

**EAST FELICIANA PARISH ASSESSOR  
CLINTON, LOUISIANA**

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**GENERAL PURPOSE FINANCIAL STATEMENTS  
WITH INDEPENDENT AUDITOR'S REPORT  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2017**

EAST FELICIANA PARISH ASSESSOR  
CLINTON, LOUISIANA  
FINANCIAL REPORT  
WITH INDEPENDENT AUDITOR'S REPORT  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2017  
WITH SUPPLEMENTAL INFORMATION SCHEDULE

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# MC DUFFIE K. HERROD, LTD.

(A Professional Accounting Corporation)

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## Independent Auditor's Report

Honorable Jeffrey Gardner  
East Feliciana Parish Assessor  
Clinton, Louisiana

### ***Report on the Financial Statement***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the East Feliciana Parish Assessor, State of Louisiana, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise East Feliciana Parish Assessor's basic financial statements as listed in the table of contents.

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

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

### ***Auditor's Responsibility***

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

An audit involves performing procedures to obtain 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 East Feliciana Parish Assessor's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the East Feliciana Parish Assessor's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective

financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the East Feliciana Parish Assessor as of December 31, 2017, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 7 and the budgetary comparison information on page 28 and the schedule of the Assessor's proportionate share of the net pension liability on pages 20 through 24, and additional pension plan information on pages 30 and 31 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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.

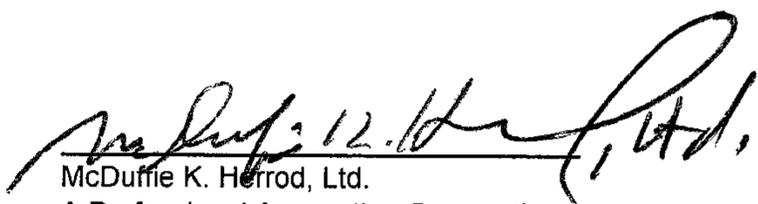
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the East Feliciana Parish Assessor's office financial statements. The supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis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

#### *Other Supplementary Information*

The other supplemental information schedules listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have issued a report dated June 20, 2018, on our consideration of the East Feliciana Parish Assessor's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the East Feliciana Parish Assessor's internal control over financial reporting and compliance.

  
McDuffie K. Herrod, Ltd.  
A Professional Accounting Corporation  
June 20, 2018

## **MANAGEMENT DISCUSSION AND ANALYSIS**

**EAST FELICIANA PARISH ASSESSOR  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
December 31, 2017**

This section of the East Feliciana Parish Assessor's annual financial report presents our discussion and analysis of the East Feliciana Parish Assessor's financial performance during the fiscal year ended on December 31, 2017. Please read it in conjunction with the East Feliciana Parish Assessor's financial statements, which follow this section.

**PAST ACCOMPLISHMENTS**

During 2017, the East Feliciana Parish Assessor had the following:

- We completed the process of scanning and adding all old conveyances to our software for better research purposes and continue to scan all current conveyances.
- We began the process of updating all photographs of residences ten years or older.
- We continue to be in the process of beginning our CAMA system to better equip our employees.
- We increased the number of trained full-time mapping employees from one to two.
- Our office is maintaining eight full-time employees, 2 part-time employees, and student workers.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of four parts - management's discussion and analysis (this section), the basic financial statements, required supplementary information, and an optional section that presents combining statements for non major governmental funds and internal service funds. The basic financial statements include two kinds of statements that present different views of the Assessor:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the Assessor's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the Assessor government, reporting the Assessor's operations in more detail than the government-wide statements.
- The governmental funds statements tell how general government services were financed in the short term as well as what remains for future spending.

**EAST FELICIANA PARISH ASSESSOR  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
December 31, 2017**

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and relate to one another. In addition to these required elements, we have included a section with combining statements that provide details about our non-major governmental funds and internal service funds, each of which are added together and presented in single columns in the basic financial statements.

Government-wide Statements

The government-wide statements report information about the Assessor as a whole using accounting methods similar to those used by private-sector companies. The statement of the net assets includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the Assessor's net assets and how they have changed. Net assets, the difference between the Assessor's assets and liabilities, is one way to measure the Assessor's financial position.

- Over time, increases or decreases in Assessor's net assets are an indicator of whether its financial health is improving or deteriorating.
- To assess the overall financial health of the Assessor one needs to consider additional financial factors such as changes in the finances of the State of Louisiana and the parish of East Feliciana.

The government-wide financial statements of the Assessor consist of:

- Governmental activities - all of the Assessor's basic services are included here, such as the program, and general administration.

Fund Financial Statements

The fund financial statements provide more detailed information about the Assessor's most significant funds - not the Assessor as a whole. Funds are accounting devices that the Assessor uses to keep track of specific sources of funding and spending for particular purposes.

Some funds are required by State law.

The Assessor fund is:

**EAST FELICIANA PARISH ASSESSOR  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
December 31, 2017**

- Governmental funds - Most of the Assessor's basic services are included in the governmental funds, which focus on: (1) how the other financial assets can readily be converted to cash flow in and out, and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the Assessor's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we are providing additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them.

FINANCIAL ANALYSIS OF THE ASSESSOR AS A WHOLE

Net Position. The Assessor's combined net positions were as follows. (See Table A-1)

Table A-1  
Assessor's Net Position

	<u>Governmental Activities</u>	
	<u>2016</u>	<u>2017</u>
Current and other assets	\$ 1,914,339	2,049,434
Capital assets	66,629	83,276
Deferred Outflows	278,441	192,363
Total Assets & Deferred Outflows	2,259,409	2,325,073
Current Liabilities	5,456	5,215
Long Term Liabilities		
Other Post Employment benefits	508,134	508,134
Net Pension Liability	445,581	203,105
Deferred Inflows	46,308	161,305
Total Liabilities & Deferred Inflows	1,005,479	877,759
Net Position		
Invested in capital assets	66,629	83,276
Unassigned	1,187,301	1,364,038
Total net position	\$ 1,253,930	1,447,314

**EAST FELICIANA PARISH ASSESSOR  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
December 31, 2017**

Governmental Activities

Table A-2  
Changes in Assessor's Net Position

	Governmental Activities	
	2016	2017
<u>Revenues</u>		
Program Revenues		
Ad Valorem Taxes	\$822,910	956,103
Charges for Services	4,250	9,228
State Revenue Sharing	129,290	134,008
Other	9,624	12,116
Total Revenues	<u>\$ 966,074</u>	<u>1,111,455</u>
<u>Expenses</u>		
General Governmental	<u>\$1,128,544</u>	<u>918,071</u>
Total Expenses	<u>\$1,128,544</u>	<u>918,071</u>
Increase (decrease) in Net Position	<u>\$ (162,470)</u>	<u>193,384</u>

Table A-3  
Net Cost of Assessor's Governmental Activities

	Total Cost of Services	Total Cost of Services
	2016	2017
Program Services	<u>\$1,128,544</u>	<u>\$ 918,071</u>

**EAST FELICIANA PARISH ASSESSOR  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
December 31, 2017**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

Capital Assets

At the end of 2017, the Assessor had invested \$83,276 in capital assets (See Table A-4)

Table A-4  
Assessor's Capital Assets  
(net of depreciation)

	Governmental Activities	
	2016	2017
Furniture, Equipment, and Vehicles	\$66,629	\$83,276
Total Expenses	\$66,629	\$83,276

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS**

The Assessor is dependent on the State of Louisiana and the East Feliciana Parish Police Jury for most of its revenues. These entities receive a substantial part of their revenues from taxes. The economy is not expected to generate any significant growth. Therefore, the Assessor's future revenues are expected to be consistent with the current years. The budget for the 2018 year is approximately the same as the year 2017.

**CONTACTING THE ASSESSOR'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the Assessor's finances and to demonstrate the Assessor's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mr. Jeff Gardner, Assessor, 12064 Marston Street, Clinton, Louisiana, 70722.

**BASIC FINANCIAL STATEMENTS**  
**(OVERVIEW)**

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

East Feliciana Parish Assessor  
 Clinton, Louisiana  
 Statement of Net Position  
 December 31, 2017

Statement A

<u>Current Assets</u>	
Cash and cash equivalents	\$ 706,089
Interest-Bearing Deposits	231,174
Prepaid expenses	6,983
Revenue receivable	
Ad valorem taxes	971,181
State revenue sharing	134,007
Total Current Assets	<u>2,049,434</u>
<u>Non current assets:</u>	
Capital assets net of accumulated depreciation	83,276
<u>Deferred Outflows</u>	
Pension Related	<u>192,363</u>
Total Assets and Deferred Outflows	<u><u>2,325,073</u></u>
<u>Liabilities</u>	
Accounts payable	2,325
Accrued expenses	2,890
<u>Long Term Liabilities</u>	
Other Post employment benefits	508,134
Net Pension Liability	203,105
<u>Deferred Inflows</u>	
Pension Related	<u>161,305</u>
Total Liabilities and Deferred Inflows	<u><u>877,759</u></u>
<u>Net Position</u>	
Invested in capital assets	83,276
Unassigned	1,364,038
Total Net Position	<u><u>\$ 1,447,314</u></u>

The accompanying notes are an integral part of this statement

East Feliciana Parish Assessor  
 Clinton, Louisiana  
 Statement of Activities  
 December 31, 2017

Statement B

Expenses:

General Government:

Personal services and related benefits	\$ 757,224
Operating services	99,867
Materials and supplies	34,465
Travel and training	5,861
Depreciation	20,654
Total Program Expense	<u>918,071</u>

Program Revenues

Fees, charges and commissions for services	9,228
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Other Revenues

Dividends W/C	5,900
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Net Program Expenses	<u>902,943</u>
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General Revenues

Ad valorem taxes	956,103
Intergovernmental-state funds-state revenue sharing	134,008
Interest earned	6,216
Total General Revenues	<u>1,096,327</u>

Change in Net Position

193,384

Net Position, Beginning of Year

1,253,930

Net Position, End of Year

\$ 1,447,314

The accompanying notes are an integral part of this statement

## **FUND FINANCIAL STATEMENTS (FFS)**

### **MAJOR FUND DESCRIPTION**

#### **GENERAL FUND**

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

East Feliciana Parish Assessor  
 Clinton, Louisiana  
 Governmental Funds  
 Balance Sheet  
 For the Year Ended December 31, 2017

Statement C

<u>Assets</u>	<u>General Fund</u>
Cash and cash equivalents	\$ 706,089
Interest Bearing Deposits	231,174
Prepaid expenses	6,983
Revenue Receivable	
Ad valorem taxes	971,181
State revenue sharing	134,007
<u>Total Assets</u>	<u>\$ 2,049,434</u>
<u>Liabilities and Fund Equity</u>	
<u>Liabilities</u>	
Accounts payable	\$ 2,325
Accrued Expenses	2,890
<u>Total Liabilities</u>	<u>5,215</u>
<u>Fund Equity-Fund Balances--Unassigned</u>	<u>2,044,219</u>
<u>Total Liabilities and Fund Equity</u>	<u>\$ 2,049,434</u>

The accompanying notes are an integral part of this statement

East Feliciana Parish Assessor  
 Clinton, Louisiana  
 Reconciliation of Governmental Funds  
 Balance Sheet to Statement of Net Position  
 For the Year Ended December 31, 2017

Statement D

<u>Total Fund Balances at December 31, 2017</u>		
<u>Governmental Funds (Statement C)</u>		\$ 2,044,219
Total net assets reported for governmental activities in the statement of net position is different because:		
Deferred Outflows - Pension Related		192,363
Capital assets used in governmental activities are not financial resources, therefore are not reported in the funds. Those assets consist of:		
Vehicles, furniture and equipment	\$ 301,755	
Less: Accumulated depreciation as of December 31, 2017	<u>(218,479)</u>	83,276
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the Governmental Fund Balance Sheet:		
Net OPEB Obligations		(508,134)
Net Pension Liability		(203,105)
Deferred Inflows - Pension Related		<u>(161,305)</u>
<u>Net Position at December 31, 2017 (Statement A)</u>		<u>\$ 1,447,314</u>

The accompanying notes are an integral part of this statement

East Feliciana Parish Assessor  
 Clinton, Louisiana  
 Governmental Funds  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 For the Year Ended December 31, 2017

Statement E

Revenues

Intergovernmental revenues:		
Ad valorem taxes		\$ 956,103
Services rendered		9,228
State revenue sharing		134,008
Other revenues:		
Interest on:		
Bank time deposits		6,216
Other		5,900
	<u>Total Revenues</u>	<u>1,111,455</u>

Expenditures

General government-taxation:		
Personal services and related benefits		757,224
Operating services		99,867
Travel and training		5,861
Materials and supplies		34,465
Capital Outlay		37,300
	<u>Total Expenditures</u>	<u>934,717</u>

<u>Excess of Revenues over (Expenditures)</u>	176,738
<u>Fund Balance at Beginning of Year</u>	<u>1,276,599</u>
<u>Fund Balance at End of Year</u>	<u>\$ 1,453,337</u>

The accompanying notes are an integral part of this statement

East Feliciana Parish Assessor  
Clinton, Louisiana  
Reconciliation of Government Funds  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
To the Statement of Activities  
For the Year Ended December 31, 2017

Statement F

<u>Total Net Change in Fund Balances - Governmental Funds (Statement E)</u>	\$ 176,738
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Amounts reported for governmental activities in the Statement of  
Activities are different because:

Capital outlays are reported in governmental funds as expenditures.  
However, in the Statement of Activities, the cost of those assets  
is allocated over their estimated useful lives as depreciation  
expense. This is the amount by which depreciation expense is in  
excess of capital expenditures for the period.

16,646

<u>Changes in Net Position of Governmental Activities (Statement B)</u>	
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	<u>\$ 193,384</u>
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The accompanying notes are an integral part of this statement

**EAST FELICIANA PARISH ASSESSOR**  
**CLINTON, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017**

**INTRODUCTION**

As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, the Assessor is elected by the voters of the parish and serves a four-year term. The Assessor assesses all real and movable property in the parish, subject to ad valorem taxation. The Assessor is authorized to appoint as many deputies as may be necessary for the efficient operation of the office and provide assistance to the taxpayers of the parish. The deputies are authorized to perform all functions of the office, but the Assessor is officially and pecuniarily responsible for the actions of the deputies.

The Assessor's office is located in Clinton, Louisiana. For the year 2017, the Assessor employed eight full-time employees, including one deputy and the Assessor, and seven part-time employees. In accordance with Louisiana law, the Assessor bases real and movable property assessments on conditions existing on January 1, of the tax year. The Assessor completes an assessment listing by May 1, of the tax year and submits the list to the parish governing authority and the Louisiana Tax Commission, as prescribed by law. Once the assessment listing is approved, the Assessor submits the assessment roll to the parish tax collector, who is responsible for the collection and distribution of taxes to the various taxing bodies.

**NOTE #1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF PRESENTATION**

The accompanying basic financial statements of the East Feliciana Parish Assessor have been prepared in conformity with generally accepted accounting principles accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for established governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, Basic Financial Statements and Management Discussion and Analysis for the State and Local Governments, issued in June 1999.

**B. REPORTING ENTITY**

The Assessor is a "primary government" as defined in GASB pronouncements, since the Assessor has the power to designate management, the ability to significantly influence operations of his office (which includes the hiring or retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursements of funds), and primary accountability for fiscal matters. The Assessor has no component units.

The accompanying financial statements present information only on the funds of the assessor and do not present information on the police jury, the general government services provided by the governmental unit, or the other governmental units that comprise the financial reporting entity.

**C. FUND ACCOUNTING**

The assessor uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain tax assessment functions and activities. A fund is defined as a separate accounting entity with a self-balancing set of accounts.

**EAST FELICIANA PARISH ASSESSOR**  
**CLINTON, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017**

**Government Funds**

Governmental funds account for most of the assessor's general activities. These funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the assessor. The following are the assessor's governmental funds:

General Fund

The general fund, as provided by Louisiana Revised Statute 13:781, as the principal fund of the Assessor and is used to account for the operations of the Assessor's office. The various fees and charges due to the Assessor's office are accounted for in this fund. General operating expenditures are paid from this fund.

D. MEASUREMENT FOCUS

Fund Financial Statements (FFS)

The amounts reflected in the General Fund in the Balance Sheet (Statement C) and the Statement of Revenues, Expenditures, and Changes in Fund Balance (Statement E) are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the Assessor's operations.

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

**Revenues**

Ad valorem taxes are budgeted and recorded in the year the taxes are levied and billed. Ad valorem taxes are assessed on a calendar year basis, become due when the tax roll is filed with the recorder of mortgages and become delinquent on January 1<sup>st</sup> of the following year. Ad valorem taxes are generally collected in November and December of the current year and January and February of the

EAST FELICIANA PARISH ASSESSOR  
CLINTON, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2017

ensuing year.

Other intergovernmental revenues and charges for services are recorded when the Assessor is entitled to the funds.

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

### **Expenditures**

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Purchases of various operating supplies are regarded as expenditures at the time of purchase.

### **Government-Wide Financial Statements (GWFS)**

The Statement of Net Position (Statement A) and the Statement of Activities (Statement B) display information about the reporting government as a whole. These statements include all the financial activities of the assessor. Information contained in these statements reflect the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements for GASB Statement No. 33, Accounting and Financial Reporting for Non-exchange Transactions.

The statement of activities presents a comparison between direct expenses and program revenues for the Assessor's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore are clearly identifiable to a particular function. Program revenues include fees and charges paid by the recipients of services offered by the Assessor, and grants and contributions for services offered by the Assessor. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

### **Reconciliation**

A reconciliation of the items reflected in the Government-wide Financial Statements and the Fund Financial Statements is presented in Statement D which reconciles the Balance Sheet to the Statement of Net Position and Statement F which reconciles the Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities.

### **E. BUDGETS**

The Assessor used the following budget practices:

1. The Assessor prepares a general fund budget, on the modified accrual basis of accounting, at the beginning of each year based upon expenditures and anticipated revenues for the budget year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.

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3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All annual appropriations lapse at fiscal year end.
6. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as finally amended by the Assessor. Such amendments were not material in relation to the original appropriations.

F. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include amounts in demand deposits, interest-bearing demand deposits, and time deposits. They are stated at cost which approximates market.

G. INTEREST-BEARING DEPOSITS

Under state law, the assessor may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States. Investments are limited by the Louisiana Revised Statute (R.S.) 33:2955 and the assessor's investment policy. The assessor may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits.

H. CAPITAL ASSETS

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

Capital assets are reported in the Statement of Net Assets and the Statement of Activities. Since surplus assets are sold for an immaterial amount when declared no longer needed for public purposes by the assessor, no salvage value is taken into consideration for depreciation purposes. All capital assets are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Furniture and fixtures	5 - 7 years
Vehicles	5 years
Equipment	3 - 5 years
Software	3 years

I. COMPENSATED ABSENCES

The assessor has the following policy relating to vacation and sick leave: employees earn from one to four weeks of vacation leave each year depending on length of service. Vacation leave cannot be accumulated. Employees are allowed seven days leave per year which cannot be accumulated. At December 31, 2017, there are no accumulated and vested benefits that require disclosure to

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conform with generally accepted accounting principles.

**J. RESTRICTED ASSETS**

For government-wide statement of net position, net position is reported as restricted when constraints placed on the asset use are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; and imposed by law through constitutional provisions or enabling legislation. The Assessor had no restrictions on assets as of December 31, 2017.

**K. FUND EQUITY**

In the fund financial statements, the governmental fund reports reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Any designations of fund balance represent tentative management plans that are subject to change.

**L. USE OF ESTIMATES**

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**      **LEVIED TAXES**

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

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. During the current fiscal year, taxes were levied in May and billed to the taxpayers by the East Feliciana Parish Assessor in October. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year.

The taxes are based on assessed values determined by the East Feliciana Parish Tax Assessor and are collected by the East Feliciana Parish Sheriff and Tax Collector.

Ad valorem taxes are budgeted and recorded in the year levied and billed. For the year ended December 31, 2017, special assessment district taxes were levied at the rate of 6.39 mills on property. Total special assessment district taxes levied during 2017 was \$7,631,032.

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The following public services and businesses are the principal taxpayers for the parish:

<u>Taxpayer</u>	<u>Assessed Valuation</u>
Colonial Pipeline Company	17,164,810
Bengal Pipeline Company	16,738,300
CIT Group / Equipment Financing, Inc.	11,915,780
GATX Corporation	8,554,560
Transcontinental Gas Pipeline	8,237,970
Entergy Louisiana, LLC	6,613,050
American Railcar Leasing, LLC	6,333,630
Valero Marketing & Supply Company	4,872,090
Marathon Pipeline, LLC	4,815,720
Dixie Electric Membership Co-Op	4,018,490
American Railcar Industry	2,892,540
Feliciana Bank & Trust Company	850,700
NGL Supply Terminal Company, LLC	763,140
Bellsouth Telecomm, Inc.	753,400
East Feliciana Rural Water System	740,260

**NOTE # 3 CASH AND CASH EQUIVALENTS**

At December 31, 2017, the assessor has cash and cash equivalents (book balance) totaling as follows:

Demand deposits	<u>\$ 706,089</u>
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Secured by FDIC Insurance and Bank Collateral

**NOTE # 4 INTEREST BEARING DEPOSITS**

The Assessor has time certificate of deposits with maturity dates greater than 90 days. These deposits are stated at cost, which approximates market. Under state law, these deposits, and the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount of deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at December 31, 2017, are secured as follows:

Time deposit balances	<u>\$ 231,174</u>
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Federal Deposit Insurance And Bank Collateral	<u>\$ 231,174</u>
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**EAST FELICIANA PARISH ASSESSOR**  
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Pledged securities in Category 3 include uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the Assessor's name. Even though the pledged securities are considered uncollateralized (Category 3), Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Assessor that the fiscal agent has failed to pay deposited funds upon demand.

**NOTE # 5**      **RECEIVABLES**

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

Class of receivable:	
Taxes - ad valorem	\$ 971,181
State Revenue Sharing	<u>134,007</u>
Total	<u>\$ 1,105,188</u>

**NOTE # 6**      **CHANGES IN GENERAL FIXED ASSETS**

Capital assets and depreciation activity as of and for the year ended December 31, 2017 is as follows:

Balance, January 1, 2017	\$ 264,454
Additions	37,300
Deletions	<u>0</u>
Balance, December 31, 2017	301,754
Less: accumulated depreciation	<u>(218,479)</u>
Net Capital Assets	<u>\$ 83,276</u>

Depreciation expense for the year was \$20,654.

**NOTE # 7**      **PENSION PLAN**

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

All full-time employees who are under the age of 60 at the time of original employment and are not drawing retirement benefits from any other public retirement system in Louisiana are required to participate in the System. Employees who retire at or after age 55 with at least 12 years of credited service or at or after age 50 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each year of credited service, not to exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. The system also provides death and disability benefits. Benefits are established or amended by state statute.

EAST FELICIANA PARISH ASSESSOR  
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The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Assessor's Retirement System, 3060 Valley Creek Road, Baton Rouge, Louisiana 70898, or by calling (225) 928-8886.

Plan members are required by state statute to contribute 8.0 percent of their annual covered salary and the East Feliciana Parish Assessor is required to contribute at an actuarially determined rate. The current rate was 8.0 percent of annual covered payroll. Contributions to the system include one-fourth of one percent (one percent for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each parish, plus revenue sharing funds appropriated by the legislature. The contribution requirements of plan members and the East Feliciana Parish Assessor are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The East Feliciana Parish Assessor's contributions to the system for the years ending December 31, 2016, 2015, and 2014 were \$112,655, \$114,127, and \$108,428, respectively. The amounts are equal to the required contributions for each year.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions-At December 31, 2017, the Assessor reported a liability of \$203,105 for its proportionate share of the net pension liability of the System. The net pension liability was measured as of September 30, 2017 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Assessor's proportion of the net pension liability was based on a projection of the Assessor's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At September 30, 2017, the Assessor's proportion was 1.157487%, which was a decrease of 0.10525% from its proportion measured as of September 30, 2016. For the year ended December 31, 2017, the Assessor recognized pension expense of \$44,146 representing its proportionate share of the System's net expense, including amortization of deferred amounts.

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

Deferred Flows of Resources	<u>Outflows</u>	<u>Inflows</u>
Differences between expected and actual experience	\$ 22,683	\$ 63,768
Changes of assumptions	127,030	0
Net difference between projected and actual earnings on Pension plan investments	0	78,604
Changes in proportion and differences between employer contributions and proportionate share of contributions	23,953	18,933
Employer contributions subsequent to the measurement date	18,697	0
Totals	<u>\$ 192,363</u>	<u>\$ 161,305</u>

EAST FELICIANA PARISH ASSESSOR  
CLINTON, LOUISIANA  
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The Assessor reported a total of \$192,363 as deferred outflow of resources related to pension contributions made subsequent to the plan's measurement period of September 30, 2017 which will be recognized as a reduction in net pension liability in the Assessor's fiscal year ended December 31, 2017.

Other amounts reported as deferred outflows of resources and deferred inflows of resources, including remaining plan's amortization, related to pensions will be recognized in pension expense as follows:

Year	Amount
2018	\$ 26,438
2019	36,781
2020	(36,656)
2021	(21,907)
2022 and after	7,661
Total	\$ 12,317

*Actuarial Methods and Assumptions*-A summary of the actuarial methods and assumptions used in determining the total pension liability as of September 30, 2017 are as follows:

Actuarial Cost Method	Entry age normal
Investment Rate of Return (discount rate)	6.75%, net of pension plan investment expense, including inflation
Inflation Rate	2.50%
Salary Increases	5.75%
Annuitant and beneficiary mortality	RP 2000 Healthy Annuitant Table set forward one year and projected to 2030 for males and females
Active Members Mortality	RP 2000 Healthy Annuitant Table set forward one year and projected to 2030 for males and females
Disabled Lives Mortality	RP-2000 Disabled Lives Mortality Tables set back five years for males and three years for females

*Discount Rate*

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2017, are summarized in the following table.

EAST FELICIANA PARISH ASSESSOR  
CLINTON, LOUISIANA  
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Asset Class	Long-Term Expected Real Rate of Return 2017
Domestic equity	7.50%
International equity	8.50%
Domestic bonds	2.50%
International bonds	3.50%
Real estate	4.50%
Alternative assets	6.24%

The long-term expected rate of return selected for this report by the Fund was 6.75%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from the participating employers and non-employer contributing entities will be made at actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on these assumptions and the other assumptions and methods as specified in this report, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investment 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 6.75%.

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 2017 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 6.75%, as well as what the Fund's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current discount rate (assuming all other assumptions remain unchanged):

EAST FELICIANA PARISH ASSESSOR  
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	1% Decrease (5.75%)	Current Discount Rate (7%)	1% Increase (7.75%)
Net Pension Liability	688,736	203,105	(213,209)

**NOTE # 8**      **DEFERRED COMPENSATION PLAN**

The East Feliciana Parish Assessor offers its employees participation in the State of Louisiana Public Employees Deferred Compensation Plan adopted by the Louisiana Deferred Compensation Commission and established in accordance with Internal Revenue Code Section 457. The plan, available to all Assessor employees, permits the employee to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or proof of hardship.

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

Complete disclosures relating to the plan are included in the separately issued audit report for the plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397.

**NOTE # 9**      **OTHER POST-EMPLOYMENT BENEFITS PLAN**

***Plan Description.*** The Assessor participates in a group defined health, dental and life insurance benefit retirement plan administered by the insurance committee of the Louisiana Assessors' Association. Participation in the plan is authorized by the Assessor. The Plan provides lifetime health, dental and life insurance for employees that retire at age fifty-five or older and at least twelve years of full-time service, or employees that retire at less than fifty-five years old and at least thirty years of service. The Assessor pays the cost of health, life, and dental insurance coverage for retirees. Retirees pay cost associated with spouse and family coverage.

The Assessor has implemented GASB Statement No. 45, ***Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions.*** In adopting the requirements of GASB Statement No. 45 during the year ended December 31, 2012, the Assessor recognizes the cost of post-employment benefits in the year when employee services are rendered, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the Assessor's future cash flows. Because the Assessor has adopted the requirements of GASB Statement No. 45 prospectively, recognition of the liability accumulated from prior years will be phased in over 30 years, commencing with the 2012 liability.

***Annual OPEB Cost and Net OPEB Obligation.*** The Assessor's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution (ARC). The Assessor has elected to calculate the ARC and related information using the alternative measurement method permitted by GASB

EAST FELICIANA PARISH ASSESSOR  
CLINTON, LOUISIANA  
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Statement No. 45 for employers with plans that have fewer than 100 total members. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the Assessor's annual OPEB cost for the year, the amount actually contributed to the Plan, and changes in the Assessor's net OPEB obligation to the Plan:

	For 2016
<b>Determination of Annual Required Contribution</b>	
Normal Cost at fiscal year end	\$ 89,038
Amortization of UAAL	36,296
Annual Required Contribution (ARC)	\$ 125,334
<b>Determination of Net OPEB Obligation</b>	
Net OPEB Obligation - beginning of year	\$ 392,650
Annual Required Contribution	\$ 125,334
Interest on prior year Net OPEB Obligation	15,706
Adjustment to ARC	(16,026)
Annual OPEB Cost	\$ 125,014
Assumed Contributions made	(9,530)
Estimated Increase in Net OPEB Obligation	\$ 115,484
Estimated Net OPEB obligation, end of year	\$ 508,134

**Funding Policy, Funded Status, and Funding Progress.** The Plan is financed on a pay-as-you-go basis, therefore no funds are reserved for payment of future health insurance premiums. As of December 31, 2017, the actuarial accrued liability for benefits was \$508,134, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the Plan) was \$433,000, and the ratio of the unfunded actuarial accrued liability (UAAL) to the covered payroll was 169%.

The projection of future benefits for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of future events far into the future. Amounts determined regarding the funded status of the plan and the employer's annual required contributions are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

**Actuarial Methods and Assumptions.** Projections of benefits for financial reporting purposes are based on the substantive plan (the plan is understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs

EAST FELICIANA PARISH ASSESSOR  
CLINTON, LOUISIANA  
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between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The following simplifying assumptions were made:

**The following simplifying assumptions were made:**

***Retirement age for active employees*** – Active members were assumed to retire at the age of 65 years.

***Marital statuses*** – Marital status of members at the calculation date was assumed to continue throughout retirement.

***Mortality*** - Life expectancies were based on mortality tables from the National Center for Health Statistics.

***Turnover*** – Non-group-specific age-based turnover data from GASB Statement 45 were used as the basis for assigning active members a probability of remaining employed until the assumed retirement age and for developing an expected future working lifetime assumption for purposes of allocating to periods the present value of total benefits to be paid.

***Healthcare cost trend rate*** – The expected rate of increase in healthcare insurance premiums was based on projections of the Office of the Actuary at the Centers for Medicare & Medicaid Services. A rate of 5.7 percent initially, reduced to an ultimate rate of 6.6 percent after ten years, was used.

***Health insurance premiums*** – 2017 health insurance premiums for retirees were used as the basis for calculation of the present value of total benefits to be paid.

***Inflation rate*** – The expected long-term inflation assumption of 2.8 percent was based on projected changes in the Consumer Price Index (CPI) in *The 2009 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds* for an intermediate growth scenario.

***Payroll growth rate*** – The expected long-term payroll growth rate was assumed to equal the rate of inflation.

Based on the historical and expected returns of the Assessor's short-term investment portfolio, a discount rate of 3 percent was used. In addition, a simplified version of the unit credit actuarial cost method was used. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis over thirty years.

**NOTE # 10      EXPENDITURES OF THE ASSESSOR NOT INCLUDED IN THE FINANCIAL STATEMENTS**

The Assessor's office is located in the East Feliciana Parish Police Jury office. The upkeep and maintenance of the building is paid for by the East Feliciana Parish Police Jury. In addition certain operating expenditures of the Assessor's office are paid by the Parish Police Jury as required by Louisiana Revised Statute 33:4713.

**NOTE # 11      RISK MANAGEMENT**

The Assessor is exposed to various risks of loss related to torts; theft of, damage to, and destruction of

EAST FELICIANA PARISH ASSESSOR  
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assets; errors and omissions, and injuries to employees. To handle some risk of loss, the Assessor has workers' compensation insurance for any employee injured on the job and surety bond coverage. No settled claims from these risks have exceeded insurance coverage for the past three years. There are not significant reductions in insurance coverage from coverage in the prior year.

**NOTE # 12**      **LITIGATION AND CLAIMS**

There is no current pending or threatened litigation.

**NOTE # 13**      **SUBSEQUENT EVENTS**

Management has evaluated subsequent events through June 20, 2018, the date on which the financial statements were available to be issued.

**NOTE # 14**      **OPERATING LEASES**

The Assessor entered into three leases for three vehicles. The lease period is from 4/23/2013 to 2/3/2018. Lease expense in 2017 is \$15,405. Future minimum lease payments are as follows:

2018	1,632
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Management has decided to not renew or enter into any auto leases in the future.

## **SUPPLEMENTAL INFORMATION**

East Feliciana Parish Assessor  
Clinton, Louisiana

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

	Final Budget	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)
<u>Revenue</u>			
Taxes-ad valorem	1,060,000	956,103	(103,897)
Intergovernmental-state funds			
State revenue sharing	128,000	134,008	6,008
Interest on:			
Investments	2,000	6,216	4,216
Other	9,500	15,128	5,628
Total Revenues	1,199,500	1,111,455	(88,045)
 <u>Expenditures</u>			
Current:			
General government-taxation:			
Personal services and related benefits	922,500	757,224	165,276
Operating services	127,500	99,867	27,633
Materials and supplies	46,000	34,465	11,535
Travel and training	15,000	5,861	9,139
Donations		-	-
Capital Outlay	45,000	57,954	(12,954)
Total Expenditures	1,156,000	955,371	200,629
<u>Excess (Deficit) of Revenues over Expenditures</u>	43,500	156,084	112,584
<u>Fund Balance at Beginning of Year</u>	1,685,186	1,744,538	
<u>Fund Balance at End of Year</u>	1,728,686	1,900,622	

The accompanying notes are an integral part of this statement

East Feliciana Parish Assessor  
Clinton, Louisiana  
December 31, 2017

NOTE TO BUDGETARY COMPARISON SCHEDULE

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

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying financial statement include the original adopted budget amounts and the budget amendments, if applicable, for the year ended December 31, 2017.

EAST FELICIANA PARISH ASSESSOR  
 SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY  
 DECEMBER 31, 2017

Actuarial Valuation Date	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
September 30, 2015	1.170894%	612,755	494,926	81.00%	85.57%
September 30, 2016	1.262737%	445,581	549,763	123.00%	90.68%
September 30, 2017	1.157487%	203,105	567,109	35.81%	95.61%

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

EAST FELICIANA PARISH ASSESSOR  
 SCHEDULE OF EMPLOYER CONTRIBUTIONS  
 DECEMBER 31, 2017

Actuarial Valuation Date	Contractually Required Contributions	Contributions in Relation to Contractual Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a percentage of covered payroll
September 30, 2015	66,815	66,815	-	494,926	99.15%
September 30, 2016	74,218	74,218	-	549,763	92.23%
September 30, 2017	46,488	46,488	-	456,462	119.25%

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

EAST FELICIANA PARISH ASSESSOR  
Clinton, Louisiana  
Schedule of Compensation, Benefits, and  
Other Payments to Agency Head  
For the Year Ended December 31, 2017

In accordance with Act 462 of 2015, which amends Act 706 of the 2014 Legislative Session, the following Schedule of Compensation, Benefits, and Other Payments to Agency Head is presented.

JEFFREY GARDNER, ASSESSOR

PURPOSE	AMOUNT
Salary & Benefits:	
Salary	\$ 131,701
Per Diem	\$ 13,290
Benefits - Insurance	16,128
Benefits - Retirement	37,371
Total Salary & Benefits	\$ 198,490
Other Items:	
Education & Training	525
Education Travel & Lodging	248
Dues	540
Total Other Items	\$ 1,313
Total Salary, Benefits, & Other Items	\$ 199,803

The accompanying notes are an integral part of this statement

# MC DUFFIE K. HERROD, LTD.

(A Professional Accounting Corporation)

## McDUFFIE K. HERROD

CERTIFIED PUBLIC ACCOUNTANT

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

Honorable Jeffrey Gardner  
East Feliciana Parish Assessor  
Clinton, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the East Feliciana Parish Assessor, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the East Feliciana Parish Assessor's basic financial statements, and have issued our report thereon dated June 20, 2018.

#### Internal Control over Financial Reporting

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

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

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 the internal control that might be significant deficiencies, or material weaknesses. However, as described in the accompanying schedule of prior audit findings and management's corrective action plan, we identified deficiencies in internal control that we considered to be material weaknesses in the prior year.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the East Feliciana Parish Assessor's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of

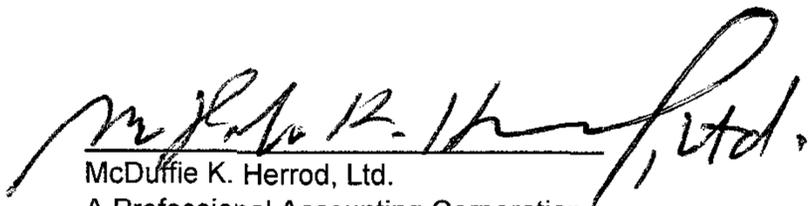
financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and which are described in the accompanying schedule of audit findings number 2017-001.

#### East Feliciana Parish Assessor's Response to Findings

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

#### Purpose of This Report

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



McDuffie K. Herrod, Ltd.  
A Professional Accounting Corporation  
June 20, 2018

EAST FELICIANA PARISH ASSESSOR  
CLINTON, LOUISIANA  
SCHEDULE OF AUDIT FINDINGS  
FOR THE YEAR ENNDED DECEMBER 31, 2017

A. SUMMARY OF AUDIT RESULTS:

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

B. PRIOR YEAR FINDINGS - FINANCIAL STATEMENT AUDIT

2016 – 001      Compliance with Local Government Budget Act

Condition:

For the year ended December 31, 2016, actual revenues were less than budgeted by more than the 5% variance allowed.

Criteria:

The Louisiana Local Government Budget Act, LA RS 39:1301-1315, specifies that revenue should not vary 5% or more, and expenditures should not vary 5% or more from budget amounts.

Cause:

Management did not take steps to amend budgets during the year.

Recommendation:

Management should implement a plan whereby expenditures and revenues are monitored on a continuous basis, and amend the budget as needed during the period.

Management Response:

Management will monitor actual revenues and expenditures more closely and compare to budgeted amounts frequently and amend the budget as needed. Management will seek assistance from an outside accountant to stay in compliance.

Current Status: Unresolved

C. PRIOR YEAR FINDINGS – INTERNAL CONTROL OVER FINANCIAL REPORTING

None

D. CURRENT YEAR FINDINGS – FINANCIAL STATEMENTS AUDIT

2017 – 001      Compliance with Local Government Budget Act

Condition:

For the year ended December 31, 2017, actual revenues were less than budgeted by more than the 5% variance allowed.

Criteria:

The Louisiana Local Government Budget Act, LA RS 39:1301-1315, specifies that revenue should not vary 5% or more, and expenditures should not vary 5% or more from budget amounts.

Cause:

Management did not take steps to amend budgets during the year.

Recommendation:

Management should implement a plan whereby expenditures and revenues are monitored on a continuous basis, and amend the budget as needed during the period.

Management Response:

Management will monitor actual revenues and expenditures more closely and compare to budgeted amounts frequently and amend the budget as needed. Management will seek assistance from an outside accountant to stay in compliance.

E. CURRENT YEAR FINDINGS – INTERNAL CONTROL OVER FINANCIAL REPORTING

None

F. MANAGEMENT LETTER ITEMS

There are no management letter items to report as of December 31, 2017.

**STATEWIDE AGREED-UPON  
PROCEDURES**

# MC DUFFIE K. HERROD, LTD.

(A Professional Accounting Corporation)

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## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

We have performed the procedures enumerated below, which were agreed to by the East Feliciana Parish Assessor's office and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2017 through December 31, 2017. 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*

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1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
  - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget  
*We reviewed the entity's policies and procedures on budgeting and no exceptions were noted.*
  - 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.

*We reviewed the policies and procedures on purchasing with one exception noted. How vendors are added to the vendor list was not addressed in the policies.*

- c) **Disbursements**, including processing, reviewing, and approving  
*Policies for disbursements were reviewed with no exceptions noted.*
- d) **Receipts**, including receiving, recording, and preparing deposits  
*We reviewed the policies and procedures on receipts and found no exceptions.*
- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.  
*We reviewed the policies and procedures which applied to payroll/personnel. An exception noted is that time records do not contain written approval by a supervisor as stated in the policy.*
- 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  
*Policies for contracting were reviewed with no noted exceptions.*
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage  
*Policies and Procedures were reviewed with no exceptions noted.*
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers  
*Policies and Procedures were reviewed with no exceptions noted.*
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.  
*Policies and Procedures were reviewed with no exceptions noted.*
- j) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.  
*Policies and Procedures were reviewed with no exceptions noted.*

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

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

- a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.

*Not applicable*

- b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).

- If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.

*Not applicable*

- c) Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.

*Not applicable*

### ***Bank Reconciliations***

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

*A list of bank accounts was obtained from management and management represented that the listing was complete.*

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

- a) Bank reconciliations have been prepared;

*Bank reconciliations were provided for each account for every month / quarter of the fiscal year.*

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

*We noted that the bank reconciliations did not contain documented evidence of approval by the Assessor.*

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

*We noted that there were not outstanding items at year end more than 6 months old.*

## ***Collections***

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

*We received management's list of collection locations. Only one location (Assessors Office) is used in this capacity. We received Management's representation that list is complete.*

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

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

*After obtaining written documentation and receiving management's representation that documentation was complete, it was determined that two (2) employees were responsible for taking cash collections. These two employees were:*

- 1) Not Bonded*
- 2) Not responsible for depositing the cash in the bank, recording related transactions, or reconciling the related bank statements.*
- 3) Not required to share the same cash drawer with another employee.*

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

*The local Sherriff's office is responsible for collecting the major portion of revenue and issues funds to assessor along with reports.*

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

- Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.

*Due to the nature of revenues from property taxes being assessed and due at year end and beginning of next year, this is done indirectly through other audit procedures. Deposits are made timely, with no unusual delays.*

- Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

*Other related documentation is applicable in this case, and no exceptions were noted.*

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

*No written policies noted. - N/A*

***Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)***

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

*A complete general ledger was obtained with management's representation of completion.*

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

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

*The Assessor has ultimate approval of all purchases and does not use a purchase order system.*

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

*The Assessor has ultimate approval of all purchases and does not use a purchase order system.*

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

*The Assessor has ultimate approval of all purchases and does not use a purchase order system.*

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

*The accounting software used by the Assessor does not have the capability of limiting access to adding vendors. The Assessor has the final approval for all purchases and disbursements.*

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

*The Assessor has final authorization for disbursements and initiates all purchases and has signature authority.. However, the Deputy Assessor has the responsibility of recording all purchases and disbursements.*

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

*We received management's representation that unused checks are kept in a locked location.*

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

*N/A*

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

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

*A list of credit and debit cards was obtained from management with representation that the list was complete.*

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

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

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

*Statements were reviewed with no exceptions noted.*

- b) Report whether finance charges and/or late fees were assessed on the selected statements.  
*No finance charges or late fees were incurred during the fiscal year.*

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

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

- An original itemized receipt (i.e., identifies precisely what was purchased)
- Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.
- Other documentation that may be required by written policy (e.g., purchase order, written authorization).

*Statements reviewed contained original receipts with documentation regarding the purpose of the charge and all items were approved by the Assessor.*

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

*Compared transaction details to public bid law. No purchases were large enough for this to apply.*

- c) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

*No loans, pledges, credits, etc. were noted.*

### ***Travel and Expense Reimbursement***

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

*The general ledger was obtained for all travel and related reimbursements. Management represented that the list was complete.*

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

*The Assessor's written policies were obtained and were found to comply with AUP standards.*

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

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

*Expense documentation was compared to written policies and it was determined that each expense was reimbursed or prepaid in accordance with the written policy.*

- b) Report whether each expense is supported by:

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

- Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).
- Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance).

*Each expense was observed to be supported by the proper documentation outlined in the AUP standards.*

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

*N/A*

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

*Each expense and related documentation was reviewed and approved in writing by someone other than the person receiving the related reimbursement.*

## ***Contracts***

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

*A listing of all contracts in effect during the fiscal year was obtained from management, along with management's representation that the list is complete.*

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

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

*It was determined that each of the five largest contract "vendors" that were sampled had a formal, written contract that was in compliance with AUP requirements.*

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

- If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder).

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

*Each contract's detail was compared to the Public Bid Law and it was found that every contract that was selected was subject to the Public Bid Law. Supporting contract documentation confirmed that the Assessor complied with all legal requirements.*

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

*No Contracts were amended during the fiscal year.*

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

*The largest payment from each contract was selected and the supporting invoice was obtained. It was determined, upon comparison that the invoice and related payments complies with the terms and conditions of the respective contract.*

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

*N/A*

### ***Payroll and Personnel***

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

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

*A listing of employees with their related salaries was obtained from management, along with managements representation the listing is complete.*

*Compensation paid to each employee was reviewed and it was determined that payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.*

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

*Any changes made to hourly pay rates during the fiscal year were approved in writing and in accordance with written policy.*

- 23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25

employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:

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

*One-Third of the employees were selected because the Assessor employed less than 25 people during the fiscal year. It was determined that not all employees documented their daily attendance and leave properly. One instance found the employee to be signing in upon reaching work but not signing out.*

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

*Upon review, it was determined that supervisors were not approving attendance and leave in writing or electronically.*

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

*There is written documentation that the Assessor maintained written attendance and leave records.*

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

*Management's Representation was received that three employees separated from the Assessors office during the fiscal year. The two largest termination payments were selected and it was determined that the termination payments were made in strict accordance with policy and/or contract and approved by management.*

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

*It was determined that payroll taxes and retirement contributions were made in accordance with AUP standards.*

***Ethics (excluding nonprofits)***

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

*Ethics training documentation was obtained with no exceptions noted.*

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

*There were no alleged ethics violations reported to the entity during the fiscal period.*

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

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

*The Assessor’s office has no outstanding debt or loans.*

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

*Not applicable*

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

*Not applicable*

***Other***

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

*Management is not aware of any misappropriations of funds.*

32. Observe and report whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at

[www.la.la.gov/hotline](http://www.la.la.gov/hotline)) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

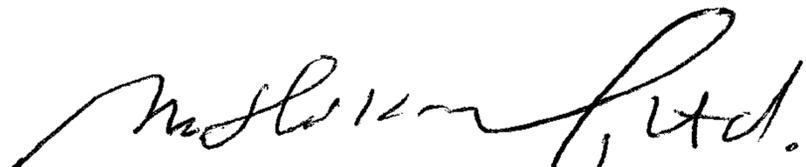
*The Assessor has the required notice posted on the premises and has a link to report fraud on their website.*

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

*N/A*

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

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



McDuffie K. Herrod, LTD.

Clinton, Louisiana

June 20, 2018