

**ALLEN PARISH ASSESSOR**

Oberlin, Louisiana

Financial Report

Year Ended December 31, 2018

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## INDEPENDENT AUDITOR'S REPORT

Honorable Richard Earl, CLA  
Allen Parish Assessor  
Oberlin, Louisiana

### Report on the Financials Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of the Allen Parish Assessor (the Assessor), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Assessor's basic financial statements as listed in the table of contents.

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

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

### *Auditor's Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 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 and the major fund of the Allen Parish Assessor, as of December 31, 2018, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Change in Accounting Principle***

As described in Note 16 to the basic financial statements, the Allen Parish Assessor adopted new accounting guidance, *GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinion is not modified with respect to this matter.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that budgetary comparison information, schedule of changes in total OPEB liability and related ratios, schedule of employer's share of net pension liability, and schedule of employer contributions on pages 31-36 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 14, 2019 on our consideration of the Allen Parish Assessor's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Allen Parish Assessor's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Assessor's internal control over financial reporting and compliance.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Oberlin, Louisiana  
June 14, 2019

## **BASIC FINANCIAL STATEMENTS**

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

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Statement of Net Position  
December 31, 2018

	<u>Governmental Activities</u>
ASSETS	
Cash and interest-bearing deposits	\$ 382,076
Taxes receivable, net	355,643
Due from other governmental units	16,348
Prepaid items	3,000
Capital assets, net	<u>17,104</u>
Total assets	<u>774,171</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>534,950</u>
LIABILITIES	
Accounts and other payables	6,272
OPEB obligation payable	2,027,369
Net pension liability	<u>115,613</u>
Total liabilities	<u>2,149,254</u>
DEFERRED INFLOWS OF RESOURCES	<u>130,075</u>
NET POSITION	
Net investment in capital assets	17,104
Unrestricted	<u>(987,312)</u>
Total net position	<u>\$(970,208)</u>

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

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Statement of Activities  
For the Year Ended December 31, 2018

Activities	Expenses	Program Revenues		Net (Expense) Revenues and Changes in Net Position Governmental Activities
		Charges for Services	Operating Grants and Contributions	
Governmental activities:				
General government	<u>\$814,615</u>	<u>\$ 9,648</u>	<u>\$26,800</u>	<u>\$(778,167)</u>
General revenues:				
Property taxes, levied for general purposes				609,547
State revenue sharing				36,500
Non-employer pension contribution				80,324
Interest and investment earnings				35
Miscellaneous				<u>9,219</u>
Total general revenues				<u>735,625</u>
Change in net position				(42,542)
Net position - January 1, 2018				<u>(927,666)</u>
Net position - December 31, 2018				<u>\$(970,208)</u>

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

**FUND FINANCIAL STATEMENTS (FFS)**

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Balance Sheet - Governmental Fund  
December 31, 2018

	<u>General Fund</u>
ASSETS	
Cash and cash equivalents	\$ 382,076
Receivables:	
Taxes receivable, net	355,643
Due from other governmental units	<u>16,348</u>
Total assets	<u>\$ 754,067</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	
Liabilities:	
Accounts payable	\$ 1,629
Accrued liabilities	<u>4,643</u>
Total liabilities	<u>6,272</u>
Deferred inflows of resources:	
Unavailable revenue - delinquent ad valorem taxes	<u>30,583</u>
Fund balance:	
Unassigned	<u>717,212</u>
Total liabilities and fund balance	<u>\$ 754,067</u>

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

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

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

Total fund balance for the governmental fund at December 31, 2018		\$ 717,212
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Equipment, furniture and fixtures, net of \$323,353 accumulated depreciation		17,104
Difference between prepaid expenses on modified accrual basis versus accrual basis		3,000
Some of the Assessor's ad valorem taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures and, therefore, are reported as deferred inflows of resources at the fund level.		30,583
Deferred outflows of resources are not available resources, and therefore, are not reported in the funds:		
Pension plans	\$ 167,001	
OPEB	<u>367,949</u>	534,950
Some liabilities are not due and payable from current financial resources and are, therefore not reported in the funds. These liabilities consist of the following:		
Net OPEB obligation payable	(2,027,369)	
Net pension liability	<u>(115,613)</u>	(2,142,982)
Deferred inflows of resources are not payable from current expendable resources, and therefore, are not reported in the funds:		
Pension plans		<u>(130,075)</u>
Total net position of governmental activities at December 31, 2018		<u>\$ (970,208)</u>

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

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

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

	<u>General Fund</u>
Revenues:	
Intergovernmental revenues -	
Ad valorem taxes	\$ 608,520
State revenue sharing	36,500
Gaming revenue	26,800
Other revenue - preparing tax rolls, etc.	18,867
Interest	<u>35</u>
Total revenues	<u>690,722</u>
Expenditures:	
Current -	
General government:	
Personnel services and related benefits	479,821
Operating services	30,973
Materials and supplies	36,281
Travel and other charges	13,423
Capital outlay	<u>1,674</u>
Total expenditures	<u>562,172</u>
Net change in fund balance	128,550
Fund balance, beginning of year	<u>588,662</u>
Fund balance, end of year	<u><u>\$ 717,212</u></u>

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

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

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

Total net changes in fund balance for the year ended December 31, 2018 per the statement of revenues, expenditures and changes in fund balance		\$ 128,550
The change in net position reported for governmental activities in the statement of activities is different because:		
Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 1,674	
Depreciation expense for the year ended December 31, 2018	<u>(7,845)</u>	(6,171)
Revenues reported in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds. These revenues consist of the following:		
Net change in unavailable revenues - delinquent ad valorem taxes	1,027	
Nonemployer contributions to retirement system for the year	<u>80,324</u>	81,351
Some liabilities are not recognized at the fund level because they do not represent a claim on current financial resources. Expenses at the government-wide level are recognized when these liabilities are incurred, while expenditures are recognized at the fund level when cash payments are made. The amounts below represent the difference between expenses incurred at the government-wide level and the current financial resources expended at the fund level.		
Net OPEB obligation payable	(207,989)	
Net pension liability	<u>(38,283)</u>	<u>(246,272)</u>
Total change in net position for the year ended December 31, 2018 per the statement of activities		<u>\$ (42,542)</u>

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

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, the Assessor is elected by the voters of the parish and serves a term of four years. The Assessor assesses property, prepares tax rolls, and submits the rolls to the Louisiana Tax Commission as prescribed by law.

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

A. Financial Reporting Entity

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

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

B. Basis of Presentation

Government-Wide Financial Statements

The government-wide financial statements provide operational accountability information for the Assessor as an economic unit. The government-wide financial statements report the Assessor's ability to maintain service levels and continue to meet its obligations as they come due. The statements include all governmental activities of the Assessor.

Fund Financial Statements

The accounts of the Assessor are organized on the basis of funds, each of which is considered to be an independent fiscal and accounting entity. The operations of each fund are accounted for within separate sets of self-balancing accounts, which comprise its assets, liabilities, fund balance/net position, revenues, expenditures/expenses, and transfers. The General Fund is always a major government fund. Other individual governmental and enterprise major funds are determined as funds whose revenues, expenditures/expenses, assets and deferred outflows of resources or liabilities and deferred inflows of resources are at least ten

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

percent of the corresponding totals for all funds of that category or type (total governmental or total enterprise funds) and at least five percent of the corresponding total for all governmental and enterprise funds combined for funds designated as major at the discretion of the Assessor. Funds not classified as a major fund are aggregated and presented in a single column in the fund financial statements. The Assessor maintains one fund, which is categorized as a governmental fund. The fund used by the Assessor is described below.

Governmental Fund -

Governmental funds are those through which most governmental functions are financed. The acquisition, use, and balances of the Assessor's expendable financial resources and the related liabilities are accounted for through governmental funds.

General Fund

The General Fund is the general operating fund of the Assessor. It is used to account for all financial resources except those required to be accounted for in another fund.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The measurement focus determines the accounting and financial reporting treatment applied to a fund. The governmental activities within the government-wide statement of net position and statement of activities are presented using the economic resources measurement focus. The economic resources measurement focus meets the accounting objectives of determining net income, net position, and cash flows.

The fund financial statements use either the current financial resources measurement focus, or the economic resources measurement focus as appropriate. Governmental funds use the current financial resources measurement focus. This measurement focus is based upon the receipt and disbursement of current available financial resources rather upon net income.

The accrual basis of accounting is used throughout the government-wide financial statements; conversely, the financial statements of the General Fund have been prepared in accordance with the modified accrual basis of accounting, whereby revenues are recognized when considered both measurable and available to finance expenditures of the current period. For this purpose, the Assessor considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal period. The Assessor accrues intergovernmental and tax revenues based upon this concept. Interest on invested funds is recognized when earned. Intergovernmental revenues that are reimbursement for specific purposes or projects are recognized in the period in which the expenditures are recorded. All other revenue items are considered to be measurable and available only when the cash is received by the Assessor.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

Expenditures are generally recorded when the related fund liabilities are incurred and become payable in the current period. Proceeds of debt are reported as other financing sources, and principal and interest on long-term debt, as well as expenditures related to compensated absences, are recorded as expenditures when paid.

Since the fund level statements are presented using a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is presented on the page following each fund level statement that summarizes the adjustments necessary to convert the fund level statements into the government-wide presentations.

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

Cash and interest-bearing deposits

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

Receivables

In the government-wide statements, receivables, including amounts due from other governments, consist of all revenues earned at year-end and not yet received. Uncollectible ad valorem taxes are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. The allowance for uncollectible taxes was \$18,335 at December 31, 2018.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2018, are recorded as prepaid items.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. The Assessor's accounting policy regarding capital assets stipulate that these assets, with an initial cost of \$500 or more, are to be capitalized and depreciated over their estimated useful lives. Purchased or constructed capital assets are valued at historical cost or estimated historical cost. Donated capital assets are recorded at acquisition at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

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

Furniture, fixtures and equipment	5-10 years
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Compensated Absences

Employees of the Assessor's office earn 12 days of emergency leave each year. Emergency leave is used for personal illness, family illness, and other personal problems. In addition to emergency leave, employees of the Assessor's office earn vacation leave at varying rates, depending on their length of service. Vacation leave is not cumulative from year to year.

At termination or retirement, employees are paid for vacation leave accumulated during the current year; however, emergency leave is not paid. At December 31, 2018, the Assessor has no material accumulated leave benefits.

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Assessor has two items that qualify for reporting in this category, the deferred outflows of resources attributable to its pension plan and deferred outflows of resources attributable to its OPEB plan. The Assessor reported deferred outflows of resources totaling \$534,950 at December 31, 2018. This amount was comprised of \$167,001 deferred outflows of resources related to pensions and \$367,949 deferred outflows of resources related to the OPEB plan.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Assessor has one item that qualifies for reporting in this category in the government-wide statement of net position, the deferred inflows of resources attributable to its pension plan. The Assessor reported deferred inflows of resources related to pensions of \$130,075 at December 31, 2018. The Assessor also reported deferred inflows of resources related to unavailable delinquent ad valorem tax revenue of \$30,583 in the General Fund at December 31, 2018.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

Equity Classifications

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

- a. Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position consists of net position with constraints placed on the use either by external groups, such as grantors, creditors, contributors, or laws and regulations of other governments, or law through constitutional provisions or enabling legislation. It is the Assessor's policy to use restricted net position prior to the use of unrestricted net position when both restricted and unrestricted net position are available for an expense which has been incurred.
- c. Unrestricted net position consists of all other assets, deferred outflows of resources, liabilities, and deferred inflows of resources that do not meet the definition of "restricted" or "net investment in capital assets."

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balances for governmental funds are reported in classifications that comprise a hierarchy based primarily upon the extent to which the Assessor is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The categories and their purposes are:

- a. Nonspendable includes fund balance amounts that cannot be spent either because they are not in spendable form or because of legal or contractual constraints requiring they remain intact.
- b. Restricted includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as grantors, donors, creditors, or amounts constrained due to constitutional provisions or enabling legislation.
- c. Committed includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal legislative action of the Assessor, which is the highest level of decision-making authority for the Assessor.
- d. Assigned includes fund balance amounts that are constrained by the Assessor's intent to be used for specific purposes, that are neither restricted nor committed. Under the Assessor's adopted policy, only the Assessor may assign amounts for specified purposes.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

- e. Unassigned includes fund balance amounts which have not been classified within the above-mentioned categories.

It is the Assessor's policy to use restricted amounts first when both restricted and unrestricted fund balance is available unless prohibited by legal or contractual provisions. Additionally, the Assessor uses committed, assigned, and lastly unassigned amounts of fund balance in that order when expenditures are made.

E. Revenues, Expenditures, and Expenses

Revenues

Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, attach as an enforceable lien, and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year.

Fees for preparing tax rolls are recorded in the year prepared. Interest income on time deposits is recorded when the time deposits have matured. Interest income on demand deposits is recorded monthly when the interest is earned and credited to the account.

Based on the above criteria, ad valorem taxes, state revenue sharing, gaming revenue, and fees for preparing tax rolls have been treated as susceptible to accrual.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by character and function. In the fund financial statements, expenditures are classified by character.

F. Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires 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 and expenditures during the reporting period. These estimates include assessing the collectability of accounts receivable and the useful lives and impairment of tangible and intangible assets, among others. Estimates and assumptions are reviewed periodically, and the effects of revisions are reflected in the financial statements in the period they are determined to be necessary. Actual results could differ from those estimates.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

(2) Ad Valorem Taxes

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

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied in September or October and billed to the taxpayers by the Allen Parish Sheriff in December. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Allen Parish Assessor and are collected by the Allen Parish Tax Collector at the Allen Parish Sheriff's office. The taxes are remitted to the Assessor net of deductions for pension fund contributions.

Ad valorem taxes are budgeted and recorded in the year levied and billed. For the year ended December 31, 2018, special assessment district taxes were levied at the rate of 5.25 mills, on property with assessed valuations totaling \$116,104,331.

Total taxes levied during 2018 were \$609,548. Taxes receivable at December 31, 2018, were \$355,643, net of an allowance for uncollectible taxes of \$18,335.

(3) Principal Taxpayers

The following are the principal taxpayers for the parish and their 2018 assessed valuation (amounts expressed in thousands):

	2018 Assessed Valuation (in thousands)	Percent of total Assessed Valuation
Martco OSB Oakdale	\$ 21,673	18.67%
Union Pacific Railroad	6,847	5.90%
Cleco Corporation	5,432	4.68%
Boise Building Solutions	5,985	5.15%
Texas Eastern Transmission	3,894	3.35%
Tennessee Gas Pipeline	3,691	3.18%
Transcontinental Gas	3,169	2.73%
Beauregard Electric Co-Op	2,711	2.33%
Martco Limited Partners	3,442	2.96%
Rayonier Gulf Timberlands	<u>1,470</u>	<u>1.27%</u>
	<u>\$ 58,314</u>	<u>50.23%</u>

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

(4) Tax Abatements

The Assessor is subject to tax abatements granted by the Louisiana Department of Economic Development. This program has the stated purpose of increasing business activity and employment in the Parish and the State. Under the program, companies commit to expand or maintain facilities or employment in the Parish, establish a new business in the Parish, or relocate an existing business to the Parish. Agreements include an abatement of ad valorem taxes for a period of 10 years from the initial assessment date. The Assessor's ad valorem tax revenues were reduced by \$23,307 as a result of the tax abatement.

(5) Cash and Interest-Bearing Deposits

Under state law, the Assessor may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Assessor may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2018, the Assessor had cash and cash equivalents (book balances) totaling \$382,076.

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Assessor's deposits may not be recovered, or the Assessor will not be able to recover the collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law, deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent 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, 2018 in the amount of \$396,942 were fully secured by federal deposit insurance and, therefore, not exposed to custodial credit risk.

The Assessor follows state law regarding its deposits and investments; however, it has not adopted a formal deposit and investment policy.

(6) Due from Other Governmental Units

Due from other governmental units of \$16,348 consisted of the following at December 31, 2018:

Preparation of tax rolls	\$ 9,648
Gaming revenue	<u>6,700</u>
Total	<u>\$ 16,348</u>

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

(7) Capital Assets

Capital asset balances and activity for the year ended December 31, 2018 is as follows:

	Balance 1/1/2018	Additions	Deletions	Balance 12/31/2018
Capital assets:				
Equipment, furniture and fixtures	\$ 338,783	\$ 1,674	\$ -	\$ 340,457
Less accumulated depreciation:				
Equipment, furniture and fixtures	315,508	7,845	-	323,353
Net capital assets	\$ 23,275	\$ (6,171)	\$ -	\$ 17,104

Depreciation expense of \$7,845 was charged to the general government function.

(8) Pension Plan

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

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

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

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

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

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

**Contributions:** Contributions for all members are established by statute at 8.0% of earned compensation. Employer contributions were 8.0% of members' earnings for the year ended September 30, 2018. The Fund also receives one-fourth of one percent of the property taxes assessed in each parish of the state as well as a state revenue sharing appropriation. According to state statute, in the event that contributions for ad valorem taxes and revenue sharing funds are insufficient to provide for the gross employer actuarially required contribution, the employer is required to make direct contributions as determined by the Public Retirement System's Actuarial Committee. Although the direct employer actuarially required contribution for the fiscal year ended September 30, 2018 was 5.24%, the actual employer contribution rate for the fiscal year ended September 30, 2018 was 8.00%. The actual rate differs from the actuarially required rate due to state statutes that require the contribution rate be calculated and set one year prior to the year effective. Contributions from non-employer contributing entities were \$80,324. Contributions to the pension plan from the Assessor were \$21,403 for the year ended December 31, 2018.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:** At December 31, 2018, the Assessor reported a liability of \$115,613 for its proportionate share of the net pension liability. The net pension liability was measured as of September 30, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Assessor's proportion of the net pension liability was based on a projection of the Assessor's long-term share of contributions to the pension plan relative to the projected contributions of all participating employer's, actuarially determined. At September 30, 2018, the Assessor's proportion was 0.594707%, which was an increase of 0.012777% from its proportion measured as of September 30, 2017.

Changes in the net pension liability may either be reported in pension expense in the year the change occurred or recognized as a deferred outflow of resources or a deferred inflow of resources in the year the change occurred and amortized into pension expense over a number of years. For the year ended December 31, 2018, the Assessor recognized \$86,909 in pension expense.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 8,724	\$ 52,932
Change of assumptions	148,357	-
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	4,655	18,280
Net differences between projected and actual earnings on plan investments	-	58,863
Contributions subsequent to the measurement date	5,265	-
Total	\$ 167,001	\$ 130,075

Deferred outflows of resources of \$5,265 related to pensions resulting from the Assessor's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31			
2019			\$ 15,162
2020			(13,071)
2021			(1,702)
2022			16,699
2023			14,573
			\$ 31,661

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

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

Actuarial Cost Method	Entry age normal
Investment rate of return (discount rate)	6.25%, net of pension plan investment expense, including inflation
Inflation Rate	2.20%
Salary Increases	5.75%
Annuitant and beneficiary mortality	RP 2000 Healthy Annuitant Table set forward one year and projected to 2030 for males and females
Active Members Mortality	RP 2000 Employee Table set back four years for males and three years for females
Disabled Lives Mortality	RP-2000 Disabled Lives Mortality 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, 2018, are summarized in the following table.

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

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

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

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

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

	1% Decrease 5.25%	Current Discount Rate 6.25%	1% Increase 7.25%
Net Pension Liability	\$ 388,857	\$ 115,613	\$ (118,478)

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

(9) Deferred Compensation Plan

The Allen 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 Assessors' employees, permits the employees to defer a portion of their salary until future years. The Assessor makes contributions to this plan in accordance with policy. 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 this plan, and the assets may not be diverted to any other use. The administrators are agents of the employer for purposes of providing direction to the custodian of the custodial account from time to time for the 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. It is the opinion of management, after consulting with legal counsel, that the Allen Parish Assessor has no liability for losses under the plan.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

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

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

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

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

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

Inactive employees currently receiving benefits payments	5
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	4
	9

The Assessor's total OPEB liability of \$2,027,369 was measured as of December 31, 2018 and was determined by an actuarial valuation as of January 1, 2018. The components of the net OPEB liability of the Assessor were as follows:

Total OPEB Liability	\$ 2,027,369
OPEB Plan Fiduciary Net Position	-
Net OPEB Liability	\$ 2,027,369
Plan Fiduciary Net Position as a percentage of the Total OPEB Liability	0%

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

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

Actuarial cost method	Entry-Age Normal
Inflation	2.30%
Salary increases, including inflation	3.00%
Discount rate	4.10%
Health care cost trend rates:	

Year	Non-	Medicare	All	Year	Non-	Medicare	All
	Medicare	Medical	Retirees		Medicare	Medical	Retirees
	Medical	Medical	Dental		Medical	Medical	Dental
2018	4.00%	4.70%	3.41%	2047 - 2048	5.30%	5.30%	3.41%
2019	4.30%	4.30%	3.41%	2049 - 2051	5.20%	5.20%	3.41%
2020	4.60%	4.60%	3.41%	2052 - 2055	5.10%	5.10%	3.41%
2021	5.00%	5.00%	3.41%	2056 - 2060	5.00%	5.00%	3.41%
2022	4.90%	4.90%	3.41%	2061 - 2064	4.90%	4.90%	3.41%
2023 - 2024	4.80%	4.80%	3.41%	2065	4.80%	4.80%	3.41%
2025 - 2026	4.70%	4.70%	3.41%	2066	4.70%	4.70%	3.41%
2027 - 2031	4.60%	4.60%	3.41%	2067	4.60%	4.60%	3.41%
2032 - 2037	5.20%	5.20%	3.41%	2068	4.50%	4.50%	3.41%
2038	5.30%	5.30%	3.41%	2069	4.40%	4.40%	3.41%
2039	5.60%	5.60%	3.41%	2070	4.30%	4.30%	3.41%
2040	5.70%	5.70%	3.41%	2071 - 2072	4.20%	4.20%	3.41%
2041 - 2044	5.60%	5.60%	3.41%	2073	4.10%	4.10%	3.41%
2045	5.50%	5.50%	3.41%	2074 - 2095	4.00%	4.00%	3.41%
2046	5.40%	5.40%	3.41%	2096 - 2101	3.90%	3.90%	3.41%

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

Mortality rates for healthy retirement were based on Sex-distinct RP-2014 Total Dataset Mortality with separate employee, healthy annuitant rates, projected generationally using scale MP-2018. Mortality rates for disability retirement were based on Sex-distinct RP-2014 Total Dataset Mortality with separate employee, disabled annuitant rates, projected generationally using scale MP-2018.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

The following presents changes in the total OPEB liability.

Balance as of December 31, 2017	\$ 1,451,431
Changes for the year:	
Service cost	67,818
Interest cost	51,808
Effect of economic/demographic gains or losses	59,080
Effect of assumptions changes or inputs	423,854
Benefit payments	<u>(26,622)</u>
Net change in total OPEB liability	<u>575,938</u>
Balance as of December 31, 2018	<u>\$ 2,027,369</u>

Total OPEB expense recognized is as follows:

Service cost	\$ 67,818
Interest cost	51,808
Recognition of economic/demographic gains or losses	14,067
Recognition of assumption changes or inputs	<u>100,918</u>
Total OPEB expense	<u>\$ 234,611</u>

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 45,013	\$ -
Changes of assumptions	<u>322,936</u>	<u>-</u>
Total	<u>\$ 367,949</u>	<u>\$ -</u>

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

Year Ended December 31,	Net Amount Recognized in OPEB Expense
2019	\$ 114,985
2020	114,985
2021	114,985
2022	<u>22,994</u>
	<u>\$ 367,949</u>

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

Sensitivity of the total OPEB liability to changes in the discount rate: The following presents the total OPEB liability of the Assessor, as well as what the Assessor's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.10 percent) or one percentage point higher (5.10 percent) than the current discount rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
	3.10%	4.10%	5.10%
Net OPEB Liability	\$ 2,386,850	\$ 2,027,369	\$ 1,741,389

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

	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
Net OPEB Liability	\$ 1,776,583	\$ 2,027,369	\$ 2,342,021

(11) Expenditures of the Assessor Paid by the Parish Police Jury

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

(12) Litigation

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

(13) Risk Management

The Assessor is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Assessor has obtained coverage from various commercial insurance companies to reduce his exposure to these risks. There have been no significant reductions in the insurance coverage during the year, nor have settlements exceeded coverage for the past three years.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

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

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

Purpose	Amount
Salary	\$ 144,976
Benefits - health insurance	23,605
Benefits - retirement	18,847
Benefits - deferred compensation	7,249
Benefits - life insurance	240
Conference lodging and meals	1,997
Fuel	2,818
Registration fees	685
Telephone	1,756
Board fees (paid by Louisiana Assessor's Retirement Fund)	600
Total	\$ 202,773

(15) New Accounting Pronouncement

During the fiscal year ended December 31, 2018, the Assessor adopted Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions* which replaces the requirements of Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits other than Pensions* and improves accounting and financial reporting by state and local governments for postemployment benefits other than pensions.

(16) Beginning Net Position Adjustment

During the fiscal year ended December 31, 2018, the Assessor adopted Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. This statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expenses/expenditures. This resulted in a restatement of previously reported net position, as follows:

Governmental activities:	
Net position, previously reported	\$ (176,468)
Prior period adjustment:	
Change in accounting principle:	
Net effect of recording total OPEB liability	(751,198)
Net position, as restated	\$ (927,666)

**REQUIRED  
SUPPLEMENTARY INFORMATION**

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana  
General Fund

Budgetary Comparison Schedule  
For the Year Ended December 31, 2018

	Budget		Actual	Variance - Favorable (Unfavorable)
	Original	Final		
Revenues:				
Intergovernmental revenues -				
Ad valorem taxes	\$ 470,000	\$ 481,241	\$ 608,520	\$ 127,279
State revenue sharing	36,000	37,260	36,500	(760)
Gaming revenue	31,000	31,900	26,800	(5,100)
Other revenue - preparing tax rolls, copies, etc.	15,000	17,567	18,867	1,300
Interest	<u>30</u>	<u>41</u>	<u>35</u>	<u>(6)</u>
Total revenues	<u>552,030</u>	<u>568,009</u>	<u>690,722</u>	<u>122,713</u>
Expenditures:				
General government:				
Personnel services and related benefits -				
Salaries:				
Assessor	145,000	144,976	144,976	-
Deputy Assessors	120,000	118,263	118,263	-
Other	42,000	41,423	42,187	(764)
Group insurance	120,000	117,668	118,454	(786)
Pension	57,000	48,566	48,626	(60)
Medicare tax	<u>7,200</u>	<u>7,256</u>	<u>7,315</u>	<u>(59)</u>
Total personnel services and related benefits	<u>491,200</u>	<u>478,152</u>	<u>479,821</u>	<u>(1,669)</u>
Operating services -				
Professional services	15,000	20,807	16,805	4,002
Insurance	5,940	7,127	5,605	1,522
Leases and rentals	600	-	-	-
Telephone	7,200	7,084	7,118	(34)
Training	<u>2,500</u>	<u>-</u>	<u>1,445</u>	<u>(1,445)</u>
Total operating services	<u>31,240</u>	<u>35,018</u>	<u>30,973</u>	<u>4,045</u>
Materials and supplies -				
Office supplies and expenditures	10,000	9,218	11,420	(2,202)
Automobile supplies and maintenance	3,600	4,254	4,219	35
Computer operation and maintenance	8,000	11,333	9,969	1,364
Dues and subscriptions	<u>5,000</u>	<u>15,984</u>	<u>10,673</u>	<u>5,311</u>
Total materials and supplies	<u>26,600</u>	<u>40,789</u>	<u>36,281</u>	<u>4,508</u>
Travel and other charges -				
Travel	15,000	11,297	9,305	1,992
Bad debt expense (recovery)	<u>14,100</u>	<u>-</u>	<u>4,118</u>	<u>(4,118)</u>
Total travel and other charges	<u>29,100</u>	<u>11,297</u>	<u>13,423</u>	<u>(2,126)</u>
Capital outlay -				
Capital outlay	<u>15,000</u>	<u>-</u>	<u>1,674</u>	<u>(1,674)</u>
Total expenditures	<u>593,140</u>	<u>565,256</u>	<u>562,172</u>	<u>3,084</u>
Net change in fund balance	(41,110)	2,753	128,550	125,797
Fund balance, beginning of year	<u>588,662</u>	<u>588,662</u>	<u>588,662</u>	<u>-</u>
Fund balance, end of year	<u>\$ 547,552</u>	<u>\$ 591,415</u>	<u>\$ 717,212</u>	<u>\$ 125,797</u>

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

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

	<u>2018</u>
Service cost	\$ 67,818
Interest cost	51,808
Effect of economic/demographic gains or losses	59,080
Effect of assumption changes or inputs	423,854
Benefit payments	<u>(26,622)</u>
Net change in total OPEB liability	575,938
Total OPEB liability, beginning	<u>1,451,431</u>
Total OPEB liability, ending	<u>\$ 2,027,369</u>
Net OPEB liability	\$ 2,027,369
Covered-employee payroll	\$ 305,427
Total OPEB liability as a percentage of covered-employee payroll	663.78%

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

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

Year Ended December 31,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered 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
2018	0.594707%	\$ 115,613	\$ 255,483	45.3%	95.46%
2017	0.581930%	102,112	245,395	41.6%	95.61%
2016	0.563636%	198,890	242,646	82.0%	90.68%
2015	0.577461%	302,199	261,895	115.4%	85.57%

\* The amounts presented have a measurement date of September 30th of the fiscal year.

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

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

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

<u>Year ended December 31,</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractual Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Contributions as a % of Covered Employee Payroll</u>
2018	\$21,059	\$21,059	\$ -	\$263,240	8.00%
2017	\$24,939	\$24,939	\$ -	\$258,018	9.67%
2016	31,254	31,254	-	247,630	12.62%
2015	32,010	32,010	-	237,112	13.50%

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

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Required Supplementary Information

(1) Budgets and Budgetary Accounting

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

1. The Assessor prepares a proposed budget for the general fund for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for 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 budgetary appropriations lapse at the end of each fiscal year.
6. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the Assessor.

(2) Pension Plan

Changes of Assumptions – Changes of assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. These assumptions include the rate of investment return, mortality of plan members, rate of salary increase, rates of retirement, rates of termination, rates of disability, and various other factors that have an impact on the cost of the plan.

Amounts reported in fiscal year ended December 31, 2018 for the pension plan reflect the following changes used to measure the total pension liability:

* Year ended December 31,	Discount Rate	Investment Rate of Return	Inflation Rate	Expected Remaining Service Lives	Projected Salary Increase
2018	6.25%	6.25%	2.20%	6	5.75%
2017	6.75%	6.75%	2.50%	6	5.75%
2016	7.00%	7.00%	2.50%	6	5.75%
2015	7.00%	7.00%	2.50%	6	5.75%

\* The amounts presented have a measurement date of September 30th of the fiscal year.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Required Supplementary Information (Continued)

(3) OPEB Plan

Changes in Benefit Terms – There were no changes in benefit terms for the OPEB plan.

Changes of Assumptions – The discount rate changed from 3.44% as of December 31, 2017 to 4.10% as of December 31, 2018 for the OPEB plan.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of the Governmental Accounting Standards Board Statement No. 75 to pay related benefits.

**INTERNAL CONTROL, COMPLIANCE  
AND OTHER MATTERS**

# KOLDER, SLAVEN & COMPANY, LLC

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

WWW.KCSRPCAS.COM

Honorable Richard Earl, CLA  
Allen Parish Assessor  
Oberlin, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the Allen Parish Assessor, (the Assessor), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Assessor's basic financial statements, and have issued our report thereon dated June 14, 2019.

### Internal Control over Financial Reporting

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

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

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

## **Compliance and Other Matters**

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

### **Allen Parish Assessor's Response to Findings**

The Assessor's response to the findings identified in our audit is described in the accompanying schedule of current and prior year 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 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 Assessor's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Oberlin, Louisiana  
June 14, 2019

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Schedule of Current and Prior Year Audit Findings  
and Management's Corrective Action Plan  
Year Ended December 31, 2018

Part I: Current Year Findings and Management's Corrective Action Plan

A. Internal Control Over Financial Reporting

2018-001 Inadequate Segregation of Accounting Functions

Fiscal year finding initially occurred: Unknown

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

CRITERIA: AU-C§315.04, *Understanding the Entity and its Environment and Assessing the Risks of Material Misstatement*, defines internal control as follows:

“Internal control is a process, affected by those charged with governance, management, and other personnel, designed to provide reasonable assurance about the achievement of objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.”

CAUSE: The cause of the condition is the fact that the Assessor does not have a sufficient number of employees performing administrative and financial duties so as to provide adequate segregation of accounting and financial duties.

EFFECT: Failure to adequately segregate accounting and financial functions increases the risk that errors and/or irregularities including fraud and/or defalcations may occur and not be prevented and/or detected.

RECOMMENDATION: Management should evaluate the cost vs. benefit of complete segregation and whenever possible, reassign incompatible duties among different employees to ensure that a single employee does not have control of more than one of the following responsibilities: (1) authorization; (2) custody; (3) record keeping; and (4) reconciliation.

MANAGEMENT'S CORRECTIVE ACTION PLAN: Based upon the size of the operation and the cost vs benefit of adding additional personnel, it may not be feasible to achieve complete segregation of duties.

B. Compliance

There were no compliance findings.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Schedule of Current and Prior Year Audit Findings  
and Management's Corrective Action Plan (Continued)  
Year Ended December 31, 2018

Part II: Prior Year Findings:

A. Internal Control Over Financial Reporting

2017-001 Inadequate Segregation of duties

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

RECOMMENDATION: Management should evaluate the cost vs. benefit of complete segregation and whenever possible, reassign incompatible duties among different employees to ensure that a single employee does not have a control of more than one of the following responsibilities: (1) authorization; (2) custody; (3) recording keeping; and (4) reconciliation..

CURRENT STATUS: Unresolved. See item 2018-001.

**ALLEN PARISH ASSESSOR**

Oberlin, Louisiana

Statewide Agreed-Upon Procedures Report

Year Ended December 31, 2018

# KOLDER, SLAVEN & COMPANY, LLC

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

To the Management of the  
Allen Parish Assessor and the  
Louisiana Legislative Auditor

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

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

The procedures and associated findings are as follows:

### *Written Policies and Procedures*

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

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

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

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

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

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

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

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

*Written policies and procedures were obtained; however, they do not address the following: policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions.*

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

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

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

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

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

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

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

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

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.

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

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

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

### ***Board or Finance Committee***

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- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

- a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

*Not applicable.*

- b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. *Alternately, for those entities reporting on the non-profit*

*accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

*Not applicable.*

- c) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.

*Not applicable.*

### ***Bank Reconciliations***

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3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:

*Obtained a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete.*

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

*Obtained bank reconciliations noting that they were prepared within 2 months of the related statement closing date.*

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

*Obtained bank reconciliations noting that they include evidence of review by a member of management/board member who does not handle cash, post ledgers, or issue checks.*

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

*There is no documentation reflecting that management has researched reconciling items that have been outstanding for more than 12 months from the statement closing date.*

### ***Collections***

---

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

*Obtained a listing of deposit sites for the fiscal period where deposits are prepared and management's representation that the listing is complete.*

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to

employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

*For each deposit site selected, obtained a listing of collection locations and management's representation that the listing is complete.*

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

*Employees responsible for cash collections do not share cash drawers/registers.*

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

*Employees responsible for collecting cash are responsible for preparing/making bank deposit, however another employee is responsible for reconciling collection documentation to the deposit.*

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

*Employees responsible for collecting cash are not responsible for posting collection entries to the general ledger.*

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

*Employees responsible for reconciling cash collections to the general ledger are not responsible for collecting cash.*

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

*Through inquiry with management, all employees who have access to cash are covered by an insurance policy for theft.*

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

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

*Receipts are sequentially pre-numbered.*

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

*Traced supporting documentation to the deposit slips noting no exceptions.*

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

*Traced the deposit slip total to the actual deposit per the bank statement noting no exceptions.*

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

*Observed that the deposit was made within one business day of receipt at the collection location.*

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

*Traced the actual deposit per the bank statement to the general ledger noting no exceptions.*

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

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

*Obtained a listing of locations that process payments for the fiscal period and management's representation that the listing is complete.*

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

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

*One employee is involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.*

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

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

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

*The employee responsible for processing payments is prohibited from adding/modifying vendor files.*

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

*The employee responsible for signing checks gives the signed checks to an employee to mail who is not responsible for processing payments.*

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

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

*Disbursements matched the related original invoice/billing statement.*

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

*Disbursement documentation did not include evidence that at least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.*

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

---

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

*Obtained a listing of all active credit cards, bank debit cards, fuel cards, and P-cards for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards, and management's representation that the listing is complete.*

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

- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

*Monthly statements were obtained and address the functions noted above.*

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

*No finance charges or late fees were noted.*

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

*No exceptions noted.*

### ***Travel and Travel-Related Expense Reimbursements (excluding card transactions)***

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**(The following procedures were not performed since there were no exceptions in the prior year.)**

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).
- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

### ***Contracts***

**(The following procedures were not performed since there were no exceptions in the prior year.)**

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
  - a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
  - b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
  - c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.
  - d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

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

**(The following procedures were not performed since there were no exceptions in the prior year.)**

16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
  - a) Observe that 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.)
  - b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
  - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
18. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment

calculations, agree the hours to the employee/officials' cumulate leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.

19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

### ***Ethics***

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**(The following procedures were not performed since there were no exceptions in the prior year.)**

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:
  - a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
  - b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

### ***Debt Service***

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**(The following procedures were not performed since management asserted that there was not any debt service.)**

21. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.
22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.

### ***Other***

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**(The following procedures were not performed since there were no exceptions in the prior year.)**

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.
24. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

### **Management's Response:**

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

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

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

***Kolder, Slaven & Company, LLC***

Certified Public Accountants

Oberlin, Louisiana  
June 14, 2019