

EVANGELINE PARISH ASSESSOR
Ville Platte, Louisiana

Financial Report
Year Ended December 31, 2018

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INDEPENDENT AUDITOR'S REPORT

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The Honorable Dirk Deville
Evangeline Parish Assessor
Ville Platte, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of the Evangeline Parish Assessor (Assessor), as of and for the year ended December 31, 2018, 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

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

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

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

Opinions

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

Change in Accounting Principle

As discussed in Note 13 to the financial statements, the Assessor has adopted the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that budgetary comparison information, schedule of changes in total OPEB liability and related ratios, schedule of employer's share of net pension liability, and schedule of employer contributions, pages 29-32, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Other Information

The other supplementary information budgetary comparison schedule (page 35) has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 9, 2019, on our consideration of the Assessor's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Assessor's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Assessor's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Ville Platte, Louisiana
May 9, 2019

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

EVANGELINE PARISH ASSESSOR
Ville Platte, Louisiana

Statement of Net Position
December 31, 2018

	<u>Governmental Activities</u>
ASSETS	
Cash and interest-bearing deposits	\$2,031,088
Receivables	799,754
Prepaid items	10,207
Capital assets, net	<u>44,359</u>
Total assets	<u>2,885,408</u>
DEFERRED OUTFLOWS OF RESOURCES	
Other postemployment benefit obligation	660
Pension plan	<u>233,756</u>
Total deferred outflows of resources	<u>234,416</u>
LIABILITIES	
Net OPEB obligation payable	1,921,408
Net pension liability	<u>159,938</u>
Total liabilities	<u>2,081,346</u>
DEFERRED INFLOWS OF RESOURCES	
Other postemployment benefit obligation	126,052
Pension plan	<u>163,187</u>
Total deferred inflows of resources	<u>289,239</u>
NET POSITION	
Net investment in capital assets	37,466
Unrestricted	<u>711,773</u>
Total net position	<u>\$ 749,239</u>

The accompanying notes are an integral part of the basic financial statements.

EVANGELINE PARISH ASSESSOR
Ville Platte, Louisiana

Statement of Activities
For the Year Ended December 31, 2018

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues</u> Charges for Services	<u>Net (Expense) Revenues and Changes in Net Position</u> Governmental Activities
Governmental activities:			
General government	\$ 2,264,536	\$ 11,832	\$(2,252,704)
General revenues:			
Property taxes			769,057
State revenue sharing			38,586
Non-employer pension contribution			111,119
Miscellaneous			12,939
Interest and investment earnings			28,147
Total general revenues			959,848
Change in net position			(1,292,856)
Net position, January 1, 2018, as restated			2,042,095
Net position - December 31, 2018			\$ 749,239

The accompanying notes are an integral part of the basic financial statements.

FUND FINANCIAL STATEMENTS (FFS)

EVANGELINE PARISH ASSESSOR
Ville Platte, Louisiana

Balance Sheet
Governmental Fund - General Fund
December 31, 2018

ASSETS

Cash and interest-bearing deposits	\$2,031,088
Receivables:	
Ad valorem tax	761,171
State revenue sharing	38,583
Prepaid items	<u>10,207</u>
Total assets	<u>\$2,841,049</u>

DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE

Deferred inflows of resources:	
Unavailable revenue - property taxes	<u>71,923</u>
Fund balance:	
Nonspendable (prepaid items)	10,207
Unassigned	<u>2,758,919</u>
Total fund balance	<u>2,769,126</u>
Total deferred inflows of resources and fund balance	<u>\$2,841,049</u>

The accompanying notes are an integral part of the basic financial statement.

EVANGELINE PARISH ASSESSOR
Ville Platte, Louisiana

Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Position
December 31, 2018

Total fund balance for the governmental fund at December 31, 2018		\$2,769,126
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds. Those assets consist of:		
Furniture and equipment, net of \$183,042 accumulated depreciation		44,359
Revenues that have been deferred are unearned in the governmental funds but are recognized as revenue in the government-wide financial statements		
		71,923
Deferred outflows of expenditures for the retirement system and OPEB obligation are not available resources and therefore, are not reported in the funds. Deferred outflows of resources at year end consist of:		
Deferred outflows related to pensions	\$ 233,756	
Deferred outflows related to OPEB obligations	<u>660</u>	234,416
Long-term liabilities are not due and payable in the current period and therefore, are not reported in the funds. Long-term liabilities at year end consist of:		
Net OPEB obligation payable	(1,921,408)	
Net pension liability	<u>(159,938)</u>	(2,081,346)
Deferred inflows of contributions for the retirement system and OPEB obligation are not payable from current expendable resources, and therefore, are not reported in the fund financial statements. Deferred inflows of resources at year end consist of:		
Deferred inflows related to pensions	(163,187)	
Deferred inflows related to OPEB obligations	<u>(126,052)</u>	<u>(289,239)</u>
Net position at December 31, 2018		<u>\$ 749,239</u>

The accompanying notes are an integral part of the basic financial statements.

EVANGELINE PARISH ASSESSOR
Ville Platte, Louisiana

Statement of Revenues, Expenditures, and Change in Fund Balance -
Governmental Fund - General Fund
For the Year Ended December 31, 2018

Revenues:	
Taxes - ad valorem	\$ 761,016
Intergovernmental revenues-	
State revenue sharing	38,586
Tax roll fees	479
Informational services	11,353
Miscellaneous income	12,939
Interest on deposits	<u>28,147</u>
Total revenues	<u>852,520</u>
Expenditures:	
Current -	
Personnel services and related benefits	641,043
Operating services	39,115
Materials and supplies	44,359
Travel and other charges	17,952
Capital outlay	<u>28,701</u>
Total expenditures	<u>771,170</u>
Net change in fund balance	81,350
Fund balance, beginning	<u>2,687,776</u>
Fund balance, ending	<u>\$2,769,126</u>

The accompanying notes are an integral part of the basic financial statements.

EVANGELINE PARISH ASSESSOR
Ville Platte, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and
Change in Fund Balance of Governmental Fund
to the Statement of Activities
For the Year Ended December 31, 2018

Total net change in fund balance for the year ended December 31, 2018 per statement of revenues, expenditures and change in fund balance		\$ 81,350
The change in net position reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay which is considered expenditures on statement of revenues, expenditures and changes in fund balance	\$ 28,701	
Depreciation expense	<u>(10,904)</u>	17,797
Revenues reported in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds		
Change in unavailable revenues		8,041
Expenses in the statement of activities that do not require the use of current financial resources are not reported in the governmental funds		
Other post employment benefits	(1,442,556)	
Pension expense	<u>(68,607)</u>	(1,511,163)
Non-employer contributions to the Louisiana Assessors' Retirement Fund		<u>111,119</u>
Change in net position for the year ended December 31, 2018 per statement of activities		<u><u>\$ (1,292,856)</u></u>

The accompanying notes are an integral part of the basic financial statements.

EVANGELINE PARISH ASSESSOR
Ville Platte, Louisiana

Notes to the Basic Financial Statements

(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. The Assessor assesses property, prepares tax rolls and submits the rolls to the Louisiana Tax Commission as prescribed by law.

The accompanying financial statements of the Evangeline Parish Assessor (Assessor) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

A. Financial Reporting Entity

This report includes all funds which are controlled by the Assessor as an independently elected parish official. Control by or dependence on the Assessor was determined on the basis of general oversight responsibility. The Assessor is fiscally dependent on the Evangeline Parish Police Jury since the Assessor's office is located in the Courthouse, the upkeep and maintenance of the courthouse is paid by the Police Jury and certain operating expenditures of the Assessor's office are paid by the Police Jury.

As an independently elected official, the Assessor is solely responsible for the operations of his office, which includes the hiring or retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net position and statement of activities display information about the reporting government as a whole. They include the fund of the reporting entity, which is considered to be a governmental activity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Assessor's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the statement of activities. Program revenues include (a) fees, fines and charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

EVANGELINE PARISH ASSESSOR
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

Fund Financial Statements (FFS)

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

The fund of the Assessor is classified as a governmental fund. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The major fund of the Assessor is described below:

Governmental Fund – 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.

C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net position and the statement of activities, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery) and financial position. All assets and liabilities (whether current or noncurrent) associated with its activities are reported. Government-wide fund equity is classified as net position. In the fund financial statements, the “current financial resources” measurement focus is used. Only current financial assets and liabilities are generally included on its balance sheet. Their operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of the period.

EVANGELINE PARISH ASSESSOR
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

Basis of Accounting

In the government-wide statement of net position and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues are classified by source and expenditures are classified by function and character. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Program revenues

Program revenues included in the statement of activities are derived directly from the program itself or from parties outside the Assessor's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Assessor's general revenues.

Use of Restricted Resources

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

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Equity

Cash and interest-bearing deposits

For purposes of the statement of net position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the Assessor.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include ad valorem taxes and state revenue sharing. Ad valorem taxes are reported net of an allowance for uncollectible taxes. At December 31, 2018, an allowance for ad valorem taxes was considered unnecessary due to immateriality.

EVANGELINE PARISH ASSESSOR
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2018, are recorded as prepaid items. The Assessor uses the consumption method to account for prepaid items.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their acquisition value at the date of donation. The Assessor maintains a threshold level of \$5,000 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

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

Furniture, fixtures and equipment	5-10 years
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Compensated Absences

Employees of the Assessor's office earn from 10 to 20 days of vacation leave each year (depending on length of service) and 12 days of sick or personal leave each year. Vacation leave and sick or personal leave does not accumulate and is not payable upon termination or retirement. At December 31, 2018, there are no accumulated or vested benefits relating to vacation or sick leave that are required to be accrued or reported.

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. The Assessor's deferred outflows and inflows of resources on the government-wide statement are attributable to its pension plan and OPEB plan. Ad valorem taxes for the governmental fund which have not been remitted within 60 days subsequent to year end are considered deferred inflows of resources.

Equity Classifications

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

EVANGELINE PARISH ASSESSOR
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

- a. Net investment in capital assets – consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.
- b. Restricted net position – consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.
- c. Unrestricted net position – consist of all other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balances of the governmental funds are classified as follows.

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed – amounts that can be used only for specific purposes determined by a formal decision of the Assessor, which is the highest level of decision-making authority for the Evangeline Parish Assessor.
- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Assessor’s adopted policy, only the Assessor may assign amounts for specified purposes.
- e. Unassigned – all other spendable amounts.

When an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available, the Assessor considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Assessor considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Assessor has provided otherwise in his commitment or assignment actions.

EVANGELINE PARISH ASSESSOR
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

E. Use of Estimates

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

(2) Cash and Interest-Bearing Deposits

Under state law, the Assessor may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Assessor may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2018, the Assessor has cash and interest-bearing deposits (book balances) totaling \$2,031,088 as follows:

Demand deposits	\$ 748,631
Time and savings	<u>1,282,457</u>
Total	<u>\$2,031,088</u>

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Assessor's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law these deposits (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties. As of December 31, 2018, bank balances were secured as follows:

Bank balances	<u>\$2,044,903</u>
Federal deposit insurance	\$1,100,000
Pledged securities	<u>944,903</u>
Total	<u>\$2,044,903</u>

Deposits in the amount of \$944,903 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institutions' trust department or agent, but not in the Assessor's name. The Assessor does not have a policy for custodial credit risk.

(3) Capital Assets

Capital asset balances and activity for the year ended December 31, 2018 follow:

EVANGELINE PARISH ASSESSOR
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

	Balance 1/1/2018	Additions	Deletions	Balance 12/31/2018
Furniture, fixtures and equipment	\$ 220,677	\$ 28,701	\$ 21,977	\$ 227,401
Less: accumulated depreciation	194,115	10,904	21,977	183,042
Net capital assets	\$ 26,562	\$ 17,797	\$ -	\$ 44,359

Depreciation expense of \$10,904 was charged to the general government function.

(4) Ad Valorem Taxes

Pursuant to Act 174 of 1990, Louisiana Revised State Statute 47:1925.2 created a special assessment district to provide ad valorem tax revenue to fund the Assessor's office.

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied in September or October and billed to the taxpayers by the Evangeline Parish Sheriff in December. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Evangeline Parish Assessor and are collected by the Sheriff.

For the year ended December 31, 2018, taxes were levied at the rate of 3.14 mills on property with assessed valuations totaling \$243,046,381.

Total taxes levied during 2018 were \$763,167. Taxes receivable at December 31, 2018, were \$758,880. There was no allowance for uncollectible taxes at December 31, 2018.

(5) Pension Plan

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension expense, information about the fiduciary net position of the Louisiana Assessors' Retirement and Relief Fund, and additions to/deductions from the system's fiduciary net position have been determined on the same basis as they are reported by the system. The system's financial statements are prepared using the accrual basis of accounting. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

Plan Description

Substantially all employees of the Assessor, except part-time and temporary employees, are members of the Louisiana Assessors' Retirement and Relief Fund (System), a cost sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The Plan provides pension, death, and disability benefits.

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

EVANGELINE PARISH ASSESSOR
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

Pension Benefits

Employees who were hired before October 1, 2013, will be eligible for pension benefits once they have either reached the age of fifty-five and have at least twelve years of service or have at least thirty years of service, regardless of age. Employees who were hired on or after October 1, 2013, will be eligible for pension benefits once they have either reached the age of sixty and have at least twelve years of service or have reached the age of fifty-five and have at least thirty years of service. Employees who became members prior to October 1, 2006 are entitled to annual pension benefits equal to three and one-third percent of their average final compensation based on the 36 consecutive months of highest pay, multiplied by their total years of service, not to exceed 100% of final compensation. Employees who become members on or after October 1, 2006 will have their benefit based on the highest 60 months of consecutive service. Employees may elect to receive their pension benefits in the form of a joint/survivor annuity.

Contributions

Contributions for all members are established by statute at 8.0% of earned compensation. Employer contributions were 8% of members' earnings for the year ended September 30, 2018. The Fund also receives one-fourth of one percent of the property taxes assessed in each parish of the state as well as a state revenue sharing appropriation. According to state statute, in the event that contributions for ad valorem taxes and revenue sharing funds are insufficient to provide for the gross employer actuarially required contribution, the employer is required to make direct contributions as determined by the Public Retirement System's Actuarial Committee. Although the direct employer actuarially required contribution for the fiscal year ended September 30, 2018 is 5.24%, the actual employer contribution rate for the fiscal year ended September 30, 2018 was 8.00%. Contributions from non-employer contributing entities were \$111,119. Contributions to the pension plan from the Assessor were \$29,110 for the year ended December 31, 2018.

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

At September 30, 2018, the Assessor reported a liability of \$159,938 for its proportionate share of the net pension liability. The net pension liability was measured as of September 30, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Assessor's proportion of the net pension liability was based on a projection of the Assessor's long-term share of contributions to the pension plan relative to the projected contributions of all participating employer's, actuarially determined. At September 30, 2018, the Assessor's proportion was .822710%, which was an decrease of .026021% from its proportion measured as of September 30, 2017.

Changes in the net pension liability may either be reported in pension expense in the year the change occurred or recognized as a deferred outflow of resources or a deferred inflow of resources in the year the change occurred and amortized into pension expense over a number of years. For the year ended December 31, 2018, the Assessor recognized \$97,717 in pension expense.

EVANGELINE PARISH ASSESSOR
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

At December 31, 2018, 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
Difference between expected and actual experience	\$ 12,068	\$ 73,226
Change of assumptions	205,235	-
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	9,176	8,532
Net differences between projected and actual earnings on plan investments	-	81,429
Contributions subsequent to the measurement date	7,277	-
Total	\$ 233,756	\$ 163,187

Deferred outflows of resources of \$7,277 related to pensions resulting from the Assessor's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31			
2019			\$ 36,599
2020			(11,061)
2021			(1,539)
2022			20,464
2023			18,829
			\$ 63,292

Actuarial Methods and Assumptions

The current year actuarial assumptions utilized for this report are based on the assumptions used in the September 30, 2018 actuarial funding valuation, which (with the exception of mortality) were based on results of an actuarial experience study for the period July 1, 2009 – June 30, 2014. In cases where benefit structures were changed after the study period, assumptions were based on estimates of future experience. All assumptions selected were determined to be reasonable and represent expectations of future experience for the Fund.

EVANGELINE PARISH ASSESSOR
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

Actuarial Cost Method	Entry age normal
Investment rate of return (discount rate)	6.25%, net of pension plan investment expense, including inflation
Inflation Rate	2.20%
Salary Increases	5.75%
Annuitant and beneficiary mortality	RP 2000 Healthy Annuitant Table set forward one year and projected to 2030 for males and females.
Active members mortality	RP-2000 Employee Table set back four years for males and three years for females.
Disabled Lives Mortality	RP-2000 Disabled Lives Mortality Table set back five years for males and three years for females.
Expected remaining services lives	6 years

Discount Rate

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

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

The long-term expected rate of return selected for this report by the Fund was 6.25%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from the participating employers and non-employer contributing entities will be made at actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on these assumptions and the other assumptions and methods as specified in this report, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. Thus, the discount rate used to measure the total pension liability was 6.25%.

EVANGELINE PARISH ASSESSOR
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

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

Sensitivity to Changes in Discount Rate

The following presents the net pension liability of the Fund calculated using the discount rate of 6.25%, as well as what the Fund’s net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.25%) or one percentage point higher (7.25%) than the current discount rate (assuming all other assumptions remain unchanged):

	1% Decrease 5.25%	Current Discount Rate 6.25%	1% Increase 7.25%
Net Pension Liability	\$ 537,939	\$ 159,938	\$ (163,901)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s assets, deferred outflows, deferred inflows, and fiduciary net position that were used in the measurement of the Assessor’s net pension liability is available in the separately issued plan financial reports at <http://www.louisianaassessors.org>.

(6) Deferred Compensation Plan

The Evangeline Parish Assessor offers its employees participation in the State of Louisiana Public Employees Deferred Compensation Plan adopted by the Louisiana Deferred Compensation Commission and established in accordance with Internal Revenue Code Section 457. Complete disclosures relating to the plan are included in the separately issued audit report for the plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana, 70804-9397.

(7) Post-Retirement Health Care and Life Insurance Benefits

In adopting the requirements of Governmental Accounting Standard Board (GASB) Statement No. 75 during the year ended December 31, 2018, the Assessor recognizes the cost of postemployment healthcare and life insurance benefits in the year when employee services are received, recognizes a liability for OPEB obligations, known as the total OPEB liability, on the statement of net position, and provides information useful in assessing potential demands on the Assessor’s future cash flows. Changes in total OPEB liability will be immediately recognized as OPEB expense on the statement of activities or reported as deferred inflows/outflows of resources depending on the nature of the change.

EVANGELINE PARISH ASSESSOR
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

General Information about the OPEB Plan

Plan Description: Continuing health care and life insurance benefits are provided for those retired employees who have reached normal retirement age while employed by the Assessor. The plan is a cost sharing, multiple-employer defined benefit health care plan administered by the Insurance Committee of the Assessor’s Insurance Fund dba Louisiana Assessor’s Association. The Insurance Committee of the Assessor’s Insurance Fund has the authority to establish and amend the benefit provisions of the plan. The plan issued a publicly available financial report. No assets are accumulated in a trust that meets the criteria of paragraph 4 of Statement No. 75.

Benefits Provided: The Assessor provides medical, dental, and life insurance coverage for eligible employees, retirees, and their dependents through the Louisiana Assessor’s Association. The Assessor pays for the cost of the employee’s and retiree’s medical, dental, and life coverage. The retiree can also elect to cover his or her spouse and dependents but must pay the entire premium for their coverage. The Assessor recognizes the cost of providing these benefits (the Assessor’s portion of premiums) as an expenditure when the monthly premiums are due. The benefits are financed on a pay-as-you-go basis.

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

Inactive employees currently receiving benefits payments	3
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	5
	8

Total OPEB Liability

The Assessor’s total OPEB liability of \$1,921,408 was measured as of December 31, 2018 and was determined by an actuarial valuation as of January 1, 2018.

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

Actuarial cost method	Entry-Age Normal
Inflation	2.50%
Salary increases, including inflation	2.50%
Discount rate	3.71%
Health care cost trend rates	
Medical	0.00% for 2019, varying gradually until an ultimate rate of 5.0% for 2024 and beyond.

EVANGELINE PARISH ASSESSOR
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

The discount rate was based on the 12/31/2018 Fidelity General Obligation AA 20-year yield.

Mortality rates for active employees were based on the RPH-2014 Employee Mortality Table, Generational with Projection Scale MP-2018 for males or females, as appropriate. Mortality rates for retirees were based on the RPH-2014 Healthy Annuitant Mortality Table, Generational with Projection Scale MP-2018 for males and females, as appropriate. Mortality rates for disabled retirees were based on the RPH-2014 Disabled Mortality Table, Generational with Projection Scale MP-2018 for males or females, as appropriate.

Changes in the Total OPEB Liability

The following presents changes in the total OPEB liability.

Balance at 12/31/2017	<u>\$ 1,980,384</u>
Changes for the year:	
Service cost	62,457
Interest	66,873
Difference between expected and actual experience	754
Changes in assumptions/inputs	(144,060)
Benefit payments	<u>(45,000)</u>
Net changes	<u>(58,976)</u>
Balance at 12/31/2018	<u>\$ 1,921,408</u>

Sensitivity of the total OPEB liability to changes in the discount rate: The following presents the total OPEB liability of the Assessor, as well as what the Assessor's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.71 percent) or one percentage point higher (4.71 percent) than the current discount rate:

	1% Decrease <u>2.71%</u>	Discount Rate <u>3.71%</u>	1% Increase <u>4.71%</u>
Tota OPEB liability	<u>\$2,414,950</u>	<u>\$1,921,408</u>	<u>\$1,684,420</u>

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

	1% Decrease <u>1.678%</u>	Discount Rate <u>3.71%</u>	1% Increase <u>4.71%</u>
Tota OPEB liability	<u>\$1,678,926</u>	<u>\$1,921,408</u>	<u>\$2,435,636</u>

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

For the year ended December 31, 2018, the Assessor recognized an OPEB expense of \$111,416. At December 31, 2018, the Assessor reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

EVANGELINE PARISH ASSESSOR
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 660	\$ -
Change of assumptions or other inputs	-	126,052
Total	\$ 660	\$ 126,052

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

Year Ended June 30,			
2019			\$ (17,914)
2020			(17,914)
2021			(17,914)
2022			(17,914)
2023			(17,914)
Thereafter			(35,822)
			\$ (125,392)

(8) Expenditures of the Assessor Paid by the Evangeline Parish Police Jury

The Evangeline Parish Police Jury provided the office space and utilities for the Assessor's office for the year ended December 31, 2018. These expenditures are not reflected in the accompanying financial statements.

(9) Compensation, Benefits, and Other Payments to Assessor

A detail of compensation, benefits, and other payments paid to the Assessor, Dirk Deville, for the year ended December 31, 2018 follows:

Purpose	Amount
Salary	\$ 131,797
Expense allowance	13,179
Benefits - insurance	11,762
Benefits - retirement	23,196
Benefits - deferred compensation	12,500
Auto allowance	17,397
Cell phone	2,390
Meals	436
	\$ 212,657

EVANGELINE PARISH ASSESSOR
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

(10) Tax Abatements

The Evangeline Parish Assessor is subject to property tax abatements as follows:

A lease agreement between the Industrial Development Board and Pine Prairie Energy Center, LLC, in connection with, the issuance of the \$50,000,000 Industrial Development Revenue Bonds, allowed for the exemption of ad valorem taxes. This agreement, which was approved by the Evangeline Parish Police Jury, is for the inducement of economic development in Evangeline Parish. The tax exemption will continue for the term of the lease. For the year ended December 31, 2018 the Assessor abated ad valorem tax in the amount of \$69,710.

The Industrial Ad Valorem Tax Exemption Program (ITEP) provided through the Louisiana Department of Economic Development, (authorized pursuant to Article VII, Part II, Section 21(F) of the Louisiana Constitution of 1974) authorizes the abatement of ad valorem taxes for a period of up to ten years on capital improvements and equipment related to manufacturing. The Assessor abated property taxes to entities in the parish through the ITEP in the amount of \$36,963 for the year ended December 31, 2018.

(11) Risk Management

The Assessor is exposed to risks of loss in the areas of auto and property liability and surety bonds. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year, nor have settlements exceeded coverage for the past three years.

(12) Litigation

There is no litigation pending against the Assessor at December 31, 2018.

(13) Prior Period Adjustment

During the current fiscal year, the Assessor implemented Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. This statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense. This statement replaces the requirements of Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits other than Pensions*. The implementation resulted in a restatement of previously reported net position as follows:

	<u>Governmental Activities</u>
January 1, 2018 net position, as reported	\$1,961,856
Change in accounting principle:	
Net effect of recording total OPEB liability	<u>80,239</u>
January 1, 2018 net position, as restated	<u>\$2,042,095</u>

**REQUIRED
SUPPLEMENTARY INFORMATION**

EVANGELINE PARISH ASSESSOR
Ville Platte, Louisiana

Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2018

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes - Ad valorem	\$ 760,000	\$ 766,750	\$ 761,016	\$(5,734)
Intergovernmental revenues-				
State revenue sharing	39,000	38,989	38,586	(403)
Tax roll fees	-	-	479	479
Informational services	6,000	11,850	11,353	(497)
Miscellaneous income	500	12,940	12,939	(1)
Interest on deposits	13,000	27,900	28,147	247
Total revenues	<u>818,500</u>	<u>858,429</u>	<u>852,520</u>	<u>(5,909)</u>
Expenditures:				
Current -				
Personnel services and related benefits	638,278	640,746	641,043	(297)
Operating services	18,100	37,942	39,115	(1,173)
Materials and supplies	25,480	44,359	44,359	-
Travel and other charges	25,150	17,993	17,952	41
Capital outlay	50,000	28,701	28,701	-
Total expenditures	<u>757,008</u>	<u>769,741</u>	<u>771,170</u>	<u>(1,429)</u>
Net change in fund balance	61,492	88,688	81,350	(7,338)
Fund balance, beginning	<u>2,687,776</u>	<u>2,687,776</u>	<u>2,687,776</u>	<u>-</u>
Fund balance, ending	<u>\$2,749,268</u>	<u>\$2,776,464</u>	<u>\$2,769,126</u>	<u>\$(7,338)</u>

EVANGELINE PARISH ASSESSOR
Ville Platte, Louisiana

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

	<u>2018</u>
Total OPEB Liability	
Service cost	\$ 62,457
Interest on total OPEB liability	66,873
Difference between expected and actual experience	754
Changes in assumptions or other inputs	(144,060)
Benefit payments	<u>(45,000)</u>
Net change in OPEB liability	(58,976)
Total OPEB liability, beginning	<u>1,980,384</u>
Total OPEB liability, ending	<u>\$ 1,921,408</u>
Covered payroll	<u>\$ 363,871</u>
Total OPEB liability as a percentage of covered payroll	<u>528.05%</u>

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

EVANGELINE PARISH ASSESSOR
Ville Platte, Louisiana

Schedule of Employer's Share of Net Pension Liability
For the Year Ended December 31, 2018

Year Ended December 31,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2018	0.822710%	\$ 159,938	\$ 358,915	44.6%	95.46%
2017	0.848731%	\$ 148,928	\$ 392,858	37.9%	95.61%
2016	0.860154%	\$ 303,522	\$ 346,626	87.6%	90.68%
2015	0.813420%	\$ 425,681	\$ 327,307	130.1%	85.57%

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

EVANGELINE PARISH ASSESSOR
Ville Platte, Louisiana

Schedule of Employer Contributions
For the Year Ended December 31, 2018

<u>Year ended December 31,</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractual Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a % of Covered Payroll</u>
2018	\$29,110	\$29,110	\$ -	\$363,872	8.00%
2017	\$34,097	\$34,097	\$ -	\$358,915	9.50%
2016	\$49,416	\$49,416	\$ -	\$392,858	12.58%
2015	\$46,794	\$46,794	\$ -	\$346,625	13.50%

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

EVANGELINE PARISH ASSESSOR
Ville Platte, Louisiana

Notes to Required Supplementary Information
For the Year Ended December 31, 2018

(1) Budgets and Budgetary Accounting

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

A proposed budget is prepared and submitted to the Assessor for the fiscal year no later than fifteen days prior to the beginning of each fiscal year. A summary of the proposed budget is published, and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called. A public hearing is held on the proposed budget at least ten days after publication of the call for a hearing. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted. All budgetary appropriations lapse at the end of each fiscal year. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the Assessor.

(2) Pension Plan

Changes of Assumptions – Changes of assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. There were no changes of benefit terms for the year ended December 31, 2018.

(3) OPEB Plan

Changes in Benefit Terms – There were no changes in benefit terms.

Changes of Assumptions – Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The discount rate increased from 3.31% to 3.71% from prior to current year.

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

(4) Excess of Expenditures Over Appropriations

The General Fund incurred expenditures in excess of appropriations for the year ended December 31, 2018 in the amount of \$1,429.

OTHER SUPPLEMENTARY INFORMATION

EVANGELINE PARISH ASSESSOR
Ville Platte, Louisiana

Budgetary Comparison Schedule
General Fund - Expenditures
For the Year Ended December 31, 2018

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Current:				
Personnel services and related benefits -				
Salaries:				
Assessor	\$ 131,797	\$ 131,797	\$ 131,797	\$ -
Deputy assessors	285,804	282,799	281,745	1,054
Expense allowance	13,180	13,179	13,179	-
Auto allowance	17,397	17,397	17,397	-
Payroll tax	8,600	8,561	8,561	-
Deferred compensation	30,000	28,100	28,100	-
Group insurance	116,500	129,803	130,100	(297)
Pension expense	35,000	29,110	30,164	(1,054)
Total personnel services and related benefits	<u>638,278</u>	<u>640,746</u>	<u>641,043</u>	<u>(297)</u>
Operating services -				
Professional fees	10,000	28,621	28,621	-
Insurance	100	2,570	3,743	(1,173)
Telephone	6,500	6,593	6,593	-
Equipment rent	1,500	158	158	-
Total operating services	<u>18,100</u>	<u>37,942</u>	<u>39,115</u>	<u>(1,173)</u>
Materials and supplies -				
Office supplies and expense	25,480	44,359	44,359	-
Travel and other charges -				
Auto expense	1,400	987	987	-
Dues and subscriptions	15,750	12,100	12,059	41
Travel and conventions	8,000	4,906	4,906	-
Total travel and other charges	<u>25,150</u>	<u>17,993</u>	<u>17,952</u>	<u>41</u>
Capital outlay	50,000	28,701	28,701	-
Total expenditures	<u>\$ 757,008</u>	<u>\$ 769,741</u>	<u>\$ 771,170</u>	<u>\$ (1,429)</u>

**INTERNAL CONTROL
AND
COMPLIANCE**

KOLDER, SLAVEN & COMPANY, LLC

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

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* A Professional Accounting Corporation

The Honorable Dirk Deville
Evangeline Parish Assessor
Ville Platte, Louisiana

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the Evangeline Parish Assessor (Assessor), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Assessor's basic financial statements, and have issued our report thereon dated May 9, 2019.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying summary schedule of current and prior year audit findings and corrective action plan, as items 2018-001 and 2018-002, that we consider to be significant deficiencies.

Compliance and Other Matters

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

Evangeline Parish Assessor's Response to Findings

The Evangeline Parish Assessor's response to the findings identified in our audit is described in the accompanying summary schedule of current and prior year audit findings and corrective action plan. The Assessor's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Ville Platte, Louisiana
May 9, 2019

EVANGELINE PARISH ASSESSOR
Ville Platte, Louisiana

Summary Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan
For the Year Ended December 31, 2018

CURRENT YEAR (12/31/2018)

Internal Control

2018-001 **Segregation of Accounting Duties**

Condition: The Assessor does not have an adequate segregation of functions within the accounting system.

Criteria: Segregation of accounting duties is imperative to promote a strong internal control structure and proper monitoring.

Cause: The additional costs required to achieve the desired benefit were not economically feasible.

Effect: Misstatements and/or misappropriation could occur.

Recommendation: We recommend that the Assessor properly segregate duties.

Management Response: Based on the size of the operation and cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of accounting duties.

2018-002 **Financial Reporting**

Condition: The Assessor did not apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including related notes.

Criteria: Proper preparation of financial statements is imperative for management to monitor financial results.

Cause: The additional costs required to achieve the desired benefit were not economically feasible.

Effects: Financial statements will not represent GAAP as required by accounting standards.

Recommendation: We recommend the Assessor prepare financial statements that are in accordance with GAAP.

Management Response: The Assessor has determined that it will outsource this task to its independent auditors and will carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.

Compliance:

There were no compliance findings noted.

PRIOR YEAR (12/31/2017)

Internal Control

2017-001 See finding 2008-001 above.

2017-002 See finding 2008-002 above.

Compliance

There were no compliance findings noted.

**Evangeline Parish Tax Assessor
Ville Platte, Louisiana**

**Statewide Agreed-Upon Procedures Report
Year Ended December 31, 2018**

KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

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To the Management of the Evangeline Parish Assessor

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

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

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) **Disbursements**, including processing, reviewing, and approving
 - d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
 - e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
 - f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases)
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

No exceptions noted in 1a-j.

Bank Reconciliations

2. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:
 - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
 - b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
 - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

No exceptions noted in 2a-c.

Collections

3. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
4. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.

Employees share a drawer.

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

No exceptions noted.

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

The employee that posts collection entries to the general ledger can also collect cash.

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

The employee responsible for reconciling cash collections to the general ledger is responsible for collecting cash.

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

Employees responsible for collecting cash are not bonded.

- 6. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).

One deposit was not made within one business day of collection. We could not determine collection date on one deposit.

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

No exceptions noted.

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

7. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
8. For each location selected under #7 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

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

No exception noted.

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

No exception noted.

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

The employee that processes payments can add/modify vendor files.

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

The person responsible for processing the payment mails the payment.

9. For each location selected under #7 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

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

No exceptions noted.

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

No exceptions noted.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

10. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
11. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder. [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.]

One credit card was not approved by someone other than the card holder.

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

No exceptions noted.

12. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

No receipt available on one transaction.

Contracts

13. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
- b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
- c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.
- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

No exceptions noted 13a-d.

Ethics

14. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:

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

No exceptions noted.

Debt Service

15. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.

No bonds/notes issued during the year.

16. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.

No bonds/notes outstanding at the end of the fiscal period.

Management's Response

Management of the Evangeline Parish Assessor concurs with the exceptions and are working to address the deficiencies identified.

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

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Ville Platte, Louisiana
May 9, 2019