

IBERVILLE PARISH ASSESSOR

Plaquemine, Louisiana

Financial Report

Year Ended December 31, 2017

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INDEPENDENT AUDITORS' REPORT

The Honorable J. Randy Sexton
Iberville Parish Assessor
Plaquemine, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of the Iberville Parish Assessor, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Iberville Parish Assessor's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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, we consider 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 Iberville Parish Assessor, as of December 31, 2017, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, schedule of funding progress, schedule of employer's share of net pension liability, schedule of employer contributions, and notes to the required supplementary information on pages 36 through 40 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 the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2018, on our consideration of the Iberville Parish Assessor's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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 Iberville Parish Assessor's internal control over financial reporting and compliance.

Champagne & Company, LLC
Certified Public Accountants

Breaux Bridge, Louisiana
June 22, 2018

BASIC FINANCIAL STATEMENTS

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

IBERVILLE PARISH ASSESSOR
 Plaquemine, Louisiana
 Statement of Net Position
 December 31, 2017

	Governmental Activities
ASSETS	
Current Assets:	
Cash and interest-bearing deposits	\$ 1,227,496
Receivables:	
Ad valorem taxes	1,069,798
Allowance for uncollectibles	(23,349)
Other	15,290
Prepaid expenses	37,410
Total current assets	2,326,645
Noncurrent assets:	
Capital assets, net	135,790
Total assets	2,462,435
DEFERRED OUTFLOWS OF RESOURCES	229,028
LIABILITIES	
Current Liabilities:	
Accounts payable	9,286
Accrued payroll and payroll liabilities	1,343
Total current liabilities	10,629
Noncurrent liabilities:	
OPEB obligation	1,496,755
Net pension liability	209,628
Total noncurrent liabilities	1,706,383
Total liabilities	1,717,012
DEFERRED INFLOWS OF RESOURCES	151,199
NET POSITION	
Investment in capital assets	135,790
Unrestricted	687,462
Total net position	\$ 823,252

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

IBERVILLE PARISH ASSESSOR
Plaquemine, Louisiana

Statement of Activities
For the Year Ended December 31, 2017

Expenses:

General government:

Personnel services and related benefits	\$ 1,118,570
Operating services	98,386
Office materials and supplies	30,837
Travel and other charges	11,705
Professional services	<u>9,980</u>

Total expenses 1,269,478

General revenues:

Property taxes	1,169,784
State revenue sharing	12,562
Interest and investment earnings	9,845
Other	<u>219,129</u>
Total general revenues	<u>1,411,320</u>

Change in net position 141,842

Net position at beginning of year 681,410

Net position at end of year \$ 823,252

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

FUND FINANCIAL STATEMENTS (FFS)

IBERVILLE PARISH ASSESSOR
Plaquemine, Louisiana

Balance Sheet - Governmental Fund
December 31, 2017

ASSETS

Cash and interest-bearing deposits	\$ 1,227,496
Receivables:	
Ad valorem taxes	1,069,798
Allowance for uncollectibles	(23,349)
Other	15,290
Prepaid expenses	<u>37,410</u>
 Total assets	 <u>\$ 2,326,645</u>

LIABILITIES AND FUND BALANCE

Liabilities:	
Accounts payable	\$ 9,286
Accrued payroll and payroll liabilities	<u>1,343</u>
 Total liabilities	 <u>10,629</u>
 Fund Balance:	
Nonspendable	37,410
Restricted	-
Committed	-
Assigned	-
Unassigned	<u>2,278,606</u>
 Total fund balance	 <u>2,316,016</u>
 Total liabilities and fund balance	 <u>\$ 2,326,645</u>

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

IBERVILLE PARISH ASSESSOR
Plaquemine, Louisiana

Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Position
December 31, 2017

Total fund balance for the governmental fund at December 31, 2017		\$2,316,016
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:		
Equipment and vehicles, net of \$489,089 accumulated depreciation		135,790
General long-term debt of governmental activities is not payable from current resources and, therefore, not reported in the funds. This debt is:		
Net OPEB obligation payable	\$(1,496,755)	
Net pension liability	(209,628)	
Deferred outflows of resources	229,028	
Deferred inflows of resources	<u>(151,199)</u>	<u>(1,628,554)</u>
Total net position of governmental activities at December 31, 2017		<u>\$ 823,252</u>

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

IBERVILLE PARISH ASSESSOR
Plaquemine, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Fund
For the Year Ended December 31, 2017

Revenues:

Intergovernmental revenues -	
Ad valorem taxes	\$ 1,169,784
State revenue sharing	12,562
Interest	9,845
Other	<u>81,830</u>
Total revenues	<u>1,274,021</u>

Expenditures:

Current -	
Personnel services and related benefits	872,163
Operating services	70,640
Office materials and supplies	30,837
Travel and other charges	11,705
Professional services	9,980
Capital outlay	<u>69,008</u>
Total expenditures	<u>1,064,333</u>

Excess of revenues over
expenditures 209,688

Fund balance, beginning of year 2,106,328

Fund balance, end of year \$ 2,316,016

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

IBERVILLE PARISH ASSESSOR
Plaquemine, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balance of the Governmental Fund
to the Statement of Activities
For the Year Ended December 31, 2017

Total net change in fund balance for the year ended December 31, 2017 per Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 209,688
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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 Balances	\$ 69,008	
Depreciation expense for the year ended December 31, 2017	<u>(20,944)</u>	48,064

Because governmental funds do not record fixed assets and accumulated
depreciation, any assets sold does not affect the statement of revenues,
expenditures, and changes in fund balances. However, in the statement of
activities, a gain or lose is shown on assets that are sold and the proceeds
from the sale are considered a revenue on the Statement of Revenues,
Expenditures, and Changes in Fund Balances.

Loss on sale on asset	(8,339)	
Proceeds from sale of asset	<u>(19,250)</u>	(27,589)

Net increase in OPEB obligation at December 31, 2017	(134,469)
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Effect of GASB 68 (revenue less expense)	<u>46,148</u>
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Total change in net position at December 31, 2017 per Statement of Activities	<u>\$ 141,842</u>
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The accompanying notes are an integral part of the basic financial statements.

IBERVILLE PARISH ASSESSOR
Plaquemine, Louisiana

Notes to 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 Iberville 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.

Such accounting and reporting procedures also conform to the industry audit guide, *Audits of State and Local Governmental Units*.

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

For financial reporting purposes, the Assessor includes all funds that are controlled by the Assessor as an independently elected parish official. The activities of the parish government, parish school board, other independently elected parish officials, and municipal level government are not included within the accompanying financial statements as they are considered autonomous governments. These units of government issue financial statements separate from that of the Parish Assessor.

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. 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. Program revenues include (a) fees 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.

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.

IBERVILLE PARISH ASSESSOR
Plaquemine, Louisiana

Notes to Basic Financial Statements (continued)

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. It is used to account for and report all financial resources not accounted for and reported in another fund. 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.

IBERVILLE PARISH ASSESSOR
Plaquemine, Louisiana

Notes to 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.

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.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Assessor maintains a threshold level of \$500 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.

IBERVILLE PARISH ASSESSOR
Plaquemine, Louisiana

Notes to Basic Financial Statements (continued)

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 and equipment	2-10 years
Mapping	20 years

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 further 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.

Equity Classifications

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

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

IBERVILLE PARISH ASSESSOR
Plaquemine, Louisiana

Notes to Basic Financial Statements (continued)

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

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

Restricted — amounts that can 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.

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

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

Unassigned — all other spendable amounts.

As of December 31, 2017, fund balances are composed of the following:

	General Fund
Nonspendable:	\$ 37,410
Restricted:	-
Committed:	-
Assigned:	-
Unassigned:	2,278,606
Total fund balances	\$2,316,016

IBERVILLE PARISH ASSESSOR
Plaquemine, Louisiana

Notes to Basic Financial Statements (continued)

When an expenditure is incurred for 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 the 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 its commitment or assignment actions.

E. Paid Time Off

Employees of the Assessor's office earn from 20 to 25 days of paid time off each year (depending on length of service) which can be used to cover any type of absence such as vacation, sick, etc. Unused paid time off cannot be accumulated.

F. Cash and Interest-Bearing Deposits

Cash and interest-bearing deposits include amounts in demand deposits, time deposits, and interest-bearing securities invested with the Louisiana Asset Management Pool (LAMP) which is stated at cost. An investment in the amount of \$1,028,645 at December 31, 2017 is deposited in LAMP, a local government investment pool. In accordance with GASB Codification Section I50.165, the investment in LAMP is not categorized into the three risk categories provided by GASB Codification Section I50.164 because the investment is in the pool of funds and thereby 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. 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 its pool shares.

(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, 2017, the Assessor has cash and interest-bearing deposits (book balances) totaling \$1,227,496.

IBERVILLE PARISH ASSESSOR
Plaquemine, Louisiana

Notes to Basic Financial Statements (continued)

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 the 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 the pledge of securities owned by the pledging financial institution. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit within the financial institution. These securities are held in the name of the pledging financial institution in a holding or custodial bank that is mutually acceptable to both parties.

Deposit balances (bank balances) at December 31, 2017, are secured as follows:

Bank balances	<u>\$ 255,775</u>
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At December 31, 2017 the deposits are secured as follows:

Federal deposit insurance	255,775
Pledged securities	<u>-</u>
Total	<u>\$ 255,775</u>

There were no deposits exposed to custodial credit risk.

The Assessor had only one investment on which GASB Statement No. 31 applied. This investment was an investment in LAMP. GASB Statement No. 31 requires that investments, that fall within the definitions of said statement, be recorded at fair value. However, Statement No. 31 also states that investments in an external investment pool can be reported at amortized cost if the external investment pool operates in a manner consistent with the Security Exchange Commission's (SEC's) Rule 2a7. LAMP is an external investment pool that operates in a manner consistent with SEC Rule 2a7. LAMP is also regulated by the Treasury of the State of Louisiana and fair value of the position in the pool is the same as the value of pool shares.

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.

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.

IBERVILLE PARISH ASSESSOR
Plaquemine, Louisiana

Notes to Basic Financial Statements (continued)

At December 31, 2017 the Assessor's investment, at cost, is \$1,028,645. The amortized cost of this investment at December 31, 2017 is \$1,030,275. Because cost approximates amortized cost, the carrying value was not adjusted.

(3) Capital Assets

Capital asset balances and activity for the year ended December 31, 2017 are as follows:

	Balance 12/31/16	Additions	Deletions	Balance 12/31/17
Maps	\$ 278,904	\$ -	\$ -	\$ 278,904
Furniture and equipment	276,967	29,108		306,075
Vehicles	59,120	39,900	(59,120)	39,900
Totals	614,991	69,008	(59,120)	624,879
Less: Accumulated depreciation	(499,676)	(20,944)	31,531	(489,089)
Net capital assets	<u>\$ 115,315</u>	<u>\$ 48,064</u>	<u>(27,589)</u>	<u>\$ 135,790</u>

Depreciation expense of \$20,944 was charged to the general government function.

(4) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. During the current fiscal year, taxes were levied in May and billed to the taxpayers by the Iberville Sheriff in November. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. An allowance is established for delinquent taxes to the extent that collection has not occurred in the two months following the close of the calendar year.

The taxes are based on assessed values determined by the Iberville Parish Tax Assessor and are collected by the Sheriff. The taxes are remitted to the Tax Assessor net of deductions for pension fund contributions.

Ad valorem taxes are budgeted and recorded in the year levied and billed. For the year ended December 31, 2017, special assessment district taxes were levied at the rate of 2.06 mills on property with taxable assessed valuations totaling \$572,147,130.

Total special assessment district taxes levied during 2017 were \$1,178,618. Taxes receivable, at December 31, 2017, was \$1,069,798 and the allowance for uncollectible receivables was \$23,349.

(5) Litigation

There is no pending litigation against the Assessor's Office as of December 31, 2017.

IBERVILLE PARISH ASSESSOR
Plaquemine, Louisiana

Notes to Basic Financial Statements (continued)

(6) Risk Management

The Assessor is exposed to risks of loss in the areas of general and auto liability and workers' compensation. Those risks are handled by purchasing commercial insurance. There have been no significant reductions in insurance coverage during the current year nor have settlements exceeded coverage for the past three years.

(7) Expenditures of the Assessor Paid by the Parish Government

The Assessor's office is located in the Iberville Parish Courthouse. The upkeep and maintenance of the building is paid by the Iberville Parish Council. The parish council also furnished the Assessor with some office furniture and equipment. In addition, the Parish Council also pays some of the Assessor's operating expenditures. These expenditures are not reflected in the accompanying financial statements.

(8) Deferred Compensation Plan

Certain employees of the Assessor participate in the Louisiana Public Employees Deferred Compensation Plan adopted under the provisions of the Internal Revenue Code (IRC) 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.

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

From an accrual accounting perspective, the cost of postemployment healthcare and life insurance benefits should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. In adopting the requirements of GASB Statement No. 45 during the year ended December 31, 2009, the Assessor recognizes the cost of postemployment healthcare in the year when employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the Assessor's future cash flows. Because the Assessor is adopting the requirements of GASB Statement No. 45 prospectively, recognition of the liability accumulated from prior years will be phased in over 30 years, commencing with the 2009 liability.

Plan Description: In accordance with the Employer Health and Welfare Benefit Plan established in November 1986, the Assessor provides certain continuing health care benefits for its retired employees. The plan is a single-employer defined benefit health care plan administered by the Assessor. The Assessor has the authority to establish and amend the benefit provisions of the plan. The plan does not issue a publicly available financial report.

Funding Policy: The Assessor contributes 100% of the cost of current year premiums for eligible retired employees and their spouses. 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.

IBERVILLE PARISH ASSESSOR
Plaquemine, Louisiana

Notes to Basic Financial Statements (continued)

Annual OPEB Cost: The Assessor's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over an open period not to exceed thirty years. The Assessor utilizes the level-dollar amortization method to amortize the unfunded actuarial accrued liability.

The following table shows the components of the Assessor's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Assessor's net OPEB obligation:

Annual required contribution	\$ 221,609
Interest on net OPEB obligation	53,051
Adjustment to annual required contribution	<u>(86,987)</u>
Annual OPEB cost (expense)	187,673
Contributions made	<u>(53,204)</u>
Increase in net OPEB obligation	134,469
Net OPEB obligation - beginning of year	<u>1,362,286</u>
Net OPEB obligation - end of year	<u>\$ 1,496,755</u>

The Assessor's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2017 is as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2015	\$ 193,481	28.0%	\$ 1,228,757
12/31/2016	\$ 190,169	30.0%	\$ 1,362,286
12/31/2017	\$ 187,673	28.0%	\$ 1,496,755

Fiscal year 2009 was the year of implementation of GASB Statement No. 45 and the Assessor has elected to implement prospectively. Three-year trend information is presented.

IBERVILLE PARISH ASSESSOR
Plaquemine, Louisiana

Notes to Basic Financial Statements (continued)

Funded Status and Funding Progress: The funded status of the plan as of December 31, 2017, was as follows:

Actuarial accrued liability (AAL)	\$ 2,064,787
Actuarial valuation of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 2,064,787</u>
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	\$ 521,686
UAAL as a percentage of covered payroll	396%

Actuarial valuations for an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to continuous revision as actual results are compared to past expectations and new estimates about the future are formulated. Although the valuation results are based on values which the Assessor's actuarial consultant believes are reasonable assumptions, the valuation results reflect a long-term perspective and, as such, are merely an estimate of what future costs may actually be. Deviations in any of several factors, such as future interest rates, medical cost inflation, Medicare coverage, and changes in marital status, could result in actual costs being less or greater than estimated.

The schedule of funding progress presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2015 actuarial valuation, the unit credit actuarial cost method was used. The significant actuarial assumptions used in the valuation of the plan are as follows:

1. Investment return of 4% per annum, compounded annually.
2. Retirement Rates

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Notes to Basic Financial Statements (continued)

<u>Age</u>	<u>Male</u>	<u>Female</u>
46-49	22.0%	22.0%
50-54	44.0%	44.0%
55-57	4.0%	4.0%
58-62	18.0%	18.0%
63+	28.0%	28.0%

3. 100% of employees who elect coverage while in active employment and who are eligible for retiree benefits are assumed to elect continued medical coverage in retirement.
4. 80% of members electing coverage are assumed to also elect coverage for a spouse.
5. The inflation rate is 6.5%.
6. The initial health care trend rate is 6.8% and the ultimate rate (84 years later) is 4.6%.

(10) Pension Plan / GASB 68

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Louisiana Assessors' Retirement Fund and Subsidiary (Fund) and additions to/deductions from the Fund's fiduciary net position have been determined on the same basis as they are reported by the Fund. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Summary of Significant Accounting Policies

The Louisiana Assessors' Retirement Fund prepares its employer schedules in accordance with Governmental Accounting Standards Board (GASB) 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 outflows, deferred inflows, pension expense and amortization periods for deferred outflows and deferred inflows.

IBERVILLE PARISH ASSESSOR
Plaquemine, Louisiana

Notes to Basic Financial Statements (continued)

Basis of Accounting

The Louisiana Assessors' Retirement Fund's employer schedules are prepared using the accrual basis of accounting. Employer contributions, for which the employer allocations are based, are 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 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 and assumptions primarily relate to actuarial valuations or unsettled transactions and events as of the date of the financial statements and estimates in the determination of the fair market value of the Fund's investments. Accordingly, actual results may differ from estimated amounts.

Fund Employees

The Fund is not allocated a proportionate share of the net pension liability related to its employees. The net pension liability attributed to the Fund's employees is allocated to the remaining employers based on their respective employer allocation percentage.

Plan Description

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

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,

IBERVILLE PARISH ASSESSOR
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Notes to Basic Financial Statements (continued)

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:

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

Death Benefits

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

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

IBERVILLE PARISH ASSESSOR
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Notes to Basic Financial Statements (continued)

spouse shall be entitled to receive a monthly benefit equal to the amount being received prior to remarriage.

Disability Benefits

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

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

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

Back-Deferred Retirement Option Plan (Back-DROP)

In lieu of receiving a normal retirement benefit pursuant to R.S. 11:1421 through 1423, an eligible member of the Fund may elect to retire and have their benefits structured, calculated, and paid as provided in this section.

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

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

At the time of retirement, a member who elects to receive a Back-DROP benefit shall select a Back-DROP period to be specified in whole months. The duration of the Back-DROP period shall not exceed the lesser of thirty-six months or the number of months of creditable service accrued after the member first attained eligibility for normal retirement.

IBERVILLE PARISH ASSESSOR
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Notes to Basic Financial Statements (continued)

The Back-DROP period shall be comprised of the most recent calendar days corresponding to the member's employment for which service credit in the Fund accrued.

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

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

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

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

IBERVILLE PARISH ASSESSOR
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Notes to Basic Financial Statements (continued)

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.

Employer Contributions

Contributions for all members are established by statute at 8.0% of earned compensation. The Iberville Parish Assessor has chosen to fund the employee's share of retirement contributions.

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 10.00% of members' earnings for the year ended September 30, 2017.

The Fund also receives one-fourth of one percent of the property taxes assessed in each parish of the state, except for Orleans Parish which is one percent, as well as a state revenue sharing appropriation. According to state statute, in the event that contributions for ad valorem taxes and revenue sharing funds are insufficient to provide for the gross employer actuarially required contribution, the employer is required to make direct contributions as determined by the Public Retirement System's Actuarial Committee. Although the direct employer actuarially required contribution for the fiscal year ended September 30, 2017 is 4.69%, the actual employer contribution rate for the fiscal year ended September 30, 2017 was 10.00%. The actual rate differs from the actuarially required rate due to state statutes that require the contribution rate be calculated and set one year prior to the year effective. The minimum direct employer actuarially required contribution will be 5.25% for fiscal year 2018.

Schedule of Employer Allocations

The schedule of employer allocations reports the employer contributions in addition to the employer allocation percentage. The employer contributions are used to determine the proportionate relationship of each employer to all employers of Louisiana Assessors' Retirement Fund and Subsidiary. The allocation percentages were used in calculating each employer's proportionate share of the pension amounts.

The allocation method used in determining each employer's proportion was based on the employer's contribution effort to the plan for the current fiscal year as compared to the total of all employers' contribution effort to the plan for the current fiscal year. The employers' contribution effort was based on actual employer contributions made to the Retirement Fund for the fiscal year ended September 30, 2017.

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 \$209,628 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

IBERVILLE PARISH ASSESSOR
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Notes to Basic Financial Statements (continued)

actuarial valuation as of that date. The Assessor's proportion of the net pension liability was based on a projection of the Assessor's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At September 30, 2017, the Assessor's proportion was 1.194661%, which was an increase of .028086% from its proportion measured as of September 30, 2016.

For the year ended December 31, 2017, the Assessor recognized pension expense of \$161,318 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$798. The Assessor recognized revenue of \$158,086 for non-employer contributing entities contributions.

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experiences	\$ 23,366	\$ 65,816
Net difference between projected and actual earnings on pension plan investments	-	81,119
Changes of assumptions	131,110	-
Change in proportion and differences between employer contributions and proportionate share of contributions	24,376	4,264
Employer contributions subsequent to the measurement date	<u>50,176</u>	<u>-</u>
Total	<u>\$ 229,028</u>	<u>\$ 151,199</u>

IBERVILLE PARISH ASSESSOR
Plaquemine, Louisiana

Notes to Basic Financial Statements (continued)

Deferred outflows of resources of \$50,176 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, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Fiscal Year Ended	Amount
12/31/2018	\$ 27,341
12/31/2019	38,016
12/31/2020	(33,141)
12/31/2021	(19,338)
12/31/2022	14,775
	<u>\$ 27,653</u>

Actuarial Methods and Assumptions:

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

IBERVILLE PARISH ASSESSOR
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Notes to Basic Financial Statements (continued)

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2017 are as follows:

Valuation Date	September 30, 2017
Actuarial Cost Method	Entry Age Normal
Expected Remaining Service Lives	6 years
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation
Inflation Rate	2.50%
Projected Salary Increases	5.75%
Annuitant and beneficiary mortality	RP 2000 Healthy Annuitant Table set forward one year and projected to 2030 for males and females.
Active Members Mortality	RP-2000 Employee Table set back four years for males and three years for females.
Disabled Lives Mortality	RP-2000 Disabled Lives Mortality Tables set back five years for males and three years for females.

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, 2017, are summarized in the following table.

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Plaquemine, Louisiana

Notes to Basic Financial Statements (continued)

Asset Class	Long-term Expected Real Rate of Return
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 was 6.75%. 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 participating employers and non-employer contributing entities will be made at actuarially determined contribution rates, which are determined by the Board of Trustees and the Public Retirement Systems' Actuarial Committee.

Sensitivity to Employer's 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 Fund's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current discount rate (assuming all other assumptions remain unchanged):

	Changes in Discount Rate		
	1%	Current	1%
	Decrease 5.75%	Discount Rate 6.75%	Increase 7.75%
Employer's proportionate share of net pension liability	\$ 710,856	\$ 209,628	\$(220,056)

Change in Net Pension Liability

The changes in the net pension liability for the year ended September 30, 2017 were recognized in the current reporting period as pension expense except as follows:

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

IBERVILLE PARISH ASSESSOR
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Notes to Basic Financial Statements (continued)

resulted in a deferred outflow of resources in the amount of \$23,366 and a deferred inflow of resources in the amount of \$65,816 for the year ended December 31, 2017.

- B. Differences between projected and actual investment earnings: Differences between projected and actual investment earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed five-year period. The difference between projected and actual investment earnings resulted in a deferred inflow of resources in the amount of \$81,119 for the year ended December 31, 2017.
- C. Changes of assumptions or other inputs: Changes of assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. Changes of assumptions or other inputs resulted in a deferred outflow of resources in the amount of \$131,110 for the year ended December 31, 2017.
- D. Changes in proportion: Changes in the employer's proportionate shares of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in employer's pension expense (benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan. Changes in proportion or other differences between employer contributions and the proportionate share of contributions resulted in a deferred outflow of resources in the amount of \$24,376 and a deferred inflow of resources in the amount of \$4,264 for the year ended December 31, 2017.

Contributions-Proportionate Share

Differences between contributions remitted to the Fund and the employer's proportionate share are recognized in pension expense (benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a pension through the pension plan. The resulting deferred inflow/outflow and amortization is not reflected in the schedule of pension amounts by employer due to differences that could arise between contributions reported by the Fund and contributions reported by the participating employer.

Retirement Fund Audit Report

The Louisiana Assessors' Retirement Fund and Subsidiary has issued a stand-alone audit report on their financial statements for the year ended September 30, 2017. Access to the report can be found on the Louisiana Legislative Auditor's website, www.lia.la.gov, or by contacting the Louisiana Assessors' Retirement Fund, Post Office Box 14699, Baton Rouge, Louisiana 70898.

IBERVILLE PARISH ASSESSOR
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Notes to Basic Financial Statements (continued)

(11) Act 706 - Schedule of Compensation, Reimbursements, Benefits and Other Payments to Entity Head

Under Act 706, the Iberville Parish Assessor is required to disclose the compensation, reimbursements, benefits, and other payments made to the assessor, in which the payments are related to the position. The following is a schedule of payments made to the assessor for the year ended December 31, 2017.

Agency Head Name: J. Randy Sexton, Assessor

Base salary (as allowed by RS 47:1907 (A) (1) (b))	\$ 88,290
Additional salary (as allowed by RS 47:1907 (I))	10,000
Additional salary (as allowed by RS 47:1907 (J))	7,000
Additional salary (as allowed by RS 47:1907 (H) (2))	7,370
Additional salary (as allowed by RS 47:1907(K))	19,136
Expense allowance (as allowed by RS 47:1907 (B))	13,180
Benefits - insurance (as allowed by RS 47:1923)	10,720
Benefits - retirement--employer portion (as allowed by RS 11:1481)	13,773
Benefits - retirement--employee portion funded by employer (as allowed by RS 11:1481 (2) (b) (i))	11,598
Benefits - deferred compensation (as allowed by RS 42:1301-1309)	<u>10,873</u>
Total	<u>\$ 191,940</u>

(12) New Accounting Pronouncements

In June 2015, the GASB approved Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. GASB Statement No. 75 replaces the requirements of GASB Statement No. 45 relating to accounting and financial reporting by employers for postemployment benefits other than pensions. The provisions of GASB Statement No. 75 must be implemented by the Iberville Parish Assessor for the year ending December 31, 2018. The effect of implementation on the Iberville Parish Assessor's financial statements has not yet been determined.

**REQUIRED
SUPPLEMENTARY INFORMATION**

IBERVILLE PARISH ASSESSOR
Plaquemine, Louisiana

Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:				
Intergovernmental revenues -				
Ad valorem taxes	\$ 1,200,427	\$ 1,200,427	\$ 1,169,784	\$ (30,643)
State revenue sharing	36,126	36,126	12,562	(23,564)
Interest	-	-	9,845	9,845
Other	14,000	14,000	81,830	67,830
Total revenues	1,250,553	1,250,553	1,274,021	23,468
Expenditures:				
Current -				
Personnel services and related benefits	980,000	980,000	872,163	107,837
Operating services	83,000	83,000	70,640	12,360
Office materials and supplies	25,000	25,000	30,837	(5,837)
Travel and other charges	50,000	50,000	11,705	38,295
Professional services	20,000	20,000	9,980	10,020
Capital Outlay	-	80,000	69,008	10,992
Total expenditures	1,158,000	1,238,000	1,064,333	173,667
Excess of revenues over expenditures	92,553	12,553	209,688	197,135
Fund balance, beginning of year	1,917,155	2,106,328	2,106,328	-
Fund balance, end of year	\$ 2,009,708	\$ 2,118,881	\$ 2,316,016	\$ 197,135

IBERVILLE PARISH ASSESSOR
Plaquemine, Louisiana

Schedule of Funding Progress
For the Year Ended December 31, 2017

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities (AAL)	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
January 1, 2009	-	\$ 2,619,661	\$ 2,619,661	0%	\$ 519,625	504%
January 1, 2012	-	2,754,188	2,754,188	0%	535,215	515%
January 1, 2015	-	2,064,787	2,064,787	0%	551,270	375%

IBERVILLE PARISH ASSESSOR
Plaquemine, Louisiana

Schedule of Employer's Share of Net Pension Liability
For the Year Ended December 31, 2017

Year Ended Dec 31,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll Obligation	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
2015	1.13%	\$ 591,149	\$ 485,104	121.86%	85.57%
2016	1.17%	411,649	513,426	80.18%	90.68%
2017	1.19%	209,628	528,164	39.69%	95.61%

* The amounts presented have a measurement date of September 30 of the audit fiscal year end.

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

IBERVILLE PARISH ASSESSOR
Plaquemine, Louisiana

Schedule of Employer Contributions
For the Year Ended December 31, 2017

Year ended Dec 31,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2015	\$ 64,078	\$ 65,489	\$ (1,411)	\$ 485,104	13.50%
2016	68,566	64,820	3,746	513,426	12.62%
2017	52,448	50,176	2,272	528,164	9.50%

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

IBERVILLE PARISH ASSESSOR
Plaquemine, Louisiana

Notes to the Required Supplementary Information
For the Year Ended December 31, 2017

(1) Budgetary and Budgetary Accounting

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

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

(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.

**INTERNAL CONTROL,
COMPLIANCE, AND
OTHER MATTERS**

Champagne & Company, LLC

Certified Public Accountants

Russell F. Champagne, CPA*
Penny Angelle Scruggins, CPA*

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

The Honorable J. Randy Sexton
Iberville Parish Assessor
Plaquemine, 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 Iberville Parish Assessor, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Iberville Parish Assessor's basic financial statements and have issued our report thereon dated June 22, 2018.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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 weakness or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of prior and current year audit findings and management's corrective action plan as items 2017-001 and 2017-002 that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Iberville 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 one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards*, and which is described in the accompanying schedule of prior and current year audit findings and management's corrective action plan as item 2017-003.

Iberville Parish Assessor's Response to Findings

The Iberville Parish Assessor's response to the findings identified in our audit is described in the accompanying schedule of prior and current year audit findings and management's corrective action plan. The Iberville Parish 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 Louisiana Legislative Auditor as a public document.

Champagne & Company, LLC
Certified Public Accountants

Breaux Bridge, Louisiana
June 22, 2018

IBERVILLE PARISH ASSESSOR
Plaquemine, Louisiana

Schedule of Prior and Current Year Audit Findings and
Management's Corrective Action Plan
Year Ended December 31, 2017

I. Prior Year Findings:

Internal Control Over Financial Reporting

2016-001 Inadequate Segregation of Accounting Functions

Finding:

Due to the small number of employees, the Assessor did not have adequate segregation of functions within the accounting system.

Status: Unresolved. See item 2017-001.

2016-002 Inadequate Controls over Financial Statement Preparation

Finding:

The Assessor's office does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including the related notes.

Status: Unresolved. See item 2017-002.

Compliance

2016-003 Assessor Vehicle Not Properly Marked

Finding:

Per an investigative audit performed by the Louisiana Legislative Auditor's Office on November 4, 2015, they found that the Assessor's vehicles were not marked with the proper insignia on the door and equipped with public license plates as required by state law.

Status: Unresolved. See item 2017-003.

IBERVILLE PARISH ASSESSOR
Plaquemine, Louisiana

Schedule of Prior and Current Year Audit Findings and
Management's Corrective Action Plan (Continued)
Year Ended December 31, 2017

2016-004 Holiday Lunches

Finding:

The Assessor's office paid for a Christmas luncheon for eleven employees which is a violation of Article VII, Section 14 of the Louisiana Constitution. The Article states that the political subdivision shall not loan, pledge, or donate to any person or association, public, or private. The Christmas luncheon was considered a donation to the employees.

Status: Resolved.

Management Letter Items

There are no management letter items at December 31, 2016.

(continued)

IBERVILLE PARISH ASSESSOR
Plaquemine, Louisiana

Schedule of Prior and Current Year Audit Findings and
Management's Corrective Action Plan (Continued)
Year Ended December 31, 2017

II. Current Year Findings and Management's Corrective Action Plan:

Internal Control Over Financial Reporting

2017-001 Inadequate Segregation of Accounting Functions; Year Initially Occurred - Unknown

Condition and Criteria:

Due to the small number of employees, the Assessor did not have adequate segregation of functions within the accounting system.

Effect:

This condition represents a material weakness in the internal control of the Assessor's office.

Cause:

The condition resulted because of the small number of employees in the accounting department.

Recommendation:

No plan is considered necessary due to the fact that it would not be cost effective to implement a plan.

Management's Corrective Action Plan:

Mr. J. Randy Sexton, Assessor, has determined that it is not cost effective to achieve complete segregation of duties within the accounting department. No plan is considered necessary.

2017-002 Inadequate Controls over Financial Statement Preparation; Year Initially Occurred - Unknown

Condition and Criteria:

The Assessor's office does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including the related notes.

Effect:

This condition represents a material weakness in the internal control of the Assessor's office.

(continued)

IBERVILLE PARISH ASSESSOR
Plaquemine, Louisiana

Schedule of Prior and Current Year Audit Findings and
Management's Corrective Action Plan (Continued)
Year Ended December 31, 2017

Cause:

The condition resulted because the Assessor's office personnel do not have the qualifications and training to apply GAAP in recording the entity's financial transactions or preparing the financial statements.

Recommendation:

The Assessor's office should consider outsourcing this task to its independent auditors and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.

Management's Corrective Action Plan:

Mr. J. Randy Sexton, Assessor, has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interest of the government to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.

Compliance

2017-003 Assessor Vehicle Not Properly Marked; Year Initially Occurred – 12/31/2015

Condition and Criteria:

Per an investigative audit performed by the Louisiana Legislative Auditor's Office on November 4, 2015, they found that the Iberville Parish Assessor's vehicles were not properly marked. These vehicles should be marked with proper insignia on the door and equipped with public license plates as required by state law.

Effect:

This condition represents a violation of state law regarding government owned vehicles.

Cause:

The condition resulted because the vehicles are not properly identified as being owned by the Iberville Parish Assessor's office.

Recommendation:

The Iberville Parish Assessor's office should consider properly identifying the vehicles to comply with state law.

(continued)

IBERVILLE PARISH ASSESSOR
Plaquemine, Louisiana

Schedule of Prior and Current Year Audit Findings and
Management's Corrective Action Plan (Continued)
Year Ended December 31, 2017

Management's Corrective Action Plan:

Mr. J. Randy Sexton, Assessor, uses unmarked vehicles for purposes of investigating and inspecting property. Louisiana Revised Statute (LSA:R.S.) 49:121(E) provides for an exemption for vehicles used in an investigative manner. To require our office to announce our presence while performing duties would compromise the integrity of the investigation by allowing assets to be hidden or diverted.

Management Letter Items

There are no management letter items at December 31, 2017.

IBERVILLE PARISH ASSESSOR
Statewide Agreed-Upon Procedures Report

Year Ended December 31, 2017

Champagne & Company, LLC

Certified Public Accountants

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

The Honorable J. Randy Sexton
Iberville Parish Assessor
Plaquemine, Louisiana

We have performed the procedures enumerated below, which were agreed to by the management of Iberville Parish Assessor and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Iberville Parish Assessor's compliance with certain laws, regulations and best practices during the year ended December 31, 2017. Management of Iberville Parish Assessor is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, 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.

Written Policies and Procedures

1. 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:

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

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

- b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the 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.

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

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

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

- d) **Receipts**, including receiving, recording, and preparing deposits

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

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

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

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

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

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

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

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

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

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.

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

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

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

Board (or Finance Committee, if applicable)

- 2. Obtain and review the board/committee minutes for the fiscal period, and:

The Iberville Parish Assessor's office is not required to maintain minutes; therefore, this step is not applicable.

- 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.

The Iberville Parish Assessor's office is not required to maintain minutes; therefore, this step is not applicable.

- 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.

The Iberville Parish Assessor's office is not required to maintain minutes; therefore, this step is not applicable.

- 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.)

The Iberville Parish Assessor's office is not required to maintain minutes; therefore, this step is not applicable.

Bank Reconciliations

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

Obtained listing of client bank accounts from management and management's representation that listing is complete.

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:

- a) Bank reconciliations have been prepared;

No exceptions noted.

- 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; and

The bank reconciliations for the all accounts tested showed no evidence of management review.

- 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.

Obtained bank statements and reconciliations for all months in the fiscal period noting that two bank accounts had checks that have been outstanding for more than six months during the year. Neither of these bank reconciliations had management documentation reflecting research of these outstanding checks.

Collections

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

Obtained listing of cash collection locations and management's representation that listing is 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:**

- 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.

Written documentation was obtained. The person responsible for collecting cash is not bonded and does not share cash register/drawer with anyone but is responsible for depositing the cash in the bank, recording the related transaction, and reconciling the related bank account. However, physical cash is not received by their collection person (only checks).

- 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.

Entity has a formal reconciliation process; however, this process is done by the person responsible for collections.

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

- 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.

No exceptions noted.

- 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.

No exceptions noted.

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.

No exceptions noted.

Disbursements – General (excluding credit card/debit card/fuel 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.

Listing of disbursements and management's representation that the listing is complete was obtained.

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/fuel 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.

Although purchase orders are stated to be required for purchases in the Assessor's policies and procedures, the Assessor does not use them for purchases unless a vendor requires one for a purchase. Therefore, of the 25 disbursements selected, only 1 disbursement was initiated using a purchase order.

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

Purchase orders are not used by the Assessor's office unless a vendor requires one for a purchase. Therefore, of the 25 disbursements selected, only 1 disbursement was initiated using a purchase order which did not show any evidence of management approval.

- 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.

Only 1 disbursement had a purchase order as identified above. There were no receiving reports or approved invoices for the disbursements tested.

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.

Written policies and procedures were obtained and address the functions noted above; however, the person responsible for processing payments can also add vendors to the disbursement system.

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.

Written policies and procedures were obtained and address the functions noted above; however, the person with signatory authority can also initiate purchases.

12. Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those persons 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.

No exceptions noted.

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.

A signature stamp or signature machine is not used; therefore, this step is not applicable.

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.

Listing of all active credit cards and name of person who maintain possession of cards and management's representation that the listing is complete was obtained

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.

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.]]

Monthly statements were obtained; however, supporting documentation was not approved, in writing, by someone other than the authorized card holder.

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

Finance charges and/or late fees were assessed on the month tested on one credit card.

16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e. each of the 10 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)

Of the 15 transactions tested, 4 transactions did not have an original itemized receipt attached to the credit card statement.

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

No exceptions noted.

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

No exceptions noted.

- 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.

No exceptions noted.

- 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.

No exceptions noted

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.

Listing of travel and expense reimbursements by person and management's representation that the listing is complete was obtained.

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) and report any amounts that exceed GSA rates.

Policies were obtained. No amounts listed exceed GSA rates.

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 expenses selected:

- 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.

Expenses were paid in accordance with written policy.

- 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.]

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

- 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 exceptions noted

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

No evidence of management approval for travel expenses tested.

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.

Listing of all contracts in effect and management's representation that the listing is complete was obtained.

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 and:

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

No exceptions noted.

- 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)

None of the contracts tested were subject to the Louisiana Public Bid Law or Procurement Code.

- If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.

None of the contracts tested showed evidence that the Assessor solicited quotes as a best practice.

- 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.

There were no amendments to the contracts tested.

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

No exceptions noted.

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

The Iberville Parish Assessor does not have a board and is not required to maintain minutes; therefore, this step is not applicable.

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:

Listing of employees with their related salaries and management's representation that the listing is complete was obtained.

- 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.

No exceptions noted.

- 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.

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

- 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.

No exceptions noted.

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.

There were no termination payments made.

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.

No exceptions noted.

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.

No exceptions noted.

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.

Management asserted that they have received no allegations during the fiscal period.

Debt Service (excluding nonprofits)

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 Iberville Parish Assessor did not issue debt during the fiscal period; therefore, this step is not applicable.

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.

No outstanding debt existed during the fiscal period; therefore, this step is not applicable.

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.

Not applicable.

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.

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

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) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

Required notices were posted on the premises and 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.

No exceptions noted.

We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Iberville Parish Assessor and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Champagne & Company, LLC
Certified Public Accountants

Breaux Bridge, Louisiana
June 22, 2018