

IBERIA PARISH ASSESSOR
New Iberia, Louisiana

Annual Financial Statements
With Independent Auditor's Report
As of and for the Year Ended
December 31, 2018

IBERIA PARISH ASSESSOR
New Iberia, Louisiana

Annual Financial Statements
With Independent Auditor's Report
As of and for the Year Ended December 31, 2018
With Supplemental Information Schedule

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IBERIA PARISH ASSESSOR
New Iberia, Louisiana
December 31, 2018

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Independent Auditor's Report

THE HONORABLE RICKEY J. HUVAL, SR.
Iberia Parish Assessor
New Iberia, Louisiana

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

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

Emphasis of Matter

As discussed in Note 15 to the basic financial statements, the Assessor has adopted the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinion is not modified with respect to this matter.

Other Matters

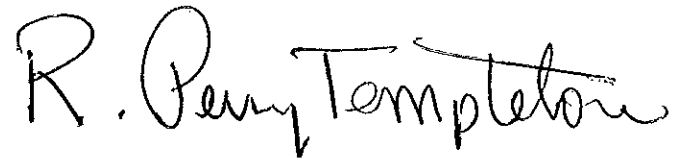
Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, Schedule of Changes in Net OPEB Liability and Related Ratios, Schedule of Assessor's Proportionate Share of Net Pension Liability and Schedule of Assessor's Contributions on pages 36-39 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, I have also issued my report dated June 27, 2019, on my consideration of the Iberia Parish Assessor's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Iberia Parish Assessor's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "R. Penny Templeton". The signature is written in a cursive, flowing style with a large initial "R" and a long, sweeping underline.

New Iberia, Louisiana
June 27, 2019

Basic Financial Statements

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
STATEMENT OF NET POSITION
December 31, 2018

	GOVERNMENTAL ACTIVITIES
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$6,143,209
Receivables	<u>1,362,568</u>
Total Current Assets	<u>7,505,777</u>
Noncurrent Assets:	
Capital Assets (Net of Accumulated Depreciation)	<u>106,779</u>
TOTAL ASSETS	<u>7,612,556</u>
Deferred Outflows of Resources	
Resources Related to Pensions	<u>638,400</u>
Total Deferred Outflows of Resources	<u>638,400</u>
LIABILITIES	
Current Liabilities:	
Accounts and Other Payable	<u>19,192</u>
Total Current Liabilities	<u>19,192</u>
Noncurrent Liabilities:	
Net OPEB Obligation	4,060,293
Net Pension Liability	<u>417,798</u>
Total Noncurrent Liabilities	<u>4,478,091</u>
TOTAL LIABILITIES	<u>4,497,283</u>
Resources related to Pensions	404,067
Resources related to Other	<u>167,954</u>
Total Deferred Inflows of Resources	<u>572,021</u>
NET POSITION	
Net Invested in Capital Assets	106,779
Unrestricted	<u>3,074,873</u>
TOTAL NET POSITION	<u>\$3,181,652</u>

The accompanying notes are an integral part of this statement.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
STATEMENT OF ACTIVITIES
December 31, 2018

Taxation:	
Personal Services	\$1,647,547
Operating Services	171,668
Materials and Supplies	17,447
Travel	19,040
Depreciation Expense	<u>68,208</u>
Total Program Expenses	<u>1,923,910</u>
Program Revenues - Fees, Charges, and Commissions for	
Services:	<u>9,680</u>
Net Program Expenses	<u>9,680</u>
General Revenues:	
Taxes – Ad Valorem	1,786,780
Intergovernmental – State Funds – Revenue Sharing	131,573
Interest Earned	<u>17,164</u>
Total General Revenues	<u>1,935,517</u>
Change in Net Position	21,287
Net Position – Beginning of Year (Restated)	<u>3,160,365</u>
Net Position – End of Year	<u>\$3,181,652</u>

The accompanying notes are an integral part of this statement.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
GOVERNMENTAL FUNDS
Balance Sheet, December 31, 2018

ASSETS

Cash and Cash Equivalents	\$6,143,209
Receivables	<u>1,362,568</u>

TOTAL ASSETS	<u>\$7,505,777</u>
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LIABILITIES AND FUND BALANCE

Liabilities – Accounts and Other Payables	\$ 19,192
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Fund Balance – Unassigned	<u>7,486,585</u>
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TOTAL LIABILITIES AND FUND BALANCE	<u>\$7,505,777</u>
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The accompanying notes are an integral part of this statement.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana

Reconciliation of Governmental Funds
Balance Sheet to the Statement of Net Position

For the Year Ended December 31, 2018

Total Fund Balances at December 31, 2018	
Governmental Funds	\$7,486,585
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet.	106,779
Long-term liabilities in the government wide financial statements are not due and payable in the current period and, therefore, are not reported in the governmental funds balance sheet	
Net OPEB Obligation	(4,060,293)
Net Pension Liability	(417,798)
Deferred outflows of resources related to pensions do not require the use of current financial resources and, therefore, are not reported in the Balance Sheet – governmental funds.	638,400
Deferred inflows of resources related to OPEB do not require the use of current financial resources and, therefore, are not reported in the Balance Sheet – governmental funds	(167,954)
Deferred inflows of resources related to pensions do not require the use of current financial resources and, therefore, are not reported in the Balance Sheet – governmental funds	<u>(404,067)</u>
Net Position at December 31, 2018	<u>\$3,181,652</u>

The accompanying notes are an integral part of this statement.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
GOVERNMENTAL FUNDS

Statement of Revenues, Expenditures, and
Changes in Fund Balances

For the Year Ended December 31, 2018

REVENUES

Taxes – Ad Valorem	\$1,786,780
Intergovernmental Revenues – State Grants – State Revenue Sharing	131,573
Fees, Charges, and Commissions for Services	9,680
Use of Money and Property – Interest Earnings	<u>17,164</u>
Total Revenues	<u>1,945,197</u>

EXPENDITURES

Current:

 General Government – Taxation:

Personal Services	1,526,651
Operating Services	171,668
Materials and Supplies	17,447
Travel and Other Charges	<u>19,040</u>
Total Expenditures-Current	<u>1,734,806</u>

Capital Outlay	<u>13,096</u>
Total Expenditures	<u>1,747,902</u>

EXCESS OF REVENUES OVER EXPENDITURES	197,295
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FUND BALANCE AT BEGINNING OF YEAR	<u>7,289,290</u>
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FUND BALANCE AT END OF YEAR	<u><u>\$7,486,585</u></u>
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The accompanying notes are an integral part of this statement.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana

Reconciliation of Governmental Funds
Statement of Revenues, Expenditures, and Changes
In Fund Balances to the Statement of Activities

For the Year Ended December 31, 2018

Total Net Change in Fund Balances – Governmental Funds	\$ 197,295
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Amounts Reported for Governmental Activities in the Statement
of Activities are Different Because:

Governmental funds report capital outlays as expenditures. However, in the government-wide statement of activities and change in net position, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period.	13,096
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Depreciation expense on capital assets is reported in the government-wide statement of activities and changes in net position, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in governmental funds.	(68,208)
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Governmental funds do not report net change in other postemployment benefits (OPEB) obligations. However, this obligation does appear in the Statement of Activities since the payable is reported on the Statement of Net Position.	(179,820)
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Governmental funds report current year pension contributions as expenditures. However, in the statement of activities it is an actuarially calculated expense. This represents the difference <i>between pension contributions and actuarially calculated expense</i>	<u>58,924</u>
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Change in Net Position per Statement of Activities	<u>\$ 21,287</u>
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The accompanying notes are an integral part of this statement.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to the Financial Statements
As of and For the Year Ended December 31, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 term of four years, beginning January 1 following the year in which elected. The assessor assesses all real and movable property in the parish, subject to ad valorem taxation, prepares tax rolls, and submits the rolls to the Louisiana Tax Commission and other governmental bodies as prescribed by law. The assessor is authorized to appoint as many deputies as necessary for the efficient operation of his office and to provide assistance to the taxpayers of the parish. The deputies are authorized to perform all functions of the office, but the assessor is officially and pecuniary responsible for the actions of the deputies.

The assessor's office is located in the Iberia Parish Courthouse in New Iberia, Louisiana. The assessor employs 13 employees, all who are 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 and 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.

At December 31, 2018, there are 42,950 assessments totaling \$717,659,895. This represents an increase of 153 assessments totaling \$23,188,057 under the prior year primarily due to reductions in personal property.

The accompanying financial statements of the Iberia Parish Assessor have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Iberia Parish Assessor has adopted GASB Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis - for State and Local Governments. Certain of the significant changes in the Statement include the following:

The financial statements include financial statements prepared using full accrual accounting for all of the Assessor's activities.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to the Financial Statements
(continued)

A. REPORTING ENTITY

For financial reporting purposes, the assessor includes all funds, account groups, activities, et cetera, that are controlled by the assessor as an independently elected parish official. As an independently elected parish official, the assessor is solely responsible for the operations of his office, which include the hiring or retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. Other than certain operating expenditures of the assessor's office that are paid or provided by the parish council as required by Louisiana Law, the assessor is financially independent.

The assessor is a separate governmental reporting entity. The activities of the parish council, parish school board, other independently elected parish officials, and municipal level government are not included within the accompanying financial statements as they are considered autonomous governments. These units of government issue financial statements separate from those of the parish assessor.

B. BASIC FINANCIAL STATEMENTS – GOVERNMENT – WIDE STATEMENTS

The assessor's basic financial statements include both government-wide (reporting the assessor as a whole) and fund financial statements (reporting the assessor's major fund). Both government-wide and fund financial statements categorize primary activities as either governmental or business type. All activities of the assessor are classified as governmental.

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. These statements include all the financial activities of the assessor.

In the Statement of Net Position, governmental activities are presented on a consolidated basis and are presented on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term obligations. Net Position is reported in two parts; invested in capital assets, net of any related debt; and unrestricted net position.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to the Financial Statements
(continued)

Program Revenues – Program revenues included in the Statement of Activities are derived directly from parties outside the assessor's taxpayers, or citizenry. Program revenues reduce the cost of the function to be financed from the assessor's general revenues.

Allocation of Indirect Expenses – The assessor reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function.

C. BASIC FINANCIAL STATEMENT – FUND FINANCIAL STATEMENTS

The financial transactions of the assessor are reported in individual funds in the fund financial statements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Fund financial statements report detailed information about the assessor. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

A fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. The assessor's current operations require the use of only governmental funds. The governmental fund type used by the assessor is described as follows:

Governmental Fund Type

General Fund – The General Fund is the principal fund of the assessor and is used to account for the operations of the assessor's office. The various fees and charges due to the assessor's office are accounted for in this fund. General operating expenditures are paid from this fund.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to the Financial Statements
(continued)

D. BASIS OF ACCOUNTING

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

1. Accrual:

The governmental type activities 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.

2. Modified Accrual:

The governmental fund financial statements are presented on the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Governmental funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The assessor considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on a general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to the Financial Statements
(continued)

Revenues

Ad valorem taxes are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due when the tax roll is filed with the recorder of mortgages and become delinquent on December 31. Ad valorem taxes are generally collected in November and December of the current year and January and February of the ensuing year. Compensation from taxing bodies is recorded in the year the ad valorem taxes are assessed. The compensation is generally collected in December of the current year and January of the ensuing year.

Fees for preparing tax rolls are recorded in the year received.

Interest income on demand deposits is recorded when the interest is earned and credited to the account by the bank.

Based on the above criteria, ad valorem taxes, and state revenue sharing have been treated as susceptible to accrual.

Expenditures

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

Deferred Outflows of Resources and Deferred Inflows of Resources

The Assessor follows GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position". This statement provides guidance for reporting deferred outflows, deferred inflows and net position in a statement of financial position and related disclosures and applies to transactions that result in the consumption or acquisition of net assets in one period that are applicable to future periods. The Assessor's deferred outflows/inflows of resources consist of resources related to pensions (see Note 4) and OPEB (see Note 5).

Fund Balance

Beginning with fiscal year 2011, the Assessor implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions". This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. See Note 11 for further explanation.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to the Financial Statements
(continued)

E. CASH AND CASH EQUIVALENTS

Cash includes amounts in interest bearing demand deposits and time deposits that mature within one year of fiscal year end. Under state law, the assessor may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal office in Louisiana. At December 31, 2018, the assessor has cash and cash equivalents (book balances) totaling

Demand deposits	\$3,098,090
Time deposits	<u>3,045,119</u>
Total	<u>\$6,143,209</u>

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Assessor's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. 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 similar federal security 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 bank. These securities are held in the name of the Assessor or the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) of \$6,160,073 at December 31, 2018 are secured as follows:

Federal deposit insurance	\$1,350,000
Pledged securities	<u>4,810,073</u>
Total	<u>\$6,160,073</u>

As of December 31, 2018, the Assessor's total bank balances were fully insured and collateralized with securities held in the name of the Assessor by the pledging financial institution's agent and, therefore, not exposed to custodial credit risk.

F. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available.

Capital assets are reported in the government-wide financial statements but not in the fund financial statements. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes by the assessor, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to the Financial Statements
(continued)

<u>Description</u>	<u>Estimated Lives</u>
Furniture and Equipment	5-7 years
Vehicles	5 years
Leasehold Improvements	20 years

G. COMPENSATED ABSENCES

Vacation and sick leave is granted at the discretion of the assessor. At December 31, 2018, there are no accumulated and vested benefits relating to vacation and sick leave. The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as current-year expenditure in the General Fund when leave is actually taken.

H. RISK MANAGEMENT

The assessor is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. To handle such risk of loss, the assessor maintains various insurance policies.

I. BUDGETARY AND BUDGETARY ACCOUNTING

The assessor follows these procedures in establishing the budgetary data reflected in the financial statements.

1. A proposed budget is prepared for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for a hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is adopted.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the Assessor. Such amendments were not material in relation to the original appropriations.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to the Financial Statements
(continued)

2. PRINCIPAL TAXPAYERS

The following are the principal taxpayers for the parish:

<u>Taxpayer</u>	<u>Business</u>	<u>Valuation</u>
1. Halliburton	Oil & Gas	\$27,777,997
2. Central Louisiana Electric, Co	Utility	19,779,508
3. Cargill Inc	Oil & Gas	19,335,941
4. Shell Exploration	Oil & Gas	14,231,922
5. Texas Petroleum	Oil & Gas	9,055,117
6. Louisiana Machinery Co	Oil & Gas	7,655,749
7. Bristow U S LLC	Oil & Gas	7,881,418
8. McIlhenny Company	Food	9,614,229
9. Iberia Bank	Bank	9,360,439
10. Morton International	Industrial	8,878,122

3. CHANGES IN CAPITAL ASSETS

Capital asset balances and activity for the years ended December 31, 2018 are as follows:

	<u>Balance</u> <u>01/01/18</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/18</u>
Mapping System	175,624	-	-	175,624
Furniture, fixtures and equipment	290,451	13,096		303,547
Building improvements	8,115	-	-	8,115
Totals	474,190	13,096		487,286
Less: Accumulated Depreciation	312,299	68,208	-	380,507
Net Capital Assets	<u>161,891</u>	<u>(55,112)</u>	<u>68,208</u>	<u>106,779</u>

Depreciation expense for the year ended December 31, 2018 of \$68,208 was charged to the general government function.

4. PENSION PLAN

Plan Description -

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

All full-time employees who are under the age of 60 at the time of original employment and are not drawing retirement benefits from any other public retirement system in Louisiana are required to participate in the Fund. Employees who retire at or after age 55 with at least 12 years of credited service or at or after age 50 with at least 30 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3 percent of their final-average salary

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to the Financial Statements
(continued)

for each year of credited service, not to exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months (60 if hired after 10/01/06) that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. The Fund also provides death and disability benefits. Benefits are established or amended by state statute.

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 the four options at retirement:

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

Death Benefits: As set forth 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 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.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to the Financial Statements
(continued)

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 lesser of (1) or (2) as set forth below:

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

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

Back-deferred Retirement Option Plan (Back-DROP): In lieu of receiving a normal retirement benefits 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. 11:14568.2.

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

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to the Financial Statements
(continued)

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 calculating 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 refundable 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 period.
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 of beneficiary shall be permitted after the option is filed with the Board of Trustees.

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

Upon 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 received 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.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to the Financial Statements
(continued)

Excess Benefit Plan: Under the provisions of this excess benefit plan, a member may received 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.

Funding Policy -

Plan members are required by state statute to contribute 8.00 percent of their annual covered salary and the Iberia Parish Assessor is required to contribute at an actuarially determined rate. The rate for the year ending September 30, 2018 is 8 percent of annual covered payroll. *Contributions to the Fund also include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish, plus revenue sharing funds appropriated by the legislature.* The contribution requirements of plan members and the Iberia Parish Assessor are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Iberia Parish Assessor's contributions to the system for the years ending December 31, 2018, 2017, and 2016, were \$153,415, \$164,672 and \$185,201 respectively, equal to the required contributions for each year.

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 \$417,798 for its proportionate share of 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. The Assessor's proportion of the net pension liability was based on a projection of the Assessor's long-term share of contributions to the pension plan relative to the projected contributions of all participating Assessors, actuarially determined. At September 30, 2018, the Assessor's proportion was 2.149123 percent, which was an increase of 1.5917 percent from its proportion measured as of September 30, 2017.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to the Financial Statements
(continued)

For the year ended December 31, 2018, the Assessor recognized pension expense of \$94,491. At December 31, 2018, the Assessor recognized deferred outflows of resources and deferred inflows of resources related to pensions from the following:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 31,526	\$191,283
Changes in assumptions	536,123	-
New difference between projected and actual earnings on pension plan investments	-	212,715
Changes in proportion and differences between Assessor Contributions and proportionate share of contributions	-	-
	32,398	69
Assessor contributions subsequent to the measurement Date	<u>38,353</u>	<u>-</u>
Total	<u>\$ 638,400</u>	<u>\$ 404,067</u>

The \$38,353 reported as deferred outflows of resources relating to pensions resulting from the Assessor contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2019. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31,

2019	\$108,043
2020	(23,728)
2021	(548)
2022	60,590
Thereafter	<u>51,622</u>
Total	<u>\$195,979</u>

Actuarial Assumptions –

The total pension liability in the September 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method:	Entry age normal
Investment Rate of Return:	6.25%, net of pension plan investment expense, including inflation
Inflation Rate:	2.2 %
Projected Salary increases:	5.75%
Active member, annuitant and beneficiary mortality	RP-2000 Healthy Annuitant Table set forward 1 year and projected to 2030 for males and female.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to the Financial Statements
(continued)

Retiree Cost of Living Increases	The percent value of future retirement benefits currently being paid by the Fund and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.
Disabled Lives Mortality	RP-2000 Disabled Lives Mortality Tables set back 5 years for males and 3 years for females.
Expected Remaining Service Lives	6 years.

The actuarial assumptions utilized are based on the assumptions used in the September 30, 2015 actuarial funding valuation, which (with the exception of mortality) were based on results of an actuarial experience study for the period July 1, 2009 – June 30, 2014. In cases where benefit structures were changed after the study period, assumptions were based on estimates of future experience. All assumptions selected were determined to be reasonable and represent expectations of future experience for the Fund.

Discount Rate –

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. Best estimates of arithmetic real rates of return for each, major asset class included in the pension plan's target asset allocation as of September 30, 2018, are summarized in the following table.

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
	<u>2018</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 used to measure the total pension liability was 6.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contributions rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and by the Public Retirement Systems' Actuarial Committee. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to the Financial Statements
(continued)

The effects of certain other changes in net pension liability are required to be included in pension expense over the current and future periods. The effects on the total pension liability of:

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

Sensitivity to Changes in Discount Rate –

The following presents the Assessor's proportionate share of the net pension liability calculated using the discount rate of 6.25%, as well as what the Assessor's net pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate as of September 30, 2018.

	1% Decrease (5.25%)	Current Discount Rate (6.25%)	1% Increase (7.25%)
Assessor's proportionate share of the net pension liability	\$1,405,231	\$ 417,798	\$ (428,149)

The Louisiana Assessor's Retirement Fund and Subsidiary has issued a stand-alone audit report on their financial statements for the year ended September 30, 2018. Access to the report can be found on the Louisiana Legislative Auditor's website, www.lia.la.gov.

5. POST-RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

Plan Description -

The Iberia Parish Assessor (the Assessor) provides certain continuing health care and life insurance benefits for its retired employees. The Iberia 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 Pension-Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria-Defined Benefit*.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to the Financial Statements
(continued)

Benefits Provided –

Medical, dental, and life benefits are provided through comprehensive plans and are made available to employees upon actual retirement. Employees are covered by the Louisiana Assessor's 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 30 years of service; employees hired on and after October 1, 2013 are not able to retire or enter DROP until age 60 with 12 years of service; or, age 55 with 30 years of service. The retiree must also have 20 years of service for the retiree to receive employer contributions.

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	4
Inactive employees entitled to but not yet receiving Benefit payments	-
Active employees	<u>13</u>
Total	<u>17</u>

Total OPEB Liability –

The Assessor's total OPEB liability of \$4,060,293 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:

Inflation	2.5%
Salary increases	4.0%
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.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to the Financial Statements
(continued)

Mortality rates were based on the RP-2000 Table without projection with 50%/0% 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 OPEB Liability

Balance at December 31, 2017	\$4,048,427
Changes for the year:	
Service cost	144,840
Interest	143,422
Difference between expected and actual experience	(57,817)
Changes in assumptions	(170,121)
Benefit payments and net transfers	(48,458)
Net changes	<u>11,866</u>
Balance at December 31, 2018	<u>\$4,060,293</u>

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

	1% Decrease 3.10%	Current Discount Rate 4.10%	1% Increase 5.10%
Total OPEB liability	\$4,748,569	\$4,060,293	\$3,510,887

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% Decrease 4.50%	Current Trend 4.10%	1% Increase 6.50%
Total OPEB liability	\$3,559,128	\$4,060,293	\$4,692,592

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to the Financial Statements
(continued)

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 \$179,820 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>
Difference between expected and Actual experience	\$ -	\$ (42,602)
Change in assumptions	-	(125,352)
Total	<u>\$ -</u>	<u>\$(167,954)</u>

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

<u>Year Ended December 31</u>	
2019	\$ (59,984)
2020	(59,984)
2021	(47,986)
2022	-
2023	-
Thereafter	-
Total	<u>\$(167,954)</u>

6. LITIGATION AND CLAIMS

There is no litigation pending against the Iberia Parish Assessor at December 31, 2018, nor is he aware of any unasserted claims.

7. LEVIED TAXES

The following is a summary of authorized and levied ad valorem taxes:

	<u>Authorized Millage</u>	<u>Levied Millage</u>
Parish Wide Assessment District	3.96	3.09

Total ad valorem taxes levied during 2018 amount to \$1,856,215. Receivables at December 31, 2018 include \$1,274,852 in ad valorem taxes and \$87,716 in State Revenue Sharing.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to the Financial Statements
(continued)

8. DEFERRED COMPENSATION PLAN

The Iberia Parish Assessor offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Assessor employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional.

The assets of the plan are held in trust as described in IRC Section 457(g) for the exclusive benefit of the participants and their beneficiaries. The custodian thereof for the exclusive benefit of the participants holds the custodial account for the beneficiaries of this plan, and the assets may not be diverted to any other use. The administrators are agents of the employer for purposes of providing direction to the custodian of the custodial account from time to time for the investment of the funds held in the account, transfer of assets to or from the account, and all other matters.

In accordance with provisions of GASB Statement No. 32, plan balances and activities are not reflected in these financial statements.

**9. EXPENDITURES OF THE ASSESSOR NOT INCLUDED
IN THE FINANCIAL STATEMENTS**

The assessor's office is located in the Iberia Parish Courthouse. Expenditures for utilities and janitorial services, as well as the other maintenance and operating expenditures, are paid by the Iberia Parish Council and are not included in the accompanying financial statements.

10. RISK MANAGEMENT

The Assessor is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Assessor has elected to purchase insurance coverage through the commercial insurance market to cover its exposure to loss. The Assessor is insured up to policy limits for each of the above risks. There were no significant changes in coverage, retentions, or limits during the year ended December 31, 2018. Settled claims have not exceeded the commercial coverage in any of the previous three fiscal years.

11. FUND BALANCES

The Assessor has adopted GASB Statement No. 54, which redefined how fund balances of the governmental funds are presented in the financial statements. Fund balances are classified as follows:

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

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to Financial Statements
(continued)

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding valances of any bonds, mortgages, notes, or other borrowings and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Constraints may be placed on the use, either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – Net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position.

In the fund statements, governmental fund equity is classified as fund balance. Fund balance of the governmental fund is further classified as follows:

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can only be spent for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by a formal action of the Assessor. The Assessor is the highest level of decision-making authority for the Iberia Parish Assessor. Commitments may be established, modified or rescinded only through ordinances or resolutions approved by the Assessor.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Assessor's policy, only the assessor may assign amounts for specific purposes.

Unassigned – All other spendable amounts.

12. ACT 706 – SCHEDULE OF COMPENSATION, REIMBURSEMENTS, BENEFITS AND OTHER PAYMENTS TO ENTITY HEAD

Under Act 706, the Assessor is required to disclose the compensation, reimbursements, benefits, and other payments made to the assessor, in which the payments are related to the position. The following is a schedule of payments made to the assessor as of December 31, 2018:

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to Financial Statements
(continued)

Agency Head Name: Rickey J. Huval, Sr.

Base salary (as allowed by RS 47:1907 (A)(1)(b))	\$158,745
Benefits - insurance (as allowed by RS 47:1923)	26,727
Benefits – retirement – employer portion (as allowed by RS 11:1481)	11,545
Benefits – retirement – employee portion funded by employer (as allowed by RS 11:1481 (2)(b)(i))	11,545
Benefits – deferred compensation (as allowed by RS 42:1301-1309)	9,525
Auto Allowance	9,921
Registration fees	1,120
Conference travel expense reimbursements	1,622
Vehicle Provided by government	<u>5,527</u>
 Total	 <u>\$236,277</u>

13. OPERATING LEASES

The Assessor is obligated under certain leases accounted for as the operating leases. Operating leases do not give rise to property rights or lease obligations, therefore the results of these agreements are not reflected in property and equipment. The Assessor currently has two operating leases requiring disclosure. The leases are both for vehicles. The monthly payments on the leases are \$1,317 and expire November 2021.

Lease expense at December 31, 2018 was \$11,337. The following schedule, by years, of future minimum lease payments required under operating leases that have initial or remaining noncancelable lease terms in excess of one year as of December 31, 2018 is as follows:

<u>Year Ending December 31,</u>	<u>Amounts</u>
2019	\$10,531
2020	9,475
2021	8,685
2022	-
2023	-

14. SUBSEQUENT EVENTS

Subsequent events have been evaluated through June 27, 2019, the date of the financial statement issuance.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to Financial Statements
(continued)

15. NEW ACCOUNTING PRONOUNCEMENT

In June 2015, the Governmental Standards Board (GASB) approved Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. GASB postemployment benefits other than pensions. The provisions of GASB Statement No. 75 were implemented by the Assessor during the year ended December 31, 2018. The Statement established standards for recognizing and measuring liabilities deferred outflows of resources, deferred inflows of resources, and expense/expenditures.

The Statement resulted in a restatement of net position as follows:

	Governmental Activities
Net position, December 31, 2017, as previously reported	<u>\$4,743,843</u>
Change in accounting principles:	
Net effect of implementing GASB Statement No. 75	<u>(1,583,478)</u>
Net position, December 31, 2017, as restated	<u><u>\$3,160,365</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

IBERIA PARISH ASSESSOR
New Iberia, Louisiana

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended December 31, 2018

	<u>BUDGET</u>		<u>ACTUAL</u> <u>(BUDGETARY</u> <u>BASIS)</u>	<u>VARIANCE</u> <u>FAVORABLE</u> <u>(UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
Taxes – ad valorem	\$2,260,983	\$1,866,453	\$1,786,780	\$ (79,673)
Intergovernmental-state funds- state revenue sharing	134,310	134,939	131,573	(3,366)
Fees, charges, and commissions for services	9,860	9,169	9,680	511
Use of money and property- interest earnings	8,000	17,382	17,164	(218)
Other Revenue	<u>500</u>	<u>61</u>	<u>-</u>	<u>(61)</u>
Total revenues	<u>2,413,653</u>	<u>2,028,004</u>	<u>1,945,197</u>	<u>(82,807)</u>
EXPENDITURES				
Current:				
General government-taxation:				
Personal services and related				
Benefits	1,498,619	1,498,619	1,526,651	(28,032)
Operating services	207,231	207,231	171,668	35,563
Materials and supplies	15,000	15,000	17,447	(2,447)
Travel and other charges	15,000	15,000	19,040	(4,040)
Capital outlay	<u>5,000</u>	<u>5,000</u>	<u>13,096</u>	<u>(8,096)</u>
Total expenditures	<u>1,740,850</u>	<u>1,740,850</u>	<u>1,747,902</u>	<u>(7,052)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES	672,803	287,154	197,295	(89,859)
FUND BALANCE AT BEGINNING OF YEAR	<u>7,289,290</u>	<u>7,289,290</u>	<u>7,289,290</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$7,962,093</u>	<u>\$7,576,444</u>	<u>\$7,486,585</u>	<u>\$ (89,859)</u>

See accompanying note to budgetary comparison schedule.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana

Schedule of Changes in Net OPEB Liability and Related Ratios
For the Year Ended December 31, 2018

Total OPEB Liability	
Service cost	\$ 144,840
Interest	143,422
Difference between expected and actual experience	(57,817)
Changes in assumptions	(170,121)
Benefit payments	<u>(48,458)</u>
Net change in total OPEB liability	<u>11,866</u>
 Total OPEB Liability – Beginning	 <u>4,048,427</u>
 Total OPEB Liability – Ending	 4,060,293
 Covered Employee Payroll	 945,413
 Net OPEB liability as a percentage of covered-employee payroll	 429.47%

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

IBERIA PARISH ASSESSOR
NEW IBERIA, LOUISIANA

SCHEDULE OF ASSESSOR'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
LOUISIANA ASSESSORS' RETIREMENT FUND AND SUBSIDIARY

DECEMBER 31, 2018

<u>FISCAL YEAR ENDED September 30</u>	2018	2017	2016	2015	2014	2013	2012	2011
ASSESSOR'S PROPORTION OF NET PENSION LIABILITY (ASSET)	2.149123%	2.133206%	2.033636%	1.982780%	1.915612%	1.916570%	unavailable	unavailable
ASSESSOR'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)	\$ 417,798	\$ 374,316	\$ 717,608	\$ 1,037,634	\$ 669,691	\$ 839,278	unavailable	unavailable
ASSESSOR'S COVERED-EMPLOYEE PAYROLL	\$ 958,846	\$ 937,764	\$ 897,945	\$ 847,740	\$ 805,220	\$ 78,610	unavailable	unavailable
ASSESSOR'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) AS A PERCENTAGE OF ITS COVERED EMPLOYEE PAYROLL	43.57%	39.92%	79.92%	122.00%	83.00%	108.00%	unavailable	unavailable
PLAN FIDUCIARY NET POSITION AS A PERCENTAGE OF THE TOTAL PENSION LIABILITY	95.46%	95.61%	90.68%	85.57%	89.98%	86.72%	unavailable	unavailable

IBERIA PARISH ASSESOR
NEW IBERIA, LOUISIANA

SCHEDULE OF ASSESSOR'S CONTRIBUTIONS
LOUISIANA ASSESSORS' RETIREMENT FUND AND SUBSIDIARY

December 31, 2018

<u>FISCAL YEAR ENDED DECEMBER 31</u>	2018	2017	2016	2015	2014	2013	2012
CONTRACTUALLY REQUIRED CONTRIBUTION	\$ 75,784	\$ 93,652	\$ 119,258	\$ 112,475	\$ 53,843	\$ 55,504	unavailable
CONTRIBUTIONS ON RELATION TO THE CONTRACTUALLY REQUIRED CONTRIBUTION	<u>\$ 75,784</u>	<u>\$ 93,652</u>	<u>\$ 119,528</u>	<u>\$ 112,475</u>	<u>\$ 53,843</u>	<u>\$ 55,904</u>	unavailable
CONTRIIBUTION DEFICIENCY (EXCESS)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
ASSESSOR'S COVERED-EMPLOYEE PAYROLL	\$ 958,846	\$ 937,764	\$ 897,945	\$ 847,740	\$ 805,220	\$ 778,610	unavailable
CONTRIBUTION AS A PERCENTAGE OF COVERED-EMPLOYEE PAYROLL	7.90%	9.98%	13.00%	13.00%	7.00%	7.00%	unavailable

IBERIA PARISH ASSESSOR
New Iberia, Louisiana

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

1. Budgetary and Budgetary Accounting

The proposed budget for the General Fund, prepared on the modified accrual basis of accounting, is made available for public inspection at least fifteen days prior to the beginning of each fiscal year. The budget is then legally adopted by the assessor and amended during the year, as necessary. The budget is established and controlled by the assessor at the object level of expenditure. Appropriations lapse at year-end and must be reappropriated for the following year to be expended. All changes in the budget must be approved by the assessor.

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying financial statement include the original adopted budget amounts.

2. Pension Plan – Louisiana Assessors' Retirement Fund

Changes of Assumption – 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.

3. Other Postemployment Benefit Plans

Benefit Changes – There were no changes of benefit terms.

Changes of Assumptions – The discount rate as of 12/31/2017 was 3.44% and it changed to 4.10% as of 12/31/2018.

**REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

**Independent Auditor's Report Required
By *Government Auditing Standards***

The following independent auditor's report on compliance and internal control over financial reporting based on an audit of financial statements performed in accordance with *Government Auditing Standards* is presented with the requirements of *Government Auditing Standards* issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

R. PERRY TEMPLETON
CERTIFIED PUBLIC ACCOUNTANT
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SOCIETY OF LA CPA'S

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

THE HONORABLE RICKEY J. HUVAL, SR.
Iberia Parish Assessor
New Iberia, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller general of the United States, the financial statements of the governmental activities and the major fund, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Iberia Parish Assessor's basic financial statements, and have issued my report thereon dated June 27, 2019.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the Iberia 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Iberia Parish Assessor's internal control. Accordingly, I do not express an opinion on the effectiveness of the Iberia 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.

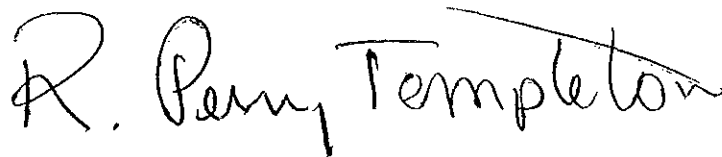
My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control over financial reporting that I 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 Iberia Parish Assessor's financial statements are free of material misstatement, I performed tests of compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my 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.

A handwritten signature in black ink that reads "R. Perry Templeton". The signature is written in a cursive, flowing style.

New Iberia, Louisiana
June 27, 2019

IBERIA PARISH ASSESSOR
New Iberia, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2018

A. SUMMARY OF AUDITOR'S RESULTS

Auditor's Report - Financial Statements

The auditor's report expresses an unqualified opinion on the annual financial statements of the Iberia Parish Assessor.

Internal Control Deficiencies - Financial Statements

No significant internal control deficiencies were noted during the audit of the financial statements.

Material Noncompliance – Financial Statements

No material instances of noncompliance were noted during the audit of the financial statements.

B. FINDINGS RELATING TO AN AUDIT IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

None

C. FINDINGS AND QUESTIONED COSTS RELATING TO FEDERAL PROGRAMS

At December 31, 2018, the Iberia Parish Assessor did not meet the requirements to have a single audit in accordance with OMB Circular A-133, therefore this section is not applicable.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana

Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2018

There were no findings reported in the audit report for the year ended December 31, 2017.

IBERIA PARISH ASSESSOR
Statewide Agreed-Upon Procedures Report

Year Ended December 31, 2018

R. PERRY TEMPLETON

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

THE HONORABLE RICKEY J. HUVAL, SR.
Iberia Parish Assessor
and the Louisiana Legislative Auditor

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

This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, I 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

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

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

Written policies and procedures were obtained and address the functions noted above.

- b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendors list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the

public bid law; and (5) documentation required to be maintained for all bids and price quotes.

Written policies and procedures were obtained and address the functions noted above.

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

No written policies and procedures were available that address the functions noted above.

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

No written policies and procedures were available that address the functions noted above.

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

Written policies and procedures were obtained and address the functions noted above.

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

Written policies and procedures were obtained and address the functions noted above.

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

Written policies and procedures were obtained and address the functions noted above.

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

Written policies and procedures were obtained and address the functions noted above.

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

Written policies and procedures were obtained and address the functions noted above.

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

Written policies and procedures were obtained and address the functions noted above.

Board (or Finance Committee, if applicable)

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - c) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.

The Iberia Parish Assessor's office does not have an appointed or elected board; therefore, this section is not applicable.

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:

Obtained listing of client bank accounts from management and management's representation that 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);

Obtained bank statements and reconciliations for all months in the fiscal period for selected accounts noting that reconciliations have been prepared for all months.

- 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

The bank reconciliations for the selected account examined had have evidence of management review.

- 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.

Obtained bank statements and reconciliations for all months in the fiscal period noting that selected bank accounts tested did not have any checks that have been outstanding for more than twelve months throughout the year.

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).

A listing of deposit sites and management's representation that the listing is correct was obtained. The only site of the entity was selected for review

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:

A listing of collection locations and management's representation that the listing is complete was obtained. The only site of the entity was selected for review. Entity does not have written policies and procedures for collections.

- a) Employees that are responsible for cash collections do not share cash drawers/registers.

No exceptions noted.

- 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.

No exceptions noted.

- 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.

No exceptions noted.

- 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. *No exceptions noted.*

No exceptions noted.

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

Only the assessor is bonded

- 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).

Two deposits from the bank account selected under procedure #3 were randomly selected and supporting documentation was obtained.

- a) Observe that receipts are sequentially pre-numbered.

No exception noted.

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

No exception noted.

- c) Trace the deposit slip total to the actual deposit per the bank statement.

No exception noted.

- 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).

No exception noted.

- e) Trace the actual deposit per the bank statement to the general ledger.

No exception noted.

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).

A listing of payment processing locations and management's representation that the listing is complete were obtained. The only location of the entity was selected for review.

- 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 listing of employees involved with non-payroll purchasing and payment functions and management's representation that the listing is complete were obtained.

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

No exceptions noted.

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

No exceptions noted.

- 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.

No exceptions noted.

- 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.

No exceptions noted.

- 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.

No exceptions noted

- b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

No exceptions noted.

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.

A listing of all active credit cards, bank debit cards, fuel card, P-Cards, and management's representation that the list is complete were obtained.

- 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.

No exception noted.

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

No exception noted

- 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).

No exception noted

Travel and Travel-Related Expense Reimbursement (excluding card transactions)

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

No exceptions noted.

b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

N/A for selected items.

c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

No exceptions noted.

d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

No exceptions noted.

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:

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

The above procedures were not performed since there were no prior year exceptions.

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.

Listing of employees with their related salaries and management's representation that the listing is complete was obtained and agreed salaries to authorized salaries in personnel file.

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). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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' cumulate leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.

There were no employees terminated, therefore this step is not applicable.

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.

No exceptions noted.

Ethics

20. Using the five randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management and:

- a) Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

No exceptions noted.

- b) Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

No exceptions noted.

Debt Service

21. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.
22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.

The above procedures not performed as not applicable.

Other

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Management has asserted that the entity did not have any misappropriations of public funds or assets.

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

Required notices were properly posted on the entity's premises and website.

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

No exceptions noted.

I am not engaged to perform, and did not perform an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the C/C areas identified in the SAUPS. Accordingly, I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This purpose of this report is solely to describe the scope of testing 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 Legislative Auditor as a public document.

New Iberia, Louisiana
June 27, 2019

