

**BIENVILLE PARISH ASSESSOR**  
**Arcadia, Louisiana**

**Annual Financial Statements**  
**With Independent Auditor's Report**  
**As of and for the Year Ended**  
**December 31, 2017**

BIENVILLE PARISH ASSESSOR  
Arcadia, Louisiana

Annual Financial Statements  
With Independent Auditor's Report  
As of and for the Year Ended December 31, 2017  
With Supplemental Information Schedules

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Member:  
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Public Accountants

**MARY JO FINLEY, CPA, INC.**  
A PROFESSIONAL ACCOUNTING CORPORATION  
116 Professional Drive - West Monroe, LA 71291  
Phone (318) 329-8880 - Fax (318) 239-8883

Practice Limited to  
Governmental Accounting,  
Auditing and  
Financial Reporting

## Independent Auditor's Report

BIENVILLE PARISH ASSESSOR  
Arcadia, Louisiana

### Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities and major fund of the Bienville Parish Assessor, a component unit of the Bienville Parish Police Jury, as of December 31, 2017, and for the year then ended, and the related notes to the financial statements, which collectively comprise the Assessor's basic financial statements as listed in the table of contents.

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

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

### *Auditor's Responsibility*

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 Bienville Parish Assessor's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bienville Parish Assessor'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.

## BIENVILLE PARISH ASSESSOR

Arcadia, Louisiana

Independent Auditor's Report,

December 31, 2017

### *Opinions*

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position and major fund of the Bienville Parish Assessor as of December 31, 2017, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### *Other Matters*

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 7 through 10, the budgetary comparison information on pages 37 through 38, the schedule of funding progress for the retiree healthcare plan on page 39, and the schedule of the Assessors' proportionate share of the net pension liability on pages 40 through 41, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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 inquiries of management about the methods of preparing the information and comparing the information for consistency with managements'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.

#### *Other Information*

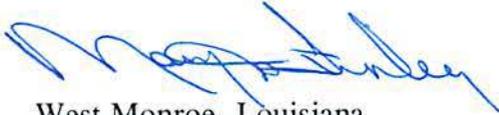
My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Bienville Parish Assessor's office basic financial statements. The supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The schedule of compensation, benefits, and other payments to agency head on page 43 presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

BIENVILLE PARISH ASSESSOR  
Arcadia, Louisiana  
Independent Auditor's Report,  
December 31, 2017

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

In accordance with *Government Auditing Standards*, I have also issued a report dated February 12, 2018, on my consideration of the Bienville 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 the Bienville Parish Assessor's internal control over financial reporting and compliance.



West Monroe, Louisiana  
February 12, 2018

**REQUIRED SUPPLEMENTARY INFORMATION  
PART I**

BIENVILLE PARISH ASSESSOR  
Arcadia, Louisiana

**Management's Discussion and Analysis**  
December 31, 2017

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

**Overview of the Financial Statements**

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

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the Bienville Parish Assessor's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Bienville Parish Assessor's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Bienville Parish Assessor is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, earned, but unused, sick leave).

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

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-

wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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

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

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

### Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, assets of the Bienville Parish Assessor exceeded liabilities by \$2,074,970. Approximately 1% of the Bienville Parish Assessor's net position reflects its investment in capital assets (e.g., equipment), less any related debt used to acquire those assets that is still outstanding. These assets are not available for future spending.

The balance in unrestricted net position is affected by two factors: 1) resources expended, over time, by the Bienville Parish Assessor to acquire capital assets from sources other than internally generated funds (i.e., debt), and 2) required depreciation on assets.

#### STATEMENT OF NET POSITION

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$1,191,266	\$1,851,016
Investment	808,808	66,832
Receivables	742,176	718,622
Capital assets (net of accumulated depreciation)	<u>26,229</u>	<u>39,938</u>
<b>TOTAL ASSETS</b>	<u>2,768,479</u>	<u>2,676,408</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension related	<u>64,291</u>	<u>121,667</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u><u>\$2,832,770</u></u>	<u><u>\$2,798,075</u></u>

**LIABILITIES**

Accounts payable	\$1,491	\$3,448
Payroll deducts payable	1,117	
Net pension liability	132,928	262,889
Net OPEB obligation	<u>505,381</u>	<u>499,409</u>
Total Liabilities	640,917	765,746

**DEFERRED INFLOWS OF RESOURCES**

Pension related	116,883	49,153
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**NET POSITION**

Invested in capital assets, net of related debt	26,229	39,938
Unrestricted	<u>2,048,741</u>	<u>1,943,238</u>

**TOTAL NET POSITION**

	<u>2,074,970</u>	<u>1,983,176</u>
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**TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION**

	<u>\$2,832,770</u>	<u>\$2,798,075</u>
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**STATEMENT OF ACTIVITIES**

	<u>2017</u>	<u>2016</u>
Taxation:		
Personal services	\$596,015	\$616,636
Operating services	48,111	50,800
Materials and supplies	72,868	21,587
Travel	30,950	35,824
Depreciation expense	<u>10,290</u>	<u>12,463</u>
Total Program Expenses	<u>758,234</u>	<u>737,310</u>
Program revenues - Fees, charges, and commissions for services	<u>5,395</u>	<u>3,085</u>
Net Program Expenses	(752,839)	(734,225)
General revenues:		
Taxes - ad valorem	729,100	725,314
Intergovernmental - state funds - state revenue sharing	12,072	12,910
Interest earned	6,636	2,686
Other revenue	100,244	136,334
Special item - gain (loss) on disposal of assets	<u>(3,419)</u>	
Total General Revenues	<u>844,633</u>	<u>877,244</u>
Change in Net Position	91,794	143,019
Net Position - Beginning of year	<u>1,983,176</u>	<u>1,840,157</u>
Net Position - End of year	<u>\$2,074,970</u>	<u>\$1,983,176</u>

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

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

As of December 31, 2017, the general fund's governmental fund balances of \$2,739,642 showed an increase of \$106,620 over December 31, 2016.

## **General Fund Budgetary Highlights**

There was no budget amendment for the year.

## **Capital Asset and Debt Administration**

**Capital assets.** The Bienville Parish Assessor's investment in capital assets for its governmental activities as of December 31, 2017, amounts to \$26,229 (net of accumulated depreciation). This investment includes equipment. There were no increases in capital assets for the year, and decreases of \$13,747 during the year.

**Long-term debt.** The Bienville Parish Assessor contributes to a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The plan provides lifetime healthcare insurance for eligible retirees and their spouses through the assessor's group health insurance plan. Net OPEB obligation associated with the Retiree Health Plan at December 31, 2017 is \$505,381. Net pension liability is \$132,928 at June 30, 2017.

## **Requests for Information**

This financial report is designed to provide a general overview of the Bienville Parish Assessor's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Bienville Parish Assessor, 100 Courthouse Drive, Suite 1200, Arcadia, LA 71001.

February 12, 2018

**BASIC FINANCIAL STATEMENTS**

BIENVILLE PARISH ASSESSOR  
Arcadia, Louisiana

STATEMENT OF NET POSITION  
December 31, 2017

<b>ASSETS</b>	
Cash and cash equivalents	\$1,191,266
Investments	808,808
Receivables	742,176
Capital assets (net of accumulated depreciation)	<u>26,229</u>
TOTAL ASSETS	<u>2,768,479</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>	
Pension related	<u>64,291</u>
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	<u>\$2,832,770</u>
<b>LIABILITIES</b>	
Accounts payable	\$1,491
Withholdings payable	1,117
Net pension liability	132,928
Net OPEB obligation	<u>505,381</u>
TOTAL LIABILITIES	640,917
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension related	116,883
<b>NET POSITION</b>	
Invested in capital assets, net of related debt	26,229
Unrestricted	<u>2,048,741</u>
TOTAL NET POSITION	<u>2,074,970</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$2,832,770</u>

The accompanying notes are an integral part of this statement.

BIENVILLE PARISH ASSESSOR  
Arcadia, Louisiana

STATEMENT OF ACTIVITIES  
December 31, 2017

Taxation:	
Personal services	\$596,015
Operating services	48,111
Materials and supplies	72,868
Travel	30,950
Depreciation expense	10,290
Total Program Expenses	<u>758,234</u>
Program revenues - Fees, charges, and commissions for services	<u>5,395</u>
Net Program Expenses	(752,839)
General revenues:	
Taxes - ad valorem	729,100
Intergovernmental - state funds - state revenue sharing	12,072
Interest earned	6,636
Other revenues	100,244
Special items - gain/loss on disposal of assets	<u>(3,419)</u>
Total General Revenues	<u>844,633</u>
Change in Net Position	91,794
Net Position - Beginning of year	<u>1,983,176</u>
Net Position - End of year	<u>\$2,074,970</u>

The accompanying notes are an integral part of this statement.

BIENVILLE PARISH ASSESSOR  
Arcadia, Louisiana  
GOVERNMENTAL FUNDS

Balance Sheet, December 31, 2017

<b>ASSETS</b>	
Cash and cash equivalents	\$1,191,266
Investments	808,808
Receivables	<u>742,176</u>
<b>TOTAL ASSETS</b>	<b><u><u>\$2,742,250</u></u></b>
<b>LIABILITIES AND FUND EQUITY</b>	
Liabilities	
Accounts payable	\$1,491
Withholdings payable	<u>1,117</u>
<b>TOTAL LIABILITIES</b>	<b><u>2,608</u></b>
Fund equity - fund balances - unassigned	<u>2,739,642</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b><u><u>\$2,742,250</u></u></b>

See accompanying notes and accountants' report.

BIENVILLE PARISH ASSESSOR  
Arcadia, Louisiana

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

For the Year Ended December 31, 2017

Total Fund Balances at December 31, 2017 - Governmental Funds (Statement C)		<u>\$2,739,642</u>
Deferred outflows of resources		64,291
Cost of capital assets at December 31, 2017	\$164,290	
Less: Accumulated depreciation as of December 31, 2017	<u>(138,061)</u>	26,229
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		
Net pension liability		(132,928)
Net OPEB obligation		(505,381)
Deferred inflows of resources		<u>(116,883)</u>
Net Position at December 31, 2017 (Statement A)		<u><u>\$2,074,970</u></u>

The accompanying notes are an integral part of this statement.

BIENVILLE PARISH ASSESSOR  
Arcadia, Louisiana  
GOVERNMENTAL FUNDS

Statement of Revenues, Expenditures,  
and Changes in Fund Balances

For the Year Ended December 31, 2017

**REVENUES**

Taxes - ad valorem	\$729,100
Intergovernmental revenues - state grants - state revenue sharing	12,072
Fees, charges, and commissions for services	5,395
Use of money and property - interest earnings	<u>6,636</u>
Total revenues	<u>753,203</u>

**EXPENDITURES**

## Current:

## General government - taxation:

Personal services	494,654
Operating services	48,111
Materials and supplies	72,868
Travel and other charges	<u>30,950</u>
Total expenditures	<u>646,583</u>

<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	106,620
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<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>2,633,022</u>
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<b>FUND BALANCES AT END OF YEAR</b>	<u><u>\$2,739,642</u></u>
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See accompanying notes and accountants' report.

BIENVILLE PARISH ASSESSOR  
Arcadia, Louisiana

Reconciliation of Governmental Funds  
Statement of Revenue, Expenditures, and Changes  
in Fund Balances to the Statement of Activities

For the Year Ended December 31, 2017

Total net change in fund balances - governmental funds (Statement D)	\$106,620
Amounts reported for governmental activities in the Statement of Activities are different	
Capital outlays are reported in governmental funds as expenditures. However, in the statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceed depreciation for the period.	(10,290)
Payments of long-term debt, including contributions to OPEB obligation, are reported as expenditures in governmental funds. However, those amounts are a reduction of long-term liabilities in the Statement of Net Position and are not reflected in the Statement of Activities.	(5,972)
Governmental funds do not report gain or loss on disposition of assets. In the Statement of Activities, loss on disposition of assets decreased when the asset is disposed.	(3,419)
Non-employer contributions to cost-sharing pension plan	100,244
Pension expense	<u>(95,389)</u>
Change in net position of governmental activities (Statement B)	<u>\$91,794</u>

The accompanying notes are an integral part of this statement.

BIENVILLE PARISH ASSESSOR  
Arcadia, Louisiana

Notes to the Financial Statements  
As of and For the Year Ended December 31, 2017

**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 pecuniarily responsible for the actions of the deputies.

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

**A. REPORTING ENTITY**

As the governing authority of the parish, for reporting purposes, the Bienville Parish Police Jury is the financial reporting entity for Bienville Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

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

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

## BIENVILLE PARISH ASSESSOR

Arcadia, Louisiana

### Notes to the Financial Statements (Continued)

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

Because the police jury maintains and operates the building in which the assessor's office is located and provides partial funding for equipment, furniture and supplies of the assessor's office, the assessor was determined to be a component unit of the Bienville Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the assessor and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the Bienville Parish financial reporting entity.

#### **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 (Statement A) and the Statement of Activities (Statement B) 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 are reported in three parts; invested in capital assets, net of any related debt; restricted net position; and unrestricted net position. The assessor first uses restricted resources to finance qualifying activities.

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*.

## BIENVILLE PARISH ASSESSOR

Arcadia, Louisiana

Notes to the Financial Statements (Continued)

**Program Revenues** - Program revenues included in the Statement of Activities (Statement B) 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 (Statement B). 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 STATEMENTS - 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, as provided by Louisiana Revised Statute 13:781, 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.

#### **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 a 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 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:

##### **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

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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. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. 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 prepared.

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

Based on the above criteria, ad valorem taxes, compensation from taxing bodies, and fees for preparing tax rolls 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.

**E. CASH AND CASH EQUIVALENTS**

Under state law, the assessor may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2017, the assessor has cash and cash equivalents (book balances) totaling \$1,191,266.

Demand deposits	\$650,866
Time deposits	540,000
Petty cash	400
Total	<u>\$1,191,266</u>

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

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balances) at December 31, 2017, are \$1,195,350 and are fully secured by FDIC insurance and pledged securities.

**F. CAPITAL ASSETS**

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The assessor maintains a threshold level of \$500 or more for capitalizing capital assets.

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:

	<u>Description</u>	<u>Estimated Lives</u>
Furniture and fixtures		5 - 10 years
Vehicles		5 - 15 years
Equipment		5 - 20 years

**G. INVESTMENTS**

Investments held at December 31, 2017 consist of \$808,808 in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.126, the investment in LAMP at December 31, 2017 is not categorized in the three risk categories provided by GASB Codification Section 150.125 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA - R.S. 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities.

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Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA - R.S. 33:2955(A)(1)(h) which allows all municipalities, parishes, school boards, and any other political subdivisions of the State to invest in "investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

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

#### **H. ANNUAL AND SICK LEAVE**

Employees of the assessor's office receive from 10 to 15 days of noncumulative vacation leave each year, depending on length of service. Sick leave is granted at the discretion of the assessor. At December 31, 2017, 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 a current-year expenditure in the General Fund when leave is actually taken.

#### **I. RISK MANAGEMENT**

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

**J. PENSION PLANS**

The Bienville Parish Tax Assessors’s Office is a participating employer in a cost-sharing, multiple-employer defined benefit pension plan as described in Note 5. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions for the plan’s fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within the plan.

**2. RECEIVABLES**

The following is a summary of receivables at December 31, 2017:

<u>Class of receivables:</u>	
Taxes - ad valorem	<u>\$742,176</u>

**3. PRINCIPAL TAXPAYERS**

The following are the principal taxpayers for the parish and their 2017 assessed valuation (amounts expressed in thousands):

	2017 Assessed <u>Valuation</u>	Per cent of Total Assessed <u>Valuation</u>
ETC Tiger Pipeline, LLC	\$58,771	15.58%
Gulf South Pipeline Company	35,090	9.30%
Regency Intrastate	28,237	7.49%
Bear Creek Storage Comp	17,794	4.72%
OEP Energy Company	13,707	3.63%
Enable Gas Transmission	13,654	3.62%
Wildhorse Resources II, LLC	9,452	2.51%
Tanos Exploration II	9,431	2.50%
Haynesville Oil & Gas	8,670	2.30%
Arcadia Gas Storage, LLC	<u>8,040</u>	<u>2.13%</u>
Total	<u>\$202,846</u>	<u>53.79%</u>

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**4. CHANGES IN CAPITAL ASSETS**

A summary of changes in office furnishings and equipment follows:

Balance, January 1, 2017	\$178,037
Additions	NONE
Deletions	<u>(13,747)</u>
Balance, December 31, 2017	164,290
Less accumulated depreciation	<u>(138,061)</u>
Net Capital Assets	<u><u>\$26,229</u></u>

**5. NOTE DISCLOSURES AND REQUIRED SUPPLEMENTARY INFORMATION FOR A COST-SHARING EMPLOYER**

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

***Summary of Significant Accounting Policies.***

The Fund prepares its employer schedules in accordance with Governmental Accounting Statement No. 68 - *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*. GASB Statement No. 68 established standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources and expenses/expenditures. It provides methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to periods of employee service. It also provides methods to calculate participating employer’s proportionate share of net pension liability, deferred inflows, deferred outflows, pension expense and amortization periods for deferred inflows and deferred outflows.

The Fund’s employer schedules were prepared using the accrual basis of accounting. Members’ earnable compensation, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed.

***Plan Fiduciary Net Position***

Plan fiduciary net position is a significant component of the Fund’s collective net pension liability. The Fund’s plan fiduciary net position was determined using the accrual basis of accounting. The Fund’s

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### Notes to the Financial Statements (Continued)

assets, liabilities, revenues, and expenses were recorded with the use of estimates and assumptions in conformity with accounting principles generally accepted in the United States of America. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements and estimates over the determination of the fair market value of the Fund's investments. Accordingly, actual results may differ from estimated amounts.

#### *Plan Description.*

The Louisiana Assessors' Retirement and Relief Fund was established for the purpose of providing retirement allowances and other benefits as stated under the provisions of R.S. Title 11:1401 for eligible employees of the assessors' office. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the Fund in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

The Louisiana Assessors' Retirement Fund and Subsidiary has issued a stand-alone audit report on their financial statements. Access to the report can be found on the Louisiana Legislative Auditor's website, [www.la.gov](http://www.la.gov), or by contacting the Louisiana Assessors' Retirement fund, Post Office Box 14699, Baton Rouge, Louisiana 70898.

#### *Plan Benefits*

##### *Pension benefits*

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

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

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

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### *Death benefits*

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

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

### *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 benefits shall be the lesser of 1) a sum equal to the greatest of 45% of final average compensation or the members' accrued retirement benefit at the time of termination of employment due to disability or 2) the retirement benefit which would be payable assuming continued service 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 earliest normal retirement date.

### *Back-Deferred Retirement Option Plan (Back-DROP)*

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

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### Notes to the Financial Statements (Continued)

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.

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.

#### *Excess Benefit Plan*

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

#### *Contributions*

Contributions for all members are established by statute at 8.0% of earned compensation. The contributions are deducted from the member's salary and remitted by the participating agency. Administrative costs of the Fund are financed through employer contributions. According to state statute, contributions for all employers are actuarially determined each year. Employer contributions were 10% of the members' earnings for the year ended September 30, 2017. The fund also received one-fourth of one percent of the property taxes assessed in each parish of the state as well as a state revenue sharing appropriation.

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

At December 31, 2017, the Assessor reported a liability of \$132,928 for its proportionate share of the net pension liability. The net pension liability was measured as of September 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Assessors' proportion of the net pension liability was based on a projection of the Assessors' long-

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term share of contributions to the pension plan relative to the projected contributions of all participating assessors', actuarially determined. At September 30, 2017, the Assessors' proportion was 0.7575 percent, which was an increase of 0.0125 from its proportion measured as of September 30, 2016.

For the year ended December 31, 2017, the Assessor recognized pension expense of \$32,021 plus difference in proportionate share and differences between employer contributions and proportionate share of contributions, which was \$63,368. Total pension expense for the Assessor for the year ended December 31, 2017 was \$95,389.

At December 31, 2017, the Assessor reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Beginning balance	\$121,667	\$49,153
Change in system deferred outflows and inflows of resources	(33,423)	66,055
Differences between Assessor contributions and proportionate share of contributions		172
Changes in proportionate share	2,235	1,503
Contributions for measurement period	(33,266)	
Assessor contributions subsequent to the measurement date	7,078	
Total	\$64,291	\$116,883

\$7,078 reported as deferred outflows of resources related to pensions resulting from the Assessors' contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	
2018	\$17,037
2019	23,810
2020	(31,195)
2021	(18,279)
2022	7,907

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

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Inflation	2.50%
Salary increases	5.75% (Including inflation and merit increases)
Investment rate of return	6.75%, net of investment expense

Active member mortality rates were based on the RP-2000 Employee Table set back four years for males and three years for females. Disabled Lives Mortality rates were based on the RP-2000 disabled Lives Mortality Tables set back five years for males and three years for females.

The discounted rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions and the other assumptions the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

The long-term expected rate of return on pension plan investments was determined using a building block method.

*Sensitivity of the Assessors' proportionate share of the net pension liability to changes in the discount rate.*

The following presents the net pension liability of the fund calculated using the discount rate of 6.75%, as well as what the funds 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.

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Assessors' proportionate share of the net pension liability	\$450,763	\$132,928	(\$139,541)

**6. POST RETIREMENT BENEFITS OTHER THAN PENSION**

*Plan Description.* The Bienville Parish Tax Assessor's medical benefits are provided through a comprehensive medical plan and are made available to employees upon actual retirement.

Employees are covered by the Louisiana Assessors' Retirement Fund, whose retirement eligibility (D.R.O.P. entry) provisions are as follows: age 55 and 12 years of service.

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All of the assumptions used for the valuation of the medical benefits have been used for dental insurance except for the trend assumption: zero trend was used for dental insurance. The actuarial cost and values for dental insurance have been included with the results for medical insurance in this valuation.

**Contribution Rates** - Employees do not contribute to their post employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents.

**Funding Policy.** Until 2009, the Bienville Parish Tax Assessor recognized the cost of providing post-employment medical and life insurance benefits (the Bienville Parish Tax Assessor’s portion of the retiree medical and life insurance benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. In 2017 and 2016, the Bienville Parish Assessor’s portion of health care and life insurance funding cost for retired employees totaled \$17,314 and \$16,032, respectively.

Effective January 1, 2009, the Bienville Parish Tax Assessor implemented Government Accounting Standards Board Codification Section P50, *Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions* (GASB Codification Section P50). This amount was applied toward the Net OPEB Benefit Obligation as shown in the following table.

**Annual OPEB Cost and Net OPEB Obligation.** The Bienville Parish Assessor’s Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB Codification Section P50. The ARC is the sum of the Normal Cost plus the contribution to amortize the Unfunded Actuarial Accrued Liability (UAAL). A level dollar, open amortization period of 30 years (the maximum amortization period allowed by GASB Codification Section P50) has been used for the post-employment benefits. The actuarially computed ARC is as follows:

	2017
Normal cost	\$9,063
30-year UAL amortization amount	23,128
Annual required contribution (ARC)	<u>\$32,191</u>

**Net Post-Employment Benefit Obligation (Asset)** - The table below shows the Bienville Parish Tax Assessor’s Net Other Post-employment Benefit (OPEB) Obligation for fiscal year ending December 31:

	2017	2016
Beginning Net OPEB Obligation	\$499,409	\$493,283
Annual required contribution	32,191	30,952
Interest on net OPEB obligation	19,976	19,731
Adjustment to annual required contribution	(28,881)	(28,525)
Annual OPEB cost (expense)	<u>23,286</u>	<u>22,158</u>

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Contributions made	(\$17,314)	(\$16,032)
Change in Net OPEB Obligation	5,972	6,126
Net OPEB obligation at end of year	<u>\$505,381</u>	<u>\$499,409</u>

The following table shows the Bienville Parish Assessor's annual post employment benefits (OPEB) cost, percentage of the cost contributed, and the net unfunded post employment benefits (OPEB) liability for last year and this year:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual Cost Contributed</u>	<u>Net OPEB Liability (Asset)</u>
December 31, 2017	\$ 23,286	74.35%	\$505,381
December 31, 2016	\$ 22,157	72.35%	\$499,409

**Funded Status and Funding Progress.** In 2017 and 2016, the Bienville Parish Tax Assessor made no contributions to its post employment benefits plan. The plan is not funded, has no assets, and hence has a funded ration of zero. Based on the January 1, 2015 actuarial valuation, the most recent valuation, the Actuarial Accrued Liability (AAL) at the end of the year December 31, 2017 was \$415,930 which is defined as that portion, as determined by a particular actuarial cost method (the Bienville Parish Tax Assessor used the Projected Unit Credit Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost.

Actuarial Accrued Liability (AAL)	\$415,930
Actuarial Value of Plan Assets (AVP)	NONE
Unfunded Act. Accrued Liability (UAAL)	\$415,930
Funded Ratio (AVP/AAL)	0.00%
Covered Payroll (active plan members)	\$316,376
UAAL as a percentage of covered payroll	131.47%

**Actuarial Methods and Assumptions.** Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the Bienville Parish Tax Assessor and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the Bienville Parish Tax Assessor and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost

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sharing between the Bienville Parish Tax Assessor and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

**Actuarial Cost Method** - The ARC is determined using the Projected Unit Credit Cost Method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality and turnover.

**Actuarial Value of Plan Assets** - There are not any plan assets. It is anticipated that in future valuations, should funding take place, a smoothed market value consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Codification Section P50.

**Turnover Rate** - An age-related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce a composite average annual turnover of approximately 5%.

**Post employment Benefit Plan Eligibility Requirements** - Based on past experience, it has been assumed that entitlement to benefits will commence five years after the earlier of the following: (1), completion of thirty (30) years of service at any age, and (2), attainment of age 55 and completion of twenty (20) years of service. Medical benefits are provided to employees upon actual retirement.

**Investment Return Assumption (Discount Rate)** - GASB Codification Section P50 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC will not be funded, a 4% annual investment return has been used in this valuation.

**Health Care Cost Trend Rate** - The expected rate of increase in medical cost is based on a graded schedule beginning with 8% annually, down to an ultimate annual rate of 5.0% for ten years out and later.

**Mortality Rate** - The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rate and 50% of the unloaded female mortality rates, was used. This is a published mortality table which has been used in determining the value of accrued benefits in defined benefit pension plans. Projected future mortality improvement has not been used since it is our opinion that this table contains sufficiently conservative margin for the population involved in this valuation.

**Method of Determining Value of Benefits** - The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The employer

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Notes to the Financial Statements (Continued)

pays 100% of the cost of the medical, dental and life insurance for the retirees only and not for dependents. The rates provided applicable before and after age 65 are “blended” rates. Since GASB Codification Section P50 mandates that “unblended” rates be used, we have estimated the unblended rates for retired before Medicare eligibility to be 130% of the blended rate and 80% of the blended rate after Medicare eligibility.

***Inflation Rate*** - Included in both the Investment Return Assumption and the Healthcare Cost Trend rates above is an implicit inflation assumption of 2.50% annually.

***Projected Salary Increases*** - This assumption is not applicable since neither the benefit structure nor the valuation methodology involves salary.

***Post-retirement Benefit Increases*** - The plan benefit provisions in effect for retirees as of the valuation date have been used and it has been assumed for valuation purposes that there will not be any changes in the future.

## 7. LITIGATION AND CLAIMS

The Bienville Parish Assessor is not involved in any litigation at December 31, 2017, nor is she aware of any unasserted claims.

**REQUIRED SUPPLEMENTARY INFORMATION**

**PART II**

BIENVILLE PARISH ASSESSOR  
Arcadia, Louisiana  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
For the Year Ended December 31, 2017

	ORIGINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Taxes - ad valorem	\$678,500	\$729,100	\$50,600
Intergovernmental-state funds- state revenue sharing	13,000	12,072	(928)
Fees, charges, and commissions for services	6,000	5,395	(605)
Use of money and property - interest earnings	1,000	6,636	5,636
Other	500		(500)
Total revenues	<u>699,000</u>	<u>753,203</u>	<u>54,203</u>
<b>EXPENDITURES</b>			
Current:			
General government - taxation:			
Personal services and related benefits	490,000	494,654	(4,654)
Operating services	75,000	48,111	26,889
Materials and supplies	21,000	72,868	(51,868)
Travel and other charges	38,000	30,950	7,050
Capital outlay	75,000		75,000
Total expenditures	<u>699,000</u>	<u>646,583</u>	<u>52,417</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	NONE	106,620	106,620
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	NONE	<u>2,633,022</u>	<u>2,633,022</u>
<b>FUND BALANCE AT END OF YEAR</b>	NONE	<u>\$2,739,642</u>	<u>\$2,739,642</u>

See accompanying note to budgetary comparison schedule.

Bienville Parish Assessor  
Arcadia, Louisiana

NOTE TO BUDGETARY COMPARISON SCHEDULE

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. There were no budget amendments for the year ended December 31, 2017.

**Bienville Parish Tax Assessor  
Employee Health Care Plan  
December 31, 2017**

**Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
December 31, 2008	\$0	\$809,132	\$809,132	0.00%	\$248,460	325.66%
December 31, 2011	\$0	\$885,774	\$885,774	0.00%	\$281,860	314.26%
December 31, 2014	\$0	\$399,932	\$399,932	0.00%	\$316,532	126.35%

Note:

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

**Bienville Parish Assessor**  
**Schedule of Employer's Share of Net Pension Liability**  
**December 31, 2017**

Actuarial Valuation Date	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
September 30, 2015	0.816347%	\$427,213	\$331,663	128.81%	85.57%
September 30, 2016	0.745004%	\$262,889	\$330,476	79.55%	90.68%
September 30, 2017	0.757528%	\$132,928	\$330,976	40.16%	95.61%

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

**Bienville Parish Assessor  
Schedule of Employer Contributions  
December 31, 2017**

Actuarial Valuation Date	Contractually Required Contribution	Contributions in Relations to Contractual Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a Percentage of Covered Payroll
September 30, 2015	\$44,774	\$44,774	\$0	\$331,663	13.50%
September 30, 2016	\$41,704	\$41,704	\$0	\$330,476	12.62%
September 30, 2017	\$32,021	\$32,021	\$0	\$330,976	9.67%

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

**OTHER SUPPLEMENTARY INFORMATION**

**PART III**

BIENVILLE PARISH ASSESSOR  
Arcadia, LouisianaSchedule of Compensation, Benefits and Other Payments to Agency Head  
For the Year Ended December 31, 2017

CAROL JONES, ASSESSOR

<u>PURPOSE</u>	<u>AMOUNT</u>
Salary	\$130,479
Expense allowance	14,498
Benefits-insurance	20,965
Benefits-retirement	14,498
Benefits-deferred compensation	1,350
Benefits-other	1,027
Per diem	243
Registration fees	455
Continuing education fees	140
Housing and lodging	1,157
Membership dues - Association	3,400

**REPORTS REQUIRED BY  
GOVERNMENT AUDITING STANDARDS  
PART III**

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

The following independent auditor's report on compliance and internal control over financial reporting is presented in compliance 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.

Member:  
American Institute of  
Certified Public Accountants  
Society of Louisiana Certified  
Public Accountants

**MARY JO FINLEY, CPA, INC.**  
A PROFESSIONAL ACCOUNTING CORPORATION  
116 Professional Drive - West Monroe, LA 71291  
Phone (318) 329-8880 - Fax (318) 239-8883

Practice Limited to  
Governmental Accounting,  
Auditing and  
Financial Reporting

**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 *Government Auditing Standards***

BIENVILLE PARISH ASSESSOR  
Arcadia, 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 Bienville Parish Assessor, a component unit of the Bienville Parish Police Jury, as of and for the year ended December 31, 2017 and the related notes to the financial statements, which collectively comprise the Bienville Parish Assessor's basic financial statements, and have issued my report thereon dated February 12, 2018.

**Internal Control Over Financial Reporting**

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

*A deficiency in internal control* exist 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.

BIENVILLE PARISH ASSESSOR

Arcadia, Louisiana

Independent Auditor's Report on Compliance

And Internal Control Over Financial Reporting, etc.

December 31, 2017

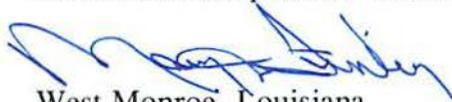
My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control 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 Bienville Parish Assessor's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of 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 is required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Bienville Parish Assessor'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 Bienville Parish Assessor's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



West Monroe, Louisiana

February 12, 2018

BIENVILLE PARISH ASSESSOR  
Arcadia, Louisiana

Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2017

**A. SUMMARY OF AUDIT RESULTS**

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

**B. FINDINGS - FINANCIAL STATEMENTS AUDIT**

None

BIENVILLE PARISH ASSESSOR  
Arcadia, Louisiana

Summary Schedule of Prior Audit Findings  
For the Year Ended December 31, 2017

There were no findings reported in the audit report for the year ended December 31, 2016.

**MARY JO FINLEY, CPA, INC.**

*A PROFESSIONAL CORPORATION*

116 Professional Drive - West Monroe, LA 71291

Phone (318) 329-8880 - Fax (318) 329-8883

Independent Accountant's Report  
on Applying Agreed-Upon Procedures

Bienville Parish Assessor  
100 Courthouse Drive, Suite 1200  
Arcadia, LA 71001

To the Bienville Parish Assessor's Office

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

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

**AGREED-UPON PROCEDURES**

**1. WRITTEN POLICIES AND PROCEDURES**

- A. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:

The assessor gave me a policy and procedures manual to test against the agreed upon procedures.

- B. Budgeting, including preparing, adopting, monitoring, and amending the budget.

The budgeting policy and procedure is in compliance with the agree upon procedures guidelines.

- C. Purchasing, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

The purchasing policies and procedures appear to be mostly in compliance with the agree upon procedures guidelines. The Assessor does not use purchase orders or requisitions. The policy and procedures outlines any purchases requiring compliance with the bid law. There are not enough employees to segregate as much as wanted by the AUP guidelines.

- D. Disbursements, including processing, reviewing, and approving

The Assessor has no policies and procedures concerning disbursements because they do not collect and disburse any funds.

- E. Receipts, including receiving, recording, and preparing deposits

The Assessor has a written policy and procedures for receipts, recording and preparing documents. There are not enough employees to segregate as much as wanted by the AUP guidelines.

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

The Assessor has policies and procedures pertaining to payroll/personnel. It addresses several areas such as leave time, holiday time, compensatory time. The Assessor is responsible for tracking the leave time and other compensatory time. The Assessor is in compliance with the AUP guidelines.

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

The Assessor has written policies and procedures concerning contracting. The Assessor is in compliance with the AUP guidelines.

- H. 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.

The Assessor has a written polices and procedures addressing credit cards. There are not enough employees to segregate as much as wanted by the AUP guidelines.

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

The Assessor has policies and procedures in place to cover the above categories. The Assessor is in compliance with the AUP guidelines.

- J. 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. Note: Ethics requirements are not applicable to nonprofits.

The Assessor has an ethics policies and procedures in place. All employees are required to take the online ethics course.

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

The Assessor has a written policies and procedures in place for debt service. At this time, the Assessor has no outstanding debt.

### **BOARD (OR FINANCE COMMITTEE, IF APPLICABLE)**

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

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

---

- 2. Obtain and review the board/committee minutes for the fiscal period, and:
  - a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.
  - b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).
    - ▶ If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.
  - c) Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.

### **BANK RECONCILIATIONS**

- 3. Obtain a listing of client bank accounts from management and management's representation that the listing is complete.

The agency provided me with a certified list of all bank accounts.

4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:

The agency had a total of 6 bank accounts, so a random sample of 5 bank accounts were selected to test the following:

- A) Bank reconciliations have been prepared;

For the 5 bank accounts selected above, all were reconciled each month for the period tested.

- B) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation;

For the 5 bank accounts selected above, it was determined that 4 of the 5 bank reconciliations are performed by the Assessor. The other account is reconciled by the office manager and reviewed by the Assessor.

- C) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

For the 5 bank accounts selected above, 4 of the 5 accounts had no outstanding reconciling items over six months. One account had outstanding reconciling items over 6 months old.

## COLLECTIONS

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

Agency provided me with a certified list of collection locations and I verified that it was complete.

6. Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis (if more than 5 locations). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* **For each cash collection location selected:**

The agency has 1 collection location. It was selected for testing for the following:

- A) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.

The Assessor's office has a bond that covers employee theft for the Assessor, the other employees in the office are not covered by an theft policy. The agency has no cash register. All checks for the assessors office are received by the chief deputy and she prepares and makes the deposits. Then the Assessor posts the cash receipts to the quickbooks accounting software. Deposits are taken to the bank on the day that checks are received. At the end of the month the assessor reconciles the bank statements, except for the payroll account, which is reconciled by the office manager and reviewed by the assessor.

- B) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.

The checks received are deposited when received. The assessor's office does not receive any cash. The deposit is made by the chief deputy. The deposit is posted to the accounting system when collected by the assessor.

- C) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:

The agency provided a certified list of the highest (dollar) week of cash collections for each collection location. We verified the highest week was January 8, 2017 thru January 14, 2017, which was tested for the following:

- ▶ Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.
- ▶ The 3 funds were tested for deposits of collections. For the week tested, none of the 3 funds made daily deposits.
- ▶ Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

The only fund of the assessor's office was tested for deposits of collections. All collections for the week tested had proper documentation. Deposits are made when the checks are received

7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation) by a person who is not responsible for collections.

The agency has a written policies or procedures to determine completeness of collections or revenue sources.

**DISBURSEMENTS-GENERAL (EXCLUDING CREDIT CARD/DEBIT CARD/P-CARD PURCHASES OR PAYMENTS)**

8. Obtain a listing of entity disbursements from management or, alternately, obtain the general ledger and sort/filter for entity disbursements. Obtain management's representation that the listing or general ledger population is complete.

Agency provided a complete year to date general ledger for the operating fund and represented that the general ledger was complete.

9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debit card/P-card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:

- A) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.

The Assessor does not use a purchase order system. The Assessor has ultimate approval on all purchases.

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

The Assessor does not use a purchase order system. The Assessor has ultimate approval on all purchases.

- C) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.

Of the disbursements selected to be tested, all were processed with all of the required support. The Assessor does not use purchase orders or requisitions.

10. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system.

Bienville Parish Assessor uses Quickbooks software which does not allow them to restrict any user from adding vendors.

11. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.

The Assessor prepares and signs all checks and reconciles all of the bank accounts, except for the payroll account, which is reconciled by the office manager and reviewed by the Assessor. The Assessor has ultimate approval on all purchases.

12. Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those person that do not have signatory authority, and report any exceptions. Alternately, if the checks are electronically printed on blank check stock, review entity documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks.

The unused checks are stored in a secure location, but are not restricted to the employees with signatory authority.

13. If a signature stamp or signature machine is used, inquire of the signer whether his or her signature is maintained under his or her control or is used only with the knowledge and consent of the signer. Inquire of the signer whether signed checks are likewise maintained under the control of the signer or authorized user until mailed. Report any exceptions.

The Bienville Parish Assessor's office does not use a signature check stamp.

## CREDIT CARDS/DEBIT CARDS/FUEL CARDS/P-CARDS

14. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

The Assessor provided a certified list of its 2 active credit cards, fuel cards, etc.

15. Using the listing prepared by management, randomly select 10 cards, (or at least one-third of the cards if the entity has less than 10 cards) that were used during the fiscal period, rotating cards each year. If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner.

From the list in #14, 2 cards (Assessor only has 2 cards) were randomly selected to test the following:

Obtain the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Select the monthly statement or combined statement with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

- A) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.])

The Assessor has 2 credit cards. The Assessor is ultimately responsible for all purchases. The Assessor reviews all credit card statements, signs the checks and reconciles the operating bank account. The Assessor is the authorized card holder.

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

The Assessor has 2 credit cards, it was noted that one month had finance charges of \$2.99.

16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for the card selected (i.e. each of the cards should have one month of transactions subject to testing).

A) For each transaction, report whether the transaction is supported by:

- ▶ An original itemized receipt (i.e., identifies precisely what was purchased)

The credit card statements tested had all original itemized receipts.

- ▶ Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.

The Assessor's charges were for business purposes.

- ▶ Other documentation that may be required by written policy (e.g., purchase order, written authorization.)

There is no other documentation required for the credit card purchases.

B) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing/disbursement policies and the Louisiana Public Bid Law (i.e. transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.

There were no charges on the credit card that meets the requirements for using the bid law.

C) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g.

cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

The Assessor had no credit card transactions that violate Article 7, Section 14 of the Louisiana Constitution.

## **TRAVEL AND EXPENSE REIMBURSEMENT**

17. Obtain from management a listing of all travel and related expense reimbursements, by person, during the fiscal period or, alternately, obtain the general ledger and sort/filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete.

The agency provided me with a certified list of employees who received travel or related expense reimbursements during the testing period.

18. Obtain the entity's written policies related to travel and expense reimbursements. Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)) and report any amounts that exceed GSA rates.

Agency has written policy and procedures for travel. The 3 employees selected that were paid the highest amount for travel or related expenses during the test period were tested against the written policies and procedures - no exceptions noted.

19. Using the listing or general ledger from #17 above, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expense selected:

The 3 employees with the most travel costs during the test period were selected and tested for the following:

The Assessor travel costs were tested against the written policies and procedures - no exceptions noted.

- A) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.

The agency has written policies or procedures for travel and the 3 employees that received the most reimbursements for travel and related were tested against the policy - no exceptions noted.

- B) Report whether each expense is supported by:

- ▶ An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]

The 3 employees that received the most travel and related reimbursements during the test period were tested against the travel and related policies - no exceptions noted.

- ▶ Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).

The 3 employees that received the most travel and related reimbursements during the test period were tested against the agency policies and procedures - no exceptions noted.

- ▶ Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)

No other documentation is required by the agency for travel reimbursements.

- C) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

No violations of Article 7 Section 14 were noted during testing.

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

All employees that received any travel or related expense reimbursements during the test period were approved by the Assessor.

## CONTRACTS

- 20. Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management's representation that the listing or general ledger is complete.

Agency provided a certified list of all contracts in effect during the test period.

- 21. Using the listing above, select the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices:

The 5 contracts that were paid the most money were selected from the list of contracts from #20 and tested for the following:

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

Agency has a formal/written contract for all selected to be tested.

B) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:

- ▶ If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder)
- ▶ If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.

For the contracts tested, none of them required compliance with the public bid law. The agency did solicit quotes to get the best deal for the Assessor's office.

C) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.

The contracts selected were not amended.

D) Select the largest payment from each of the five contracts, obtain the supporting invoices, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.

The contract payments that were tested were in compliance with the contract terms and conditions.

E) Obtain/review contract documentation and board minutes and report whether there is a documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).

This is not applicable to the Assessor.

## PAYROLL AND PERSONNEL

22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:

Agency provided a certified list of all employees with their authorized salaries. Five employees were selected to test the following:

- A) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.

The 5 employees of the Assessor that were chosen to be tested, were paid in accordance with the terms and conditions of their employment.

- B) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.

All changes to the salaries of the 5 employees chosen were approved by the Assessor in writing.

23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:

- A) Report whether all selected employees/official 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.)

Of the 5 employees selected, all employees that are eligible to earn leave time documented their daily attendance. The agency tracks leave time earned and used, to make sure no excess leave time is taken. The

employees are allowed to accumulate leave time and carry forward. They are not allowed to be paid for any leave time upon termination.

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

Of the 5 employees that were selected, the assessor approved the employees attendance and leave time.

- C) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

The agency prepares an annual schedule of leave time earned and used and tracks it manually on an excel spreadsheet.

- 24. Obtain from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtain the personnel files for the two employees/officials. Report whether the termination payments were made in strict accordance with policy and/or contract and approved by management.

The agency provided a certified list of employees terminated during the test period. There were 5 employees terminated during the test period. None of the employees were paid for any excess time that they had not earned.

- 25. Obtain supporting documentation (e.g. cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether the employee and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.

During testing of the agency it was determined that the Bienville Parish Assessor's office is submitting payroll tax, retirement contributions and required forms by the required deadlines.

## **ETHICS (EXCLUDING NONPROFITS)**

26. Using the five randomly selected employees/officials from procedure #22 under "Payroll and Personnel" above, obtain ethics compliance documentation from management and report whether the entity maintained documentation to demonstrate that required ethics training was completed.

Agency provided support for ethics training for the 4 of the 5 randomly selected employees above. One employee selected left before the ethics training for the year was completed.

27. Inquire of management whether any alleged ethics violations were reported to the entity during the fiscal period. If applicable, review documentation that demonstrates whether management investigated alleged ethics violations, the corrective actions taken, and whether management's actions complied with the entity's ethics policy. Report whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.

There were no ethics violations reported to the Assessor's office during the test period.

## **DEBT SERVICE (EXCLUDING NONPROFIT)**

The Assessor has no debt outstanding, therefore this section is not applicable.

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

The Bienville Parish Assessor had no debt outstanding during the test period that required bond commission approval.

29. If the entity had outstanding debt during the fiscal period, obtain supporting documentation from the entity and report whether the entity made scheduled debt service payments and maintained debt reserves, as required by debt covenants.

The Bienville Parish Assessor has no debt outstanding during the test period.

30. If the entity had tax millages relating to debt service, obtain supporting documentation and report whether millage collections exceed debt service payments by more than 10% during the fiscal period. Also, report any millages that continue to be received for debt that has been paid off.

The Bienville Parish Assessor has no debt outstanding, therefore, this does not apply.

## **OTHER**

31. Inquire of management whether the entity had any misappropriations of public funds or assets. If so, obtain/review supporting documentation and report whether the entity reported the misappropriation to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

The Assessor's office has no known misappropriation of funds during the test period.

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

I observed the fraud hotline notice posted on the premises and a link to the notice was posted on the website.

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

There were no other exceptions noted during procedures.

I was not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, 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.

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



Mary Jo Finley, CPA

February 12, 2018

# *Carol T. Brown, CLA*

**Bienville Parish Assessor**  
100 Courthouse Drive, Suite 1200  
Arcadia, LA 71001

Phone: 318-263-2214

Fax: 318-263-7439

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February 12, 2018

1. C. Written policies and procedures were in place for the AUP testing period. As Assessor, I am ultimately responsible for all purchasing; therefore we have not segregated the duties as much as suggested by the AUP procedures due to the size of our staff.
1. E. Written policies and procedures were in place for the AUP testing period. As Assessor, I am ultimately responsible for all receipts; therefore we have not segregated the duties as much as suggested by the AUP procedures due to the size of our staff.
1. H. Written policies and procedures were in place for the AUP testing period. As Assessor, I am ultimately responsible for all credit cards; therefore we have not segregated the duties as much as suggested by the AUP procedures due to the size of our staff.
4. B. Our office does not have enough personnel to have the bank reconciliations prepared by an employee with no involvement in the transactions associated with the bank accounts.
4. C. We are in the process of researching reconciled items that have been outstanding for more than six months.
6. A. We are reviewing our current insurance policy and will research the options to insure or obtain surety bond coverage for all employees that deposit funds.
9. B. As Assessor, I am ultimately responsible for all purchasing; therefore we have not segregated the duties as much as suggested by the AUP procedures due to the size of our staff.
10. Our software does not allow us to restrict users from adding vendors.
11. As Assessor, I am ultimately responsible for all financial activity in the office and it is not cost effective for me to employ enough personnel for a complete segregation of duties.
12. The unused checks are stored in a secure location, but are not restricted to the employee with signatory authority.
15. A. As Assessor, I am ultimately responsible for all credit cards; therefore we have not segregated the duties as much as suggested by the AUP procedures due to the size of our staff.
15. B. In the future, we will make sure the credit cards are paid in a timely manner.

26. Our office requires online ethics training; the employee selected was terminated before the ethics training was done for 2017.

A handwritten signature in blue ink that reads "Carol T. Brown". The signature is written in a cursive style with a large initial 'C' and 'B'.

Carol T. Brown, CLA  
Bienville Parish Assessor