# ST. LANDRY PARISH ASSESSOR

Opelousas, Louisiana

Financial Report

Year Ended December 31, 2018

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# Independent Auditor's Report

Honorable Rhyn Duplechain
St. Landry Parish Assessor
Opelousas, Louisiana

***Report on Financial Statements***

We have audited the accompanying financial statements of the governmental activities and general fund of the St. Landry Parish Assessor, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the basis financial statements as listed in the table of contents.

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

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

***Auditor's Responsibility***

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

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

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

***Opinion***

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

***Other Matters***

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, schedules of funding progress for employee health insurance after retirement, employer's share of net pension liability and employer contribution on pages 37 and 38 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 the 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 a report dated June 27, 2019 on our consideration of the St. Landry Parish Assessor's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants 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* and should be considered in assessing the results of our audit.

Darnall, Sikes & Frederick
A Corporation of Certified Public Accountants

Eunice, Louisiana
June 27, 2019

# BASIC FINANCIAL STATEMENTS

## GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

ST. LANDRY PARISH ASSESSOR
Opelousas, Louisiana

Statement of Net Position
December 31, 2018

ASSETS

| | |
|---|---|
| Assets: | |
| Cash | $ 675,762 |
| Investments | 1,131,761 |
| Receivables - | |
| Taxes receivable, net | 1,250,617 |
| Tax roll fees receivable | 8,724 |
| State revenue sharing receivable | 37,889 |
| Interest receivable | 4,335 |
| Racino revenue receivable | 6,524 |
| Capital assets, net | 179,030 |
| Total assets | 3,294,642 |
| | |
| Deferred outflows of resources: | |
| Pension related | 347,322 |
| OPEB related | 265,326 |
| Total deferred outflows of resources | 612,648 |

LIABILITIES

| | |
|---|---|
| Current Liabilities: | |
| Accounts payable | 23,897 |
| Long-term liabilities: | |
| OPEB obligation | 2,020,873 |
| Net pension liability | 235,278 |
| Total liabilities | 2,280,048 |
| | |
| Deferred inflows of resources: | |
| Pension related | 230,563 |
| OPEB related | 402,776 |
| Total deferred inflows of resources | 633,339 |

NET POSITION

| | |
|---|---|
| Net investment in capital assets | 179,030 |
| Unrestricted | 814,873 |
| Total net position | $ 993,903 |

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

ST. LANDRY PARISH ASSESSOR
Opelousas, Louisiana

Statement of Activities
Year Ended December 31, 2018

| | | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position |
|---|---|---|---|---|---|
| Functions/Programs | Expenses | Fees, Fines and Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities |
| Governmental Activities: | | | | | |
| General Government | $ 1,693,348 | $ - | $ 57,482 | $ - | $ (1,635,866) |
| | General Revenues: | | | | |
| | Ad valorem taxes | | | | 1,314,029 |
| | State revenue sharing | | | | 56,028 |
| | Non-employer pension revenue | | | | 163,463 |
| | Interest and investment earnings | | | | 22,020 |
| | Income in lieu of taxes | | | | 9,076 |
| | Total general revenues | | | | 1,564,616 |
| | Change in net position | | | | (71,250) |
| | Net position -- December 31, 2017 | | | | 2,018,338 |
| | Prior period adjustment | | | | (953,185) |
| | Net position -- December 31, 2017, restated | | | | 1,065,153 |
| | Net position -- December 31, 2018 | | | | $ 993,903 |

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

**FUND FINANCIAL STATEMENTS (FFS)**

ST. LANDRY PARISH ASSESSOR
Opelousas, Louisiana

Balance Sheet
Governmental Fund
December 31, 2017

| | General Fund |
|---|---|
| **ASSETS** | |
| Cash | $ 576,649 |
| Investments, at cost | 1,127,855 |
| Receivables: | |
| Ad valorem tax receivable, net of allowance for uncollectibles | 1,265,547 |
| Tax roll fees receivable | 15,710 |
| State revenue sharing receivable | 57,208 |
| Interest receivable | 655 |
| Racino revenue receivable | 6,426 |
| Total assets | $ 3,050,050 |
| **LIABILITIES AND FUND BALANCE** | |
| Deferred Inflows of resources- | |
| Unavailable revenues-property taxes | $ 75,598 |
| Unavailable revenues-tax roll fees | 563 |
| Unavailable revenues-state revenue sharing | 38,138 |
| Total deferred inflows of resources | 114,299 |
| Liabilities: | |
| Accounts payable and other accrued liabilities | 23,236 |
| Acrued taxes payable | 2,406 |
| Total liabilties | 25,642 |
| Fund balance: | |
| Unassigned | 2,910,109 |
| Total fund balance | 2,910,109 |
| Total liabilities and fund balance | $ 3,050,050 |

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

ST. LANDRY PARISH ASSESSOR
Opelousas, Louisiana

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

| | | |
|---|---|---|
| Total fund balance - governmental fund | | $ 2,966,509 |
| The Statement of Net Position reports receivables at their net realizable value. However, receivables not available to pay for current-period expenditures are deferred in governmental funds: | | |
| Property taxes | $ 83,522 | |
| Tax roll fees | 561 | |
| State revenue sharing | 37,889 | |
| | | 121,972 |
| Cost of capital assets at December 31, 2018 | $ 1,008,115 | |
| Less: Accumulated depreciation as of December 31, 2018 | (829,085) | 179,030 |
| Pension related deferred outflows of resources | | 347,322 |
| OPEB related deferred outflows of resources | | 265,326 |
| Additional interest receivable on an accrual basis | | 3,234 |
| Net pension liability | | (235,278) |
| Pension related deferred inflows of resources | | (230,563) |
| OPEB related deferred inflows of resources | | (402,776) |
| Long-term liabilities at December 31, 2018 | | |
| Other post-employment benefits payable | | (2,020,873) |
| Net position at December 31, 2018 | | $ 993,903 |

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

ST. LANDRY PARISH ASSESSOR
Opelousas, Louisiana

Statement of Revenues, Expenditures, and Changes in
Fund Balance – Governmental Fund
Year Ended December 31, 2018

| | General Fund |
|---|---|
| Revenues: | |
| Taxes | |
| Ad valorem taxes | $ 1,306,105 |
| Intergovernmental | |
| State revenue sharing | 56,277 |
| Charges for services | |
| Racino revenue | 39,598 |
| Tax roll fees | 17,886 |
| Miscellaneous | |
| Income in lieu of taxes | 9,076 |
| Interest income | 15,617 |
| Other | 4,762 |
| Total revenues | 1,449,321 |
| Expenditures: | |
| Current - | |
| Office and administrative | 1,392,921 |
| Total expenditures | 1,392,921 |
| Net change in fund balance | 56,400 |
| Fund balance, beginning | 2,910,109 |
| Fund balance, ending | $ 2,966,509 |

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

ST. LANDRY PARISH ASSESSOR
Opelousas, Louisiana

Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities
Year Ended December 31, 2018

| | |
|---|---|
| Total net change in fund balance for the year ended December 31, 2018, per Statement of Revenues, Expenditures and Changes in Fund Balance | $ 56,400 |
| Governmental funds deter revenues that do not provide current financial resources. However, the Statement of Activities recognizes such revenues at their net realizable value when earned, regardless of when received. | 7,673 |
| Add: Non-employer contributions to retirement system for the benefit of employees | 163,463 |
| Less: Pension expense based on employer contributions | (105,446) |
| Less: Depreciation expense | (49,052) |
| Add: Change in accrued receivable | 1,641 |
| Less: Increase in other post-employment benefits | (145,929) |
| Total change in net position for the year ended December 31, 2018, per Statement of Activities | $ (71,250) |

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of certain significant accounting policies and practices.

A. Financial Reporting Entity

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

1. Appointing a voting majority of an organization's governing body, and

   a. The ability of the St. Landry Parish Government to impose its will on that organization and/or

   b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the St. Landry Parish Government.

2. Organizations for which the St. Landry Parish Government does not appoint a voting majority but are fiscally dependent on the St. Landry Parish Government.

3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the criteria described above, the St. Landry Parish Assessor is not a component unit of the St. Landry Parish Government but is a primary government due to the following:

1. The Assessor is an independently elected official.

2. The Assessor is fiscally independent of the St. Landry Parish Government.

3. The Assessor's office is legally separate from the St. Landry Parish Government.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information on all of the nonfiduciary activities of the Assessor. They include all funds of the reporting entity. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Fiduciary funds are not included in the GWFS.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. 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 of 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

The Assessor uses funds to report on its financial position and the results of its operations. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The fund presented in the financial statements is described as follows:

General Fund. The General Fund is used to account for resources traditionally associated with government which are not required legally to be accounting for in another fund.

C. Measurement Focus/ Basis of Accounting

Measurement focus is the 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, the governmental activities are presented using the economic resources measurement focus.

In the fund financial statements, the “current financial resources” measurement focus or the economic resources” measurement focus is used as appropriate:

a. The fund financial statements utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

b. The government-wide financial statements utilize an “economic resources” measurement focus. The accounting objective of this measurement focus is the determination of operating income, and changes in net position. All assets and liabilities (whether current or noncurrent) associated with their activities are reported.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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, and liabilities 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 measurable when the amount of the transaction can be determined. 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. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting.

Taxpayer-assessed income is considered “measurable” when assessed and is recognized as revenue at that time. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable and their validity seems certain. Interest income on investments is recorded when the investments have matured and the income is both measurable and available. All other revenues are recorded when received.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Expenditures for insurance and similar services which extend over more than one accounting period are accounted for as expenditures of the period of acquisition.

Purchase of various operating supplies are regarded as expenditures at the time purchased, and inventories of such supplies (if any) are not recorded as assets at the close of the fiscal year, unless significant.

D. Budgets

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. An annual appropriated budget is adopted for the General Fund. Operating appropriations lapse at year-end.

E. Encumbrance Accounting

The St. Landry Parish Assessor does not utilize an encumbrance system.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Investments

Investments are stated at cost, which approximates market. These investments which are certificates of deposit are fully secured through federal depository insurance. Louisiana statutes authorize the Assessor to invest in United States bonds, treasury notes or certificates, time certificates of deposit in state and national banks, or any other federally insured investment.

G. Capital Assets

In the government-wide financial statements, capital assets are capitalized at historical cost, or estimated historical cost if actual is unavailable, except for donated assets, which are recorded at their estimated fair value at the date of donation. Such assets are maintained on the basis of original cost (cash paid plus trade-in allowance, if applicable). The assets are depreciated on the straight-line basis over the following estimated useful lives:

| | |
|---|---|
| Equipment | 10 – 30 years |
| Automobile | 10 years |
| Remodeling | 10 – 40 years |
| Maps | 20 – 40 years |

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

The St. Landry Parish Assessor maintains a threshold level of $500 or more for capitalizing capital assets.

The St. Landry Parish Assessor does not have public domain or infrastructure outlays.

No interest costs were incurred during construction.

H. Compensated Absences

Employees of the Assessor's office earn 5 days of annual leave during the first year of employment, 10 days of annual leave from one to ten years of employment, and 15 days of annual leave after ten years of employment. Annual leave must be taken in the year earned and cannot be carried forward from year to year. Payment is not made for unused annual leave upon retirement or termination of employment. Employees of the Assessor's office earn 1 day of sick leave for each month worked. Unused sick leave time may not be added to vacation or retirement nor will any unused sick leave be paid upon termination.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Equity Classifications

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

1. 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 that are attributable to the acquisition, construction, or improvement of those assets.

2. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

3. Unrestricted net position – All other net position that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance reports aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. Propriety fund equity is classified the same as in the government-wide statements.

The non-spendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned and unassigned.

1. Restricted fund balance - This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions for enabling legislation.

2. Committed fund balance - These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the Assessor – the government's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the Assessor removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Assigned fund balance - This classification reflects the amounts constrained by the Assessor's "intent" to be used for specific purposes, but are neither restricted nor committed. The assessor has the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as non-spendable and are neither restricted nor committed.

4. Unassigned fund balance – This fund balance is the residual classification for the General Fund. It is used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the Assessor's policy to use externally restricted resources first, then unrestricted resources – committed, assigned, and unassigned – in order as needed.

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

NOTE 2 CASH AND INVESTMENTS

At December 31, 2018, the carrying amounts of the Assessor's checking accounts were $675,762, and the bank balances were $709,797. The carrying amounts and the bank balances of investments were the same amount, which was $1,131,761. Of the bank balance, $1,346,659 was covered by federal depository insurance. Deposits in the amount of $494,898 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institutions' trust department or agent, but not in the Assessor's name. The Assessor does not have a policy for custodial credit risk.

NOTE 3 AD VALOREM TAXES

Property taxes receivable at December 31, 2018 were as follows:

| | Taxes Per Tax Roll | Receipts in December | Estimated Uncollectible | Net Taxes Receivable |
|---|---|---|---|---|
| 2018 Tax Roll | $ 1,312,116 | $ 50,964 | $ 10,535 | $ 1,250,617 |

An estimated allowance for uncollectible ad valorem tax is based on prior years' experience.

The Assessor's millage assessed for 2018 is 2.03 mills. The Assessor's ad valorem tax is collected by an intermediary government and remitted on a monthly basis. The intermediary government maintains the tax roll for ad valorem taxes for the Assessor. The ad valorem tax, levied for the calendar year, is due to the intermediary government on or before December 31 and becomes delinquent on January 1. The taxes are generally collected in December of the current year and January and February of the ensuing year.

NOTE 3 AD VALOREM TAXES (continued)

Governmental funds report deferred revenue in connection with receivables for revenues over 60 days that are not considered to be available to liquidate liabilities of the current period.

NOTE 4 CAPITAL ASSETS

Capital assets and depreciation activity, as of and for the year ended December 31, 2018, for the St. Landry Parish Assessor are as follows:

| | Balance 1/1/2018 | Additions | Disposals | Balance 12/31/2018 |
|---|---|---|---|---|
| Governmental activities | | | | |
| Automobiles | $ 74,039 | $ - | $ - | $ 74,039 |
| Equipment | 355,855 | - | - | 355,855 |
| Remodeling | 515,512 | - | - | 515,512 |
| Maps | 62,709 | - | - | 62,709 |
| Totals at historical cost | 1,008,115 | - | - | 1,008,115 |
| Less accumulated depreciation | | | | |
| Automobiles | 59,552 | 12,085 | - | 71,637 |
| Equipment | 333,620 | 5,784 | - | 339,404 |
| Maps | 345,411 | 29,310 | - | 374,721 |
| Remodeling | 41,450 | 1,873 | - | 43,323 |
| Total accumulated depreciation | 780,033 | 49,052 | - | 829,085 |
| Governmental activities | | | | |
| Capital assets, net | $ 228,082 | $ (49,052) | $ - | $ 179,030 |
| Depreciation expense General Government | | $ 49,052 | | |

NOTE 5 LOUISIANA PUBLIC EMPLOYEES' DEFERRED COMPENSATION PLAN

The Louisiana Deferred Compensation Plan (LDCP) was established for the purpose of providing supplemental retirement income to employees and independent contractors of a Louisiana public employer by allowing them to defer part of their compensation. The Louisiana Deferred Compensation Commission adopted the LDCP in 1982. The Commission has authority to adopt and interpret rules, implement the Plan, and distribute through contracts or agents. This Plan was adopted in 2001 by the St. Landry Parish Assessor's office. All employees of the Assessor's office can elect to participate, including the Assessor. The LDCP issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by writing to the Louisiana Deferred Compensation Plan, 2237 South Acadian Thruway, Baton Rouge, Louisiana 70808-2371 or by calling 1-800-345-4699.

Contributions to the LDCP can be no less than $20 each month with the exception of participants active in the Plan on October 1, 1984, that allowed a smaller deferral or a participant who elects to defer 7.5% or more of compensation in lieu of Social Security coverage. There are six payment options from which a participant must choose. This selection must be chosen at least 30 days prior to the date the payment will be implemented.

NOTE 5 LOUISIANA PUBLIC EMPLOYEES' DEFERRED COMPENSATION PLAN (Continued)

The St. Landry Parish Assessor's employer contributions for the years ended December 31, 2018, was $40,279.

Employee contributions for the year ended December 31, 2018 was $42,074.

NOTE 6 PENSION PLAN

Louisiana Assessors' Retirement Fund (System)

**Plan Description**

Plan Benefits are as follows:

A. Pension Benefits

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

Employees who became members prior to October 1, 2006, are entitled to annual pension benefits equal to three and one-third percent of their average final compensation based on the 36 consecutive months of highest pay, multiplied by their total years of service, not to exceed 100% of the 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 employee's 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.

NOTE 6 PENSION PLAN (Continued)

B. 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 credible service and is not eligible for retirement, the surviving spouse shall receive an automatic optional benefit which is equal to the joint and survivorship amounts provided in Option 2 as provided for in R.S. 11:1423, which shall cease upon a subsequent remarriage, or a refund of the member's accumulated contributions, whichever the spouse elects to receive.

3. If a member dies and is eligible for retirement, the surviving spouse shall receive an automatic optional benefit which is equal to the Option 2 benefits provided for in R.S. 11:1423, which shall not terminate upon a subsequent remarriage.

4. Benefits set forth in item number 2 above, shall cease upon remarriage and shall resume upon a subsequent divorce or death of a new spouse. The spouse shall be entitled to receive a monthly benefit equal to the amount being received prior to remarriage.

C. 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 (45%) of final average compensation, or the member's accrued retired benefit at the time of termination employment due to disability; or

2. The retirement benefit which would be payable assuming accrued credible service plus additional accrued serviced, 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.

NOTE 6 PENSION PLAN (Continued)

D. 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.11:14568.2.

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

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 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 earning 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.

NOTE 6 PENSION PLAN (Continued)

6. At retirement, the member's 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 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.

E. 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.

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

At December 31, 2018, the employer reported a liability of $235,278 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of September 30, 2018, and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Assessor's proportion of the Net Pension Liability was based on a projection of the Assessor's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At September 30, 2018, the Assessor's proportion was 1.210257%, which was a decrease of 0.02170% from its proportion measurement as of September 30, 2017.

For the year ended December 31, 2018, the Assessor recognized pension expense of $147,568, plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions and deferred outflows and inflows of resources, $(42,122) for a total of $105,446.

NOTE 6 PENSION PLAN (Continued)

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

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Differences between expected and actual experience | $ 17,752 | $ 107,719 |
| Changes of assumptions | 301,913 | - |
| Net difference between projected and actual earnings on pension plan investments | - | 119,790 |
| Changes in proportion and differences between employer contributions and porportionate share of contributions and deferred outflows and inflows of resources | 16,839 | 3,054 |
| Employer contributions subsequent to the measurement date | 10,818 | - |
| Total | $ 347,322 | $ 230,563 |

Deferred outflows of resources related to the 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, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year ended December 31: | |
|---|---|
| 2019 | $ 58,614 |
| 2020 | (13,180) |
| 2021 | (2,060) |
| 2022 | 33,180 |
| 2023 | 29,388 |
| Total | $ 105,942 |

**Contributions**

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

Administrative costs of the Fund are financed through employer contributions. According to state statute, contributions for all employers are actuarially determined each year. Employer contributions were 8.0% of member's earnings for the year ended September 30, 2018.

NOTE 6 PENSION PLAN (Continued)

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.

The St. Landry Parish Assessor's employer's contributions for the years ended December 31, 2018, 2017 and 2016 were $43,083, $49,815, and $64,684, respectively. Employee contributions for the years ended December 31, 2018, 2017, and 2016 were $43,083, $41,941, and $40,988, respectively. Effective July 2, 1999, Act 818 of the 1999 regular session of the legislature authorized the Assessor, at his discretion, to pay all or a portion of the employees' contribution, provided that the Assessor notify the Assessor's retirement Fund fifteen days prior to the beginning of a calendar year. For the year 2018, the assessor elected to pay 100% of the employees' contributions. Included in employee contributions is an amount paid on behalf of the employees by the St. Landry Parish Assessor. The Assessor's total, retirement expenditure for 2018 was $86,166.

**Schedule of Employer Allocations**

The schedule of employer allocations reports the required projected employer contributions in addition to the employer allocation percentage. The required employer contributions are used to determine the proportionate relationship of each employer to all employers of Louisiana Assessor's' 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 next fiscal year as compared to the total of all employers' effort to the plan for the next fiscal year. The employers' contribution effort was based on actual employer contributions made to the Retirement Fund for the fiscal year ended September 30, 2018.

**Schedule of Pension Amounts by Employer**

The schedule of pension amounts by employer displays each employer's allocations of the net pension liability. The schedule of pension amounts by employer was prepared using the allocations included in the schedule of employer allocations.

**Actuarial Methods and Assumptions**

<u>Net Pension Liability</u>

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.

NOTE 6 PENSION PLAN (Continued)

The components of the net pension liability of the Fund's participating employers, determined in accordance with GASB No. 67 as of September 30, 2018, are as follows:

| | |
|---|---|
| Total Pension Liability | $ 5,178,475 |
| Plan Fiduciary Net Position | (4,943,197) |
| Total | $ 235,278 |

Actuarial Methods and Assumptions

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

Additional information on the actuarial methods and assumptions used as of September 30, 2018 actuarial valuation follows:

| Actuarial Cost Method | Entry Age Normal |
|---|---|
| Investment Rate of Return (discount rate) | 6.25%, net of pension plan investment expense, including inflation |
| Inflation Rate | 2.20% |
| Salary Increases | 5.75% |
| Annuitant and beneficiary mortality | RP 2000 Healthy Annuitant Table set forward one year and projected to 2030 for males and females |
| Active members mortality | RP 200 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 |

NOTE 6 PENSION PLAN (Continued)

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

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

**Sensitivity to Changes in Discount Rate**

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

| Changes in Discount Rate: | | | |
|---|---|---|---|
| | 1% Decrease 5.25% | Current Discount Rate 6.25% | 1% Increase 7.25% |
| Net Pension Liability | $ 791,342 | $ 235,278 | $ (241,108) |

**Change in Net Pension Liability**

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

NOTE 6 PENSION PLAN (Continued)

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.

| | | | | September 30, 2018 | |
|---|---|---|---|---|---|
| | Deferred Outflows | Deferred Inflows | Pension Expense (Benefit) | Deferred Outflows | Deferred Inflows |
| 2018 | $ - | $ 74,402 | $ (12,400) | $ - | $ 62,002 |
| 2017 | - | 36,315 | (7,263) | - | 29,052 |
| 2016 | 23,671 | - | 5,918 | 17,752 | - |
| 2015 | - | 8,913 | (2,971) | - | 5,942 |
| 2014 | - | 21,447 | (10,723) | - | 10,723 |
| | $ 23,671 | $ 141,077 | $ (27,439) | $ 17,752 | $ 107,719 |

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.

| | | | | September 30, 2018 | | |
|---|---|---|---|---|---|---|
| | Deferred Outflows | Deferred Inflows | Pension Expense (Benefit) | Deferred Outflows | Deferred Inflows | Net Deferred Inflow Balance |
| 2018 | $ - | $ 44,331 | $ (8,866) | $ - | $ 35,465 | $ (35,465) |
| 2017 | - | 167,343 | (41,836) | - | 125,507 | (125,507) |
| 2016 | - | 40,853 | (13,628) | - | 27,235 | (27,235) |
| 2015 | 136,834 | - | 68,417 | 68,417 | - | 68,417 |
| 2014 | - | 10,816 | (10,816) | - | - | - |
| | $136,834 | $263,343 | $ (6,729) | $ 68,417 | $188,207 | $ (119,790) |

Changes of Assumptions or Other Inputs

Changes of assumptions about future economic or demographic factors or of other inputs were recognized in the 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.

NOTE 6 PENSION PLAN (Continued)

| | Deferred Outflows | Deferred Inflows | Pension Expense (Benefit) | September 30, 2018 Deferred Outflows | September 30, 2018 Deferred Inflows |
|---|---|---|---|---|---|
| 2018 | $ 247,308 | $ - | $ 41,218 | $ 206,090 | |
| 2017 | 95,947 | - | 19,189 | 76,757 | - |
| 2016 | - | - | - | - | - |
| 2015 | 3,770 | - | 1,257 | 2,514 | |
| 2014 | 33,105 | - | 16,553 | 16,552 | |
| | $ 380,130 | $ - | $ 78,217 | $ 301,913 | $ - |

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.

**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 provides 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 Louisianan Assessors' Retirement Fund and Subsidiary has issued a stand-alone audit report on their financial statements for the year ended September 30, 2018. Access to the report can be found on the Louisiana Legislative Auditor's website, www.lla.la.gov, or by contacting the Louisiana Assessor's Retirement Fund, Post Office Box 14699, Baton Rouge, Louisiana 70898.

ST. LANDRY PARISH ASSESSOR
Opelousas, Louisiana

Notes to Financial Statements

NOTE 7 DETAILS OF EXPENDITURES OF THE GENERAL FUND

**A presentation of General Fund expenditures along with a comparison to budget for the year 2018 is as follows:**

| | Budget | | | Variance |
|---|---|---|---|---|
| | Original | Amended | Actual | Favorable (Unfavorable) |
| Office and administrative | | | | |
| Accounting and legal | $ 37,500 | $ 41,945 | $ 43,141 | $ (1,196) |
| Advertising | 90 | 570 | 470 | 100 |
| Auto fuel | 2,500 | 3,216 | 3,532 | (316) |
| Auto lease | 5,300 | 4,696 | 4,286 | 410 |
| Bank charges | 600 | 149 | 98 | 51 |
| Computer maintenance | 41,200 | 42,511 | 36,201 | 6,310 |
| Dues and subscriptions | 10,223 | 10,747 | 15,212 | (4,465) |
| Equipment lease | 8,000 | 6,304 | 7,153 | (849) |
| Field expense | 3,800 | 5,055 | 4,639 | 416 |
| Insurance benefits | 154,350 | 207,820 | 199,681 | 8,139 |
| Other insurance | 12,700 | 14,948 | 14,285 | 663 |
| Janitorial | - | 751 | 551 | 200 |
| Meals and entertainment | - | - | 1,633 | (1,633) |
| Office supplies | 45,950 | 26,464 | 42,987 | (16,523) |
| Parking | 525 | 950 | 750 | 200 |
| Postage | 200 | 250 | 150 | 100 |
| Professional services | - | 1,200 | 108,942 | (107,742) |
| Equipment repairs and maintenance | 2,300 | 1,195 | 1,332 | (137) |
| Retirement benefits | 96,700 | 86,055 | 86,166 | (111) |
| Deferred compensation | 41,500 | 40,434 | 40,280 | 154 |
| Salaries | 750,700 | 724,782 | 726,781 | (1,999) |
| Expense allowance | 16,580 | 19,058 | 17,061 | 1,997 |
| Payroll taxes | 19,400 | 18,199 | 18,419 | (220) |
| Telephone | 6,000 | 7,587 | 7,792 | (205) |
| Seminars and conferences | 13,719 | 265 | 635 | (370) |
| Travel and education | 15,170 | 14,108 | 10,564 | 3,544 |
| Miscellaneous | - | 415 | 180 | 235 |
| Total | 1,285,007 | 1,279,674 | 1,392,921 | (113,247) |
| Capital outlay | | | | |
| Equipment | - | 129,542 | - | 129,542 |
| Total | - | 129,542 | - | 129,542 |
| Total expenditures | $ 1,285,007 | $ 1,409,216 | $ 1,392,921 | $ 16,295 |

## NOTE 8 OPERATING LEASES

On August 29, 2018, the Assessor entered into an operating lease for a fax machine. The operating lease is for 60 monthly payments of $240.84. At the end of the lease, the Assessor has the option of purchasing the unit at market value. Rental expense related to this lease for 2018 was $722.

On December 30, 2015, the Assessor entered in to an operating lease for a 2016 Buick Lacrosse. The operating lease is for 35 monthly payments of $389.63. At the end of the lease, the Assessor has the option of purchasing the vehicle at market value. The amount due at lease signing was $9,000. Rental expense related to this lease for 2018 was $4,286.

On August 21, 2015, the Assessor entered into an operating lease for a copying lease for the appraisal department. . The operating lease is for 60 monthly payments of $137.50. . At the end of the lease, the Assessor has the option of purchasing the vehicle at market value. Rental expense related to this lease for 2018 was $1,650.

On December 31, 2013, the Assessor entered into an operating lease for a fax machine. The operating lease is for 60 monthly payments of $263.55. At the end of the lease, the Assessor has the option of purchasing the unit at market value. Rental expense related to this lease for 2018 was $1,845.

Future minimum lease payments for the above leases are as follows:

| | |
|---|---|
| 2019 | $ 4,540 |
| 2020 | 3,990 |
| 2021 | 2,890 |
| 2022 | 2,890 |
| 2023 | 1,927 |
| Total | $ 16,237 |

## NOTE 9 LONG-TERM DEBT – OTHER POST- EMPLOYMENT BENEFITS (OPEB)

In adopting the requirements of GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Post – Employment Benefits Other Than Pensions,* during the year ended December 31, 2018, the Assessor recognizes the cost of post-employment healthcare benefits in the year when employee services are received, recognizes a liability for OPEB obligations, known as the net OPEB liability, on the Statement of Net Position, and provides information useful in assessing potential demands on the Assessor's future cash flows. Changes in the net OPEB liability will be immediately recognized as OPEB expense on the Statement of Activities or reported as deferred inflows/outflows of resources depending upon the nature of the change.

NOTE 9 LONG-TERM DEBT – OTHER POST- EMPLOYMENT BENEFITS (OPEB) (continued)

Plan Description

In accordance with State Statutes, the Assessor provides certain continuing health care and life insurance benefits for its retired employees. The insurance plan is fully insured and has been deemed to be a cost-sharing, multiple-employer defined benefit plan for financial reporting purposes and for this valuation. A valuation report on the St. Landry Parish Assessor's Office may be obtained by writing to Milliman at 10000 North Central Expressway, Suite 1500, Dallas, TX 75231.

Any St. Landry Parish Assessor's Office employee is eligible to elect medical coverage upon retiring. Eligibility for medical coverage is based on the following:

55 years old and 12 years of service, or
30 years of service at any age.

These benefits for retirees and similar benefits for active employees are provided through the Louisiana Assessor's Insurance Fund, whose monthly premiums are paid entirely by the Assessor. The employees' contribution rate is 8% and the employer's is 13.5%. The insurance plan is a fully insured, multiple-employer arrangement and has been deemed to be an agent multiple-employer plan for financial reporting purposes and for this valuation.

Funding Policy

The Plan is currently financed on a pay-as-you-go basis, with the St. Landry Parish Assessor contributing $183,555 for active employees and $16,125 for retirees for the year 2018. No assets have been segregated and restricted to provide post-employment benefits.

The following employees were covered by benefit terms as of January 1, 2018:

| | |
|---|---|
| Activities | 10 |
| Retirees | 3 |
| Beneficiaries | - |
| Spouses of Retirees | - |
| Total | 13 |

Annual OPEB Cost and Net OPEB Obligation

The Assessor's total OPEB liability of $2,020,873 was measured as of December 31, 2018 and was determined by an actuarial valuation as of January 1, 2018.

NOTE 9 LONG-TERM DEBT – OTHER POST- EMPLOYMENT BENEFITS (OPEB) (continued)

The following table shows the changes in the Assessor's Total OPEB Liability:

| | | Increase (Decrease) |
|---|---|---|
| Balance as of December 31, 2017 | | $ 2,012,394 |
| Changes for the year: | | |
| Service cost | | 101,387 |
| Interest on total OPEB liability | | 72,537 |
| Effect of plan changes | | - |
| Effect of economic/demographic gains or losses | | 299,342 |
| Effect of assumptions changes or imputs: | | |
| Change due to claims cost update | (262,365) | |
| Change due to trend update | (120,875) | |
| Change due to mortality update | 150,096 | |
| Change due to discount rate update | (221,270) | |
| Total assumption changes | | (454,414) |
| Benefit payments | | (10,373) |
| Net Changes | | 8,479 |
| Balance as of December 31, 2018 | | $ 2,020,873 |

Actuarial Methods and Assumptions

The Total OPEB Liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount and actuarial assumptions below, and was then projected forward to the measurement date.

| | |
|---|---|
| Actuarial Valuation Date: | January 1, 2018 |
| Measurement Date: | December 31, 2018 |
| Actuarial Cost Method: | Entry Age Normal |
| Inflation: | 2.30% |
| Salary Increases including Inflation: | 3.00% |
| Discount Rate: | 4.10% |
| Prior Year Discount Rate: | 3.44% |

The discount rate was based on the Bond Buyer General Obligation 20-Bond Municipal Index.

NOTE 9 LONG-TERM DEBT – OTHER POST- EMPLOYMENT BENEFITS (OPEB) (continued)

The actuarial cost method determines, in a systematic way, the incidence of plan sponsor contributions required to provide plan benefits. It also determines how actuarial gains and losses are recognized in OPEB costs. These gains and losses result from the difference between the actual experience under the plan and what was anticipated by the actuarial assumptions.

The cost of the Plan is derived by making certain assumptions as to rates of interest, mortality, turnover, etc. which are assumed to hold for many years into the future. Since actual experience may differ somewhat from the long term assumptions, the costs determined by the valuation must be regarded as estimates of the true costs of the Plan.

The actuarial cost method used for determining the benefit obligations is the Entry Age Normal Cost Method. Under this method, a projected retirement benefit at assumed retirement age is computed for each participant using anticipated future pay increases. The normal cost for each participant is computed as the level percentage of pay which, if paid from each participant's date of employment by the employer or any predecessor employer (thus, entry age) to his assumed retirement date, would accumulate with interest at the rate assumed in the valuation to an amount sufficient to fund his projected retirement benefit. The normal cost for the plan is the total of the individually computed normal costs for all participants including the costs for any death or disability benefits under the plan.

The accrued liability at any point in time for an active participant is the theoretical fund that would have been accumulated on his behalf from his normal cost payments and the earnings thereon for all prior years is the plan had always been in effect. For persons receiving benefits or entitled to a deferred vested retirement income, the accrued liability cost is equal to the present value of their future benefit payments. The accrued liability for the plan is the excess of the accrued liability over the assets which have been accumulated for the plan.

It should be noted that the accrued liability as of any date is not the actuarially computed present value of accrued or accumulated plan benefits as of that date. The accrued liability is the portion of the ultimate cost assigned to prior years by the cost method being used.

In addition to the actuarial method used actuarial cost estimates depend to an important degree on the assumptions made relative to various occurrences, such as rate of expected investment earnings by the fund, rates of mortality among active and retired employees, rates of termination from employment, and retirement rates. In the current valuation, the actuarial assumptions used for the calculation of costs and liabilities are as follows:

Measurement Date

Benefit liabilities are valued as of December 31, 2018.

Mortality Rates

Healthy retirement: Sex distinct RP 2014 Total Dataset Mortality with separate employee, healthy annuitant rates, projected generationally using scale MP-2017.

NOTE 9 LONG-TERM DEBT – OTHER POST- EMPLOYMENT BENEFITS (OPEB) (Continued)

Disability retirement: Sex distinct RP 2014 Total Dataset Mortality with separate employee, disabled annuitant rates, projected generationally using scale MP-2017.

Withdrawal Rates
Sample rates are as follows:

| Years of Service | Male | Female |
|---|---|---|
| 0 - 1 | 12.0% | 12.0% |
| 2 - 6 | 5.0% | 5.0% |
| 7 - 8 | 4.0% | 4.0% |
| 9 - 12 | 3.0% | 3.0% |
| 13 - 14 | 2.0% | 2.0% |
| 15+ | 1.0% | 1.0% |

Retirement Rates
Sample rates are as follows:

| Age | Male | Female |
|---|---|---|
| 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% |

Disability Rates
Sample rates are as follows:

| Age | Male | Female |
|---|---|---|
| 18-34 | 0.006% | 0.006% |
| 35 | 0.007% | 0.007% |
| 36-37 | 0.008% | 0.008% |
| 38 | 0.010% | 0.010% |
| 39 | 0.011% | 0.011% |
| 40 | 0.012% | 0.012% |
| 41 | 0.014% | 0.014% |
| 42 | 0.016% | 0.016% |
| 43 | 0.018% | 0.018% |
| 44 | 0.020% | 0.020% |
| 45 | 0.023% | 0.023% |
| 46 | 0.026% | 0.026% |
| 47 | 0.029% | 0.029% |

NOTE 9 LONG-TERM DEBT – OTHER POST- EMPLOYMENT BENEFITS (OPEB) (Continued)

Disability Rates (continued)
Sample rates are as follows

| | | |
|---|---|---|
| 48 | 0.033% | 0.033% |
| 49 | 0.038% | 0.038% |
| 50 | 0.043% | 0.043% |
| 51 | 0.049% | 0.049% |
| 52 | 0.055% | 0.055% |
| 53 | 0.063% | 0.063% |
| 54 | 0.071% | 0.071% |
| 55 | 0.081% | 0.081% |
| 56 | 0.092% | 0.092% |
| 57 | 0.104% | 0.104% |
| 58 | 0.118% | 0.118% |
| 59 | 0.135% | 0.135% |
| 60+ | 0.195% | 0.195% |

Participation Assumption

100% of members are assumed to elect retiree medical coverage at retirement.

Marriage Assumption

For actives, it is assumed that husbands are three years older than their wives with 40% of active participants electing spouse coverage at retirement.

Sensitivity of the Total OPEB Liability – The following presents the total OPEB liability of the Assessor, as well as what the Assessor's total OPEB liability would be if it were calculated using a discount rate and healthcare cost trend rate that is 1% lower or 1% higher than the current discount rate and healthcare cost trend rate:

| | 1% Decrease | No Change | 1% Increase |
|---|---|---|---|
| Discount Rates | $ 2,438,431 | $ 2,020,873 | $ 1,697,274 |
| Healthcare Cost Trend Rates | 1,706,861 | 2,020,873 | 244,682 |

OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to OPEB – For the year ended December 31, 2018, the Assessor recognized OPEB expense of $156,302. At December 31, 2018, the Assessor reported deferred inflows and deferred outflows of resources related to OPEB from the following sources:

NOTE 9 LONG-TERM DEBT – OTHER POST- EMPLOYMENT BENEFITS (OPEB) (Continued)

| | Deferred Inflows of Resources | Deferred Outflows of Resources |
|---|---|---|
| Differences between expected and actual experience | $ - | $ 265,326 |
| Changes of assumptions | (402,776) | - |
| Amounts paid subsequent to the measurement date | - | - |
| Total | (402,776) | 265,326 |

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to other post-employment benefits will be recognized in OPEB expense as follows:

| Year Ended December 31: | |
|---|---|
| 2019 | $ (17,622) |
| 2020 | (17,622) |
| 2021 | (17,622) |
| 2022 | (17,622) |
| 2023 | (17,622) |
| Thereafter | (49,340) |
| Total | (137,450) |

NOTE 10 PRIOR PERIOD ADJUSTMENT

Two prior period adjustments were made to correct (1) the balance of pension related deferred outflows of resources previously recorded in the prior year and (2) the beginning balance of OPEB liability as a result of the implementation of the Government Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions.

| Net Position, as Previously Reported | Prior Period Adjustment | Net Position, as Restated |
|---|---|---|
| $ 2,018,338 | $ (953,185) | $ 1,065,153 |

NOTE 11 SUBSEQUENT EVENTS

The Assessor has evaluated subsequent events through June 27, 2019, the date which the report was available to be issued.

**REQUIRED SUPPLEMENTARY INFORMATION**

ST. LANDRY PARISH ASSESSOR
Opelousas, Louisiana

Budgetary Comparison Schedule
General Fund
Year Ended December 31, 2018

| | Budget | | | Variance |
|---|---|---|---|---|
| | Original | Final | Actual | Favorable (Unfavorable) |
| REVENUES | | | | |
| Taxes | | | | |
| Ad valorem taxes | $ 1,264,000 | $ 1,288,153 | $ 1,306,105 | $ 17,952 |
| Intergovernmental | | | | |
| State revenue sharing | 51,000 | 44,180 | 56,277 | 12,097 |
| Charges for services | | | | |
| Racino revenue | 34,000 | 42,602 | 39,598 | (3,004) |
| Tax roll fees | 16,000 | 17,886 | 17,886 | - |
| Informational services | 3,000 | - | - | - |
| Miscellaneous | | | | |
| Income in lieu of taxes | 9,000 | 9,076 | 9,076 | - |
| Interest income | 1,500 | 10,253 | 15,617 | 5,364 |
| Other | 5,000 | 3,730 | 4,762 | 1,032 |
| Total revenues | 1,383,500 | 1,415,880 | 1,449,321 | 33,441 |
| EXPENDITURES | | | | |
| Current | | | | |
| Office and administrative | 1,285,007 | 1,279,674 | 1,392,921 | (113,247) |
| Capital Outlay | - | 129,542 | - | 129,542 |
| Total expenditures | 1,285,007 | 1,409,216 | 1,392,921 | 16,295 |
| Net Change in Fund Balance | 98,493 | 6,664 | 56,400 | 49,736 |
| FUND BALANCE, beginning of year | 2,910,109 | 2,910,109 | 2,910,109 | - |
| FUND BALANCE, end of year | $ 3,008,602 | $ 2,916,773 | $ 2,966,509 | $ 49,736 |

ST. LANDRY PARISH ASSESSOR
Opelousas, Louisiana

Schedule of Changes in Total OPEB Liability & Related Ratios
Year Ended December 31, 2018

| | | 2018 |
|---|---|---|
| Total OPEB Liability | | |
| Service Cost | $ | 101,387 |
| Interest on total OPEB liability | | 72,537 |
| Effect of plan changes | | - |
| Effect of economic/demographic gains or losses | | 299,342 |
| Total changes in assumptions or inputs | | (454,414) |
| Benefit payments | | (10,373) |
| Net Change in Total OPEB Liability | $ | 8,479 |
| Total OPEB Liability Beginning | $ | 2,012,394 |
| Total OPEB Liability - Ending | $ | 2,020,873 |
| Covered Employee Payroll | | 726,781 |
| Total OPEB Liability as a percentage of covered employee payroll | | 278.06% |

Notes to Schedule:

Changes of Benefit Terms: None

Changes of Assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

| | |
|---|---|
| 2017 | 3.44% |
| 2018 | 4.10% |

ST. LANDRY PARISH ASSESSOR
Opelousas, Louisiana

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

| | 2015* | 2016* | 2017* | 2018* |
|---|---|---|---|---|
| Employer's Proportion of the Net Pension Liability (Asset) | 1.100917% | 1.166575% | 1.188556% | 1.210257% |
| Employer's Proporationate Share of the Net Pension Liability (Asset) | $ 602,976 | $ 411,649 | $ 208,557 | $ 235,278 |
| Employer's Covered-Employee Payroll | $ 495,002 | $ 507,894 | $ 521,796 | $ 533,859 |
| Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll | 121.81% | 81.05% | 39.97% | 44.07% |
| Plan Fidicuiary Net Position as a Percentage of the the Total Pension Liability | 85.57% | 90.68% | 95.61% | 95.46% |

* The amounts presented have a measurement date as of September 30, 2015, 2016, 2017 and 2018.

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

ST. LANDRY PARISH ASSESSOR
Opelousas, Louisiana

Schedule of Employer Contribution
Year Ended December 31, 2018

| Date | Contractually Required Contribution | Contributions in Relation to Contractually Required Contribution | Contribution Deficiency (Excess) | Employer's Covered Employee Payroll | Contributions as a % of Covered Employee Payroll |
|---|---|---|---|---|---|
| 2015 | $ 66,825 | $ 66,825 | - | $ 495,002 | 13.5% |
| 2016 | 68,566 | 68,566 | - | 507,894 | 13.5% |
| 2017 | 52,180 | 52,180 | - | 521,796 | 10.0% |
| 2018 | 42,709 | 42,709 | - | 533,859 | 8.0% |

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

# OTHER SUPPLEMENTAL INFORMATION

ST. LANDRY PARISH ASSESSOR
Opelousas, Louisiana

Schedule of Compensation, Benefits and Other
Payments to Agency Head or Chief Executive Officer
Year Ended December 31, 2018

Agency Head Name: Rhyn Duplechain, Assessor

| Purpose | Amount |
|---|---|
| Salary (R.S. 47:1907) | $ 144,314 |
| Benefits-insurance (R.S. 47:1923) | 21,969 |
| Benefits-retirement (R.S. 11:1481) | 15,585 |
| Benefits-deferred compensation (R.S. 42:1301-1309) | 12,000 |
| Travel | 438 |
| Expense allowance | 14,581 |
| Total | $ 208,887 |

# INTERNAL CONTROL AND COMPLIANCE

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OTHER LOCATIONS:
Lafayette Morgan City Abbeville

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

Honorable Rhyn Duplechain
St. Landry Parish Assessor
Opelousas, 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 St. Landry Parish Assessor (Assessor) as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Assessor's basic financial statements, and have issued our report thereon dated June 27, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the St. Landry Parish Assessor's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the St. Landry Parish Assessor's internal control. Accordingly, we do not express and opinion on the effectiveness of the St. Landry 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 over financial reporting that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether St. Landry Parish Assessor's financial statements are free of material misstatements, 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 are required to be reported under Government Auditing Standards which is described in the schedule of findings and questioned costs as 2018-001.

**Purpose of this Report**

This 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 over compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Darnall, Sikes & Frederick
A Corporation of Certified Public Accountants

Eunice, Louisiana
June 27, 2019

ST. LANDRY PARISH ASSESSOR
Opelousas, Louisiana

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

PART I SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Auditor's Report

An unmodified opinion has been issued on the St. Landry Parish Assessor's financial statements as of and for the year ended December 31, 2018.

Material Weaknesses and Significant Deficiencies – Financial Reporting

No material weaknesses or significant deficiencies were noted during the audit of the financial statements.

Material Noncompliance – Financial Reporting

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

FEDERAL AWARDS

This section is not applicable for the year ending December 31, 2018.

PART II FINDINGS RELATING TO THE AUDIT IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The audit did not disclose any findings that would require disclosure.

PART III FINDINGS AND QUESTIONED COSTS RELATING TO FEDERAL PROGRAMS

At December 31, 2018, the St. Landry Parish Assessor did not meet the requirements to have a single audit in accordance with OMB Uniform Guidance, therefore, this section is not applicable.

ST. LANDRY PARISH ASSESSOR
Opelousas, Louisiana

Schedule of Prior Year Findings
Year Ended December 31, 2018

Section I - Internal Control and Compliance Material to the Financial Statements

2017-001 Late Submission of the Audited Financial Statements

Status: Resolved

Section II Internal Control and Compliance Material to Federal Awards

Not applicable

Section III Management Letter

No management letter was issued.

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# INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

The Honorable Rhyn Duplechin
St. Landry Parish Assessor
P.O. Drawer C
Opelousas, LA 70571

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

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

The procedures and associated findings are as follows:

## *Written Policies and Procedures*

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

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

      <u>Written policies and procedures were obtained and address the functions noted above.</u>

   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.

      <u>Written policies and procedures were obtained and address the functions noted above.</u>

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

      <u>Written policies and procedures were obtained and address the functions noted above.</u>

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

   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 of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchase).

   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 District's ethics policy.

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

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

   This section is not applicable.

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

This section is not applicable.

### *Bank Reconciliations*

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

   Obtained a listing of client bank accounts from management and management provided representation that the listing is complete.

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

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

b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged)

Bank reconciliations did include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation.

c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

There are no reconciling items that have been outstanding for more than 12 months on the bank reconciliations.

***Collections***

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

   Obtained a listing of deposit sites from management and management provided representation that the listing is complete.

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

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

   Employees responsible for cash collections do share cash drawers/registers.

   Managements Response: Management of the St. Landry Parish Assessor concurs with the exceptions and are working to address the deficiencies identified.

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

   Employee responsible for collecting cash is not responsible for preparing/making bank deposits.

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

   Employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledger.

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

Employee responsible for reconciling cash collections to the general ledger is not responsible for collecting cash.

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

Employees who have access to cash are covered by an insurance policy for theft.

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

a) Observe that receipts are sequentially pre-numbered.

Noted receipts are sequentially pre-numbered.

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

Traced supporting documentation to the deposit slip noting no exceptions.

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

For the deposit dates selected, traced the deposit slip totals to the actual deposit per the bank statement.

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

Cash collection documentation was obtained for the deposit dates selected and we noted deposits tested were made within one day of collection.

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

For the deposit dates selected, traced the actual deposit per the bank statement to the general ledger.

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

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

Obtained listing of disbursements and management provided representation that the listing is complete.

8. For each location selected under #7 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

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

Two employees are involved in the processes noted above.

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

That two employees are involved in the processes noted above.

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

The employee responsible for processing payments is not allowed access to add/modify vendor files.

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

The employee responsible for signing and mailing checks is not responsible for processing payments.

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

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

For each selected disbursement, noted the disbursement matched the related original invoice/billing statement.

b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #8, as applicable.

For each selected disbursement, noted the disbursement documentation included evidence of segregation of duties tested under #8, as applicable.

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

10. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), 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:

Obtained listing of all active credit cards and management provided representation that the listing is complete.

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

a) 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.]:

Examined supporting documentation for the monthly statements selected noting the three statements selected did not have written evidence of being reviewed and approved by someone other than the authorized card holder.

Managements Response: Management of the St. Landry Parish Assessor concurs with the exceptions and are working to address the deficiencies identified.

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

The Entity did incur finance charges and/or late fees on two of the three selected statements.

Managements Response: Management of the St. Landry Parish Assessor concurs with the exceptions and are working to address the deficiencies identified.

12. Using the monthly statements or combined statements selected under #6 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

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

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

  Two transactions selected for testing were not supported by an original itemized receipt.

  Managements Response: Management of the St. Landry Parish Assessor concurs with the exceptions and are working to address the deficiencies identified.

- Documentation of the business/public purpose:

  Two transactions selected for testing were not supported by documentation of the business/public purpose.

  Managements Response: Management of the St. Landry Parish Assessor concurs with the exceptions and are working to address the deficiencies identified.

- Documentation of the individuals participating in meals (for meal charges only):

  Two transactions selected for testing pertained to meals charges and were not supported by appropriate documentation.

  Managements Response: Management of the St. Landry Parish Assessor concurs with the exceptions and are working to address the deficiencies identified.

***Travel and Expense Reimbursement***

13. 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:

Obtained listing of travel and expense reimbursements, by person, and management provided representation that the listing is complete.

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

No exceptions noted.

b) If reimbursed using actual costs, report whether the reimbursement is supported by original itemized receipt that identifies precisely what was purchased:

No exceptions noted.

c) Report whether each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy:

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:

Examined supporting documentation for each expense reimbursement selected noting the reimbursement did have written evidence being reviewed and approved.

## Contracts

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

Obtained a listing of contracts from management and management provided representation that the listing is complete.

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

The five contracts selected for testing were not subject to the Louisiana Public Bid Law.

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

Obtained documentation of approval for selected contracts as required by policy.

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

Contracts selected were not amended.

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

The invoices and related payments selected complied with the terms and conditions of the contract.

## *Payroll and Personnel*

No exceptions noted during the fiscal year ended December 31, 2017 AUP engagement, therefore this section is excluded from testing this fiscal year.

## *Ethics (excluding nonprofits)*

No exceptions noted during the fiscal year ended December 31, 2017 AUP engagement, therefore this section is excluded from testing this fiscal year.

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

No exceptions noted during the fiscal year ended December 31, 2017 AUP engagement, therefore this section is excluded from testing this fiscal year.

***Other***

No exceptions noted during the fiscal year ended December 31, 2017 AUP engagement, therefore this section is excluded from testing this fiscal year.

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

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

Darnall, Sikes, & Frederick

A Corporation of Certified Public Accountants

Eunice, Louisiana

June 27, 2019