Covered-employee payroll	1,293,672	1,246,406	1,430,396	1,390,861
Contributions as a percentage of covered-employee payroll	8.00%	9.51%	12.62%	13.50%

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

Bossier Parish Assessor  
 Benton, Louisiana  
 Other Supplementary Information  
 Schedule of Compensation, Benefits, and Other Payments to Agency Head  
 For the Year Ended December 31, 2018

**Agency Head: Bobby Edmiston, Assessor**

PURPOSE	AMOUNT
Salary	\$ 134,873
Certification pay	9,441
Expense allowance	14,431
Benefits - health insurance	14,596
Benefits - retirement	12,700
Benefits - life insurance	13,316
Benefits - disability insurance	594
Benefits - deferred compensation	6,000
Vehicle provided by government	4,341
Miscellaneous vehicle expense	3,853
Per diem	3,036
Travel	4,746
Registration fees	685
Dues	270
Telephone and cell phone	1,254

NOTE: The Assessor's salary, certification pay, expense allowance, insurance benefits, retirement, and deferred compensation are covered under LA R.S 47:1907, 47:1923, 11:1481, and 42:1301-1309, respectively.

# COOK & MOREHART

*Certified Public Accountants*

1215 HAWN AVENUE • SHREVEPORT, LOUISIANA 71107 • P.O. BOX 78240 • SHREVEPORT, LOUISIANA 71137-8240

TRAVIS H. MOREHART, CPA  
VICKIE D. CASE, CPA

TELEPHONE (318) 222-5415

FAX (318) 222-5441

STUART L. REEKS, CPA  
J. PRESTON DELAUNE, CPA

MEMBER  
AMERICAN INSTITUTE  
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

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

Independent Auditor's Report

Bossier Parish Assessor  
Benton, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and major fund of the Bossier Parish Assessor as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Bossier Parish Assessor's basic financial statements, and have issued our report thereon dated June 25, 2019.

### Internal Control Over Financial Reporting

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

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

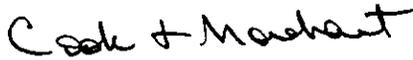
Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did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

### **Compliance and Other Matters**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Cook & Morehart  
Certified Public Accountants  
June 25, 2019

Bossier Parish Assessor  
Benton, Louisiana  
Summary Schedule of Audit Findings  
December 31, 2018

**Summary Schedule of Prior Audit Findings**

There were no findings for the prior year audit for the year ended December 31, 2017.

**Corrective Action Plan for Current Year Audit Findings**

There are no findings for the current year audit for the year ended December 31, 2018.

# COOK & MOREHART

*Certified Public Accountants*

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TRAVIS H. MOREHART, CPA  
VICKIE D. CASE, CPA

TELEPHONE (318) 222-5415

FAX (318) 222-5441

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AMERICAN INSTITUTE  
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

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

Bobby W. Edmiston  
Bossier Parish Assessor  
Benton, Louisiana  
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by Bossier Parish Assessor (Assessor), and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures Year 2 (SAUPs) for the fiscal period January 1, 2018 through December 31, 2018. The Bossier Parish Assessor's (Assessor) management is responsible for those C/C areas identified in the SAUPs.

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

The procedures and associated findings are as follows:

### ***Written Policies and Procedures***

Testing not required for this area for the fiscal period January 1, 2018 through December 31, 2018, due to no exceptions being noted in prior year.

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

Testing not required for this area for the fiscal period January 1, 2018 through December 31, 2018, due to no exceptions being noted in prior year.

### ***Bank Reconciliations***

3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:

Management provided the requested information, along with management's representation that the listing is complete.

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

Bank reconciliations included evidence that they were prepared within 2 months of related statement closing date.

- b) 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

Bank reconciliations included evidence that a member of management has reviewed each bank reconciliation.

- c) 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.

There were no reconciling items outstanding for more than 12 months from the statement closing date.

#### ***Collections***

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

Management provided the requested information, along with management's representation that the listing is complete.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

Management provided the requested information, along with management's representation that the listing is complete.

- a) Employees that are responsible for cash collections do not share cash drawers/registers.
- b) 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.
- c) 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.
- d) 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 verifies the reconciliation.

Each person responsible for collecting cash does not share cash drawers, was not responsible for preparing/making bank deposits, unless another employee is responsible for reconciling collection documentation to the deposit, was not responsible for posting collection entries to the general ledger or subsidiary ledgers; and was not responsible for reconciling cash collection to the general ledger and/or subsidiary ledger.

6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

Each employee responsible for collection cash are insured under the Bossier Parish Assessor's blanket insurance policy.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Obtain supporting documentation for each of the 10 deposits and:
  - a) Observe that receipts are sequentially pre-numbered.
  - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
  - c) Trace the deposit slip total to the actual deposit per the bank statement.
  - d) Observe 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).
  - e) Trace the actual deposit per the bank statement to the general ledger.

The deposits selected for testing contained sequentially pre-numbered receipts, receipts were traced to the deposit slip, the deposit slip total was located on the bank statement, the deposit was made within one business day, and the actual deposit was traced to the general ledger.

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

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

Management provided the requested information, along with management's representation that the listing is complete.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
- b) At least two employees are involved in processing and approving payments to vendors.
- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

The Assessor's written policies and procedures and employee job duties provide for the segregation of duties as noted above, except as noted below.

*Exception:* The employee responsible for processing payments is also the employee that adds and modifies vendor files.

*Management's Response:* All payments are approved by management prior to issuance.

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
  - a) Observe that the disbursement matched the related original invoice/billing statement.
  - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Management provided the requested information, along with management's representation that the listing is complete. For the transactions selected for testing, the disbursements matched the related original invoices and included evidence of segregation of duties.

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

11. Obtain 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. Obtain management's representation that the listing is complete.

Management provided the requested information, along with management's representation that the listing is complete.

12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- a) Observe 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, by someone other than the authorized card holder.

Monthly statements selected for testing were reviewed and approved in writing by someone other than the authorized card holder.

- b) Observe that finance charges and late fees were not assessed on the selected statements.

There were no finance charges or late fees on the statements selected for testing.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies 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).

Transactions selected for testing were supported by an original itemized receipt that identified precisely what was purchased, contained written documentation of the business purpose, and documentation of the individuals participating in meals, as applicable

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

Testing not required for this area for the fiscal period January 1, 2018 through December 31, 2018,

due to no exceptions being noted in prior year.

### **Contracts**

15. Obtain 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. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

Management provided the requested information, along with management's representation that the listing is complete.

- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

Contracts selected for testing were not subject to the Louisiana Public Bid Law.

- b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

The contracts selected for testing did not require board approval.

- c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.

The contracts selected for testing were not amended.

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

For the invoices selected for testing, invoices agreed to the contract terms, and the related payment agreed to the terms and conditions of the contract.

### **Payroll and Personnel**

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

Management provided the requested information, along with management's representation that the listing is complete. For the 5 employees selected for testing, the paid salaries agreed with the authorized salaries/pay rates in the personnel files, except as noted below:

*Exception:* Transactions selected for testing did not have evidence of management's approval for their pay rate in their personnel file.

*Management's Response:* Management prepares annual salary adjustment sheet for all employees. In the future, management will physically document his approval of all salaries.

17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).

For the transactions selected for testing, the daily attendance and leave were documented.

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

Transactions selected for testing contained evidence that supervisors approved the attendance and leave of the selected employees.

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

For the transactions selected for testing, leave taken was reflected in the entity's cumulative leave records.

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

Assessor did not pay out any termination payments during the fiscal period.

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

Management provided the requested information, along with management's representation that the listing is complete.

#### ***Ethics (excluding nonprofits)***

Testing not required for this area for the fiscal period January 1, 2018 through December 31, 2018, due to no exceptions being noted in prior year.

#### ***Debt Service (excluding nonprofits)***

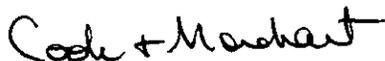
Testing not required for this area for the fiscal period January 1, 2018 through December 31, 2018, due to no exceptions being noted in prior year.

#### ***Other***

Testing not required for this area for the fiscal period January 1, 2018 through December 31, 2018, due to no exceptions being noted in prior year.

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

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



Cook & Morehart  
Certified Public Accountants  
June 25, 2019