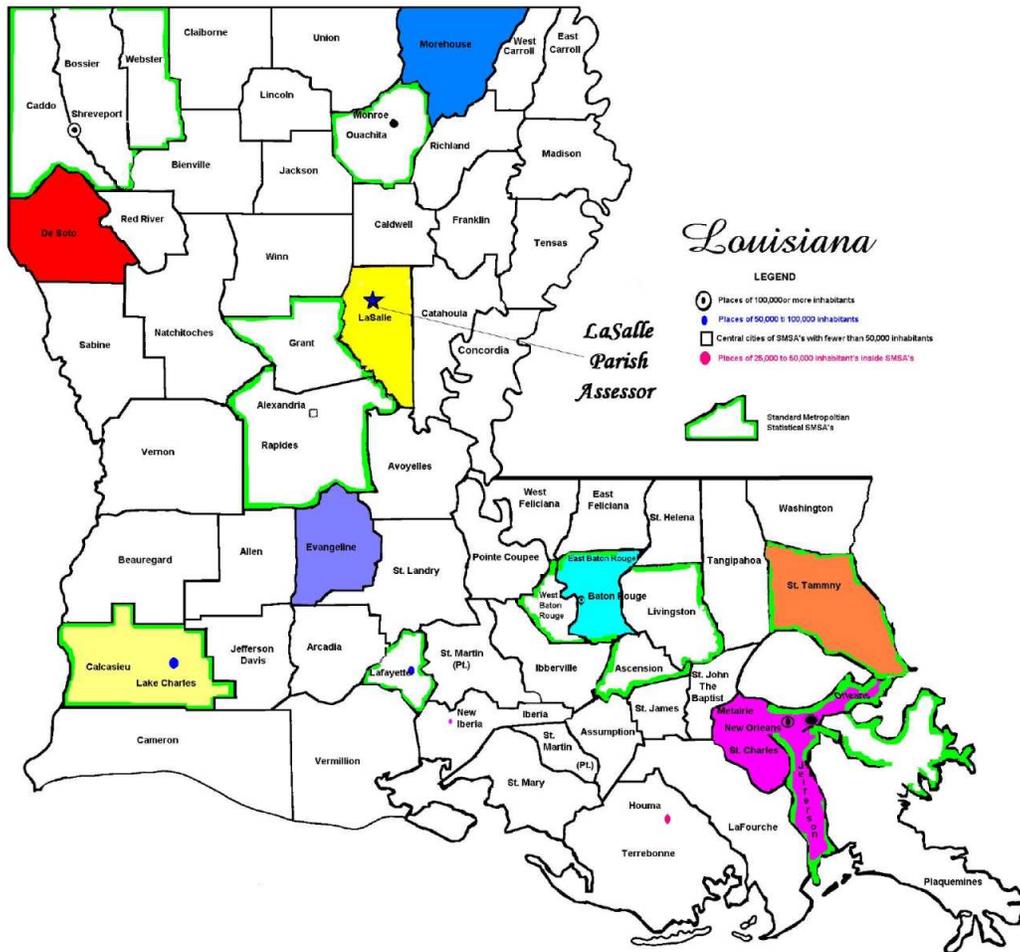


**LASALLE PARISH ASSESSOR**

**Financial Statements &  
Supplemental Financial Information**

**December 31, 2017**

# LASALLE PARISH ASSESSOR STATE OF LOUISIANA



**\* LaSalle Parish Assessor**

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

**LaSalle Parish Assessor  
Jena, Louisiana**

**Table of Contents  
December 31, 2017**

	<u>Page No.</u>
Independent Auditor’s Report.....	1-3
Management’s Discussion and Analysis.....	4-9
<u>Basic Financial Statements</u>	
Statement of Net Position.....	11
Statement of Activities.....	12
Balance Sheet – Governmental Funds.....	13
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position.....	14
Statement of Revenues, Expenditures, & Changes In Fund Balance.....	15
Reconciliation of the Statement of Revenues, Expenditures, & Changes in Fund Balances of Government Funds to the Statement of Activities.....	16
Notes to the Basic Financial Statements.....	17-38
<u>Required Supplementary Information</u>	
Ten Year Schedule of the Employer’s Proportionate Share of the Net Pension Liability.....	40
Ten Year Schedule of the Employer Contributions.....	41
Notes to Changes to Supplementary Information.....	42
Schedule of Funding Progress.....	43
Budgetary Comparison Schedule – General Fund.....	44
<u>Other Information</u>	
Schedule of Compensation Benefits and Other Payments to Agency Head or Chief Executive Officer.....	46
<u>Other Reports</u>	
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.....	48-49
Schedule of Findings and Questioned Cost.....	50-51
Management Letter Comments.....	52
Management’s Summary of Prior Year Findings.....	53
Louisiana State-Wide Agreed Upon Procedures.....	54

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Certified Public Accountants

Association of  
Certified Fraud Examiners

## **INDEPENDENT AUDITOR'S REPORT**

Honorable Tom Kendrick  
LaSalle Parish Assessor  
Jena, Louisiana

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities of the LaSalle Parish Assessor, a component unit of the LaSalle Parish Police Jury, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the LaSalle Parish Assessor's basic financial statements as listed in the table of contents.

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

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

### **Auditor's Responsibility**

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

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

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the LaSalle Parish Assessor, as of December 31, 2017, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

As disclosed in the notes to the employer schedules and statements, the office's proportionate share of total net pension liability for the Louisiana Assessor's Retirement Fund was \$137,449 and the other post-employment benefits (OPEB) liability was \$580,424 as of December 31, 2017. The actuarial valuation was based on various assumptions made by the actuaries. Because actual experience may differ from the assumptions used in the actuarial valuations, there is a risk that the net pension liability and OPEB liability at December 31, 2017, could be under or overstated.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplemental information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, are 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.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the LaSalle Parish Assessor's basic financial statements. The Schedule of Compensation Benefits and Other Payments to Agency Head or Chief Executive Officer is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Compensation Benefits and Other Payments to Agency Head or Chief Executive Officer is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and

other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Compensation Benefits and Other Payments to Agency Head or Chief Executive Officer is fairly stated in all material respects in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated May 29, 2018, on our consideration of the LaSalle Parish Assessor's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the LaSalle Parish Assessor's internal control over financial reporting and compliance.

*The Vercher Group*

Jena, Louisiana

May 29, 2018

**Management's Discussion  
& Analysis  
(MD&A)**

# LaSalle Parish Assessor

PO Box 400

Jena, LA 71342

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## MANAGEMENT'S DISCUSSION & ANALYSIS

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As management of the LaSalle Parish Assessor, we offer readers of the LaSalle Parish Assessor's financial statements this narrative overview and analysis of the financial activities of the LaSalle Parish Assessor for the fiscal year ended December 31, 2017. We encourage readers to consider the information presented here in conjunction with the LaSalle Parish Assessor's financial statements.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

### FINANCIAL HIGHLIGHTS

- The assets of the LaSalle Parish Assessor exceeded its liabilities at the close of the most recent fiscal year by \$569,398 (*net position*). Of this amount, \$413,661 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The LaSalle Parish Assessor had total revenues of \$734,903, which is a \$2,562 increase from last year.
- The LaSalle Parish Assessor had total expenditures of \$639,540, which is a \$25,137 decrease from last year.

### OVERVIEW OF THE FINANCIAL STATEMENTS

Management's Discussion and Analysis is intended to serve as an introduction to the LaSalle Parish Assessor's basic financial statements. In accordance with GASB No. 34, the LaSalle Parish Assessor's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements.

**Government-Wide Financial Statements.** The government-wide financial statements of the Assessor report information about the Assessor using accounting methods similar to those used by private sector companies. They present the financial picture of the Assessor from an economic resources measurement focus using the accrual basis of accounting. These statements include all assets of the Assessor (including capital assets) as well as all liabilities (including long-term obligations).

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## MD&A

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The *Statement of Net Position* presents information on all of the Assessor's assets and liabilities, with the difference between the two reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the Assessor is improving or deteriorating.

The *Statement of Activities* presents the current year's revenues and expenses and other information showing how the Assessor's net position changed during the year. The change in net position is reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

**Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Assessor, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Assessor are categorized as governmental funds.

*Governmental Funds.* Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as, on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Assessor maintains one individual governmental fund - the general fund. The Assessor adopts an annual appropriated budget for the general fund, and a budgetary comparison schedule is provided for the general fund to demonstrate compliance with this budget.

**Notes to the Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other Supplemental Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Assessor's budget presentation. The general fund's budgetary comparison schedule is included as "required supplementary information." Required supplementary information is information that the accounting rules strongly suggest be presented within the Assessor's financial report. This schedule demonstrates compliance with the Assessor's adopted and final revised budget.

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## MD&A

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### USING THIS ANNUAL REPORT

The LaSalle Parish Assessor's annual report consists of financial statements that show information about the LaSalle Parish Assessor's fund, a governmental fund.

Our auditor has provided assurance in his independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance are being provided by the auditor regarding the other information included in this report. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts of this report.

**Table 1**  
**Balance Sheet**

The following table represents a Comparative Statement of Net Position as of December 31, 2017:

	<u>2016</u>	<u>2017</u>	<u>% Change</u>
<b>Assets</b>			
Cash & Cash Equivalents	\$ 322,577	\$ 398,382	23.5
Taxes Receivable	615,530	700,062	13.7
Capital Assets, Net of Accumulated Depreciation	159,207	155,737	-2.2
<b>Total Assets</b>	<u>1,097,314</u>	<u>1,254,181</u>	14.3
<b>Deferred Outflow of Resources</b>			
<b>Pension Fund Related</b>	151,319	152,652	0.9
<b>Liabilities</b>			
Accounts, Salaries, & Other Payables	25,408	15,326	-39.7
Net Pension Liability	287,426	137,449	-52.2
Postemployment Benefit Obligation	514,504	580,424	12.8
<b>Total Liabilities</b>	<u>827,338</u>	<u>733,199</u>	-11.4
<b>Deferred Inflow of Resources</b>			
<b>Pension Fund Related</b>	81,670	104,236	27.6
<b>Net Position</b>			
Net Investment in Capital Assets	159,207	155,737	-2.2
Unrestricted	180,418	413,661	129.3
<b>Total Net Position</b>	<u>\$ 339,625</u>	<u>\$ 569,398</u>	67.7

- Total assets increased by \$156,867 or 14.3% from last year. The primary reason for this increase is due to an increase in cash and cash equivalents in the amount of \$75,805.
- Total liabilities decreased by \$94,139 or 11.4%. The primary reason for this change is due to a decrease of net pension liability in the amount of \$149,977.

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## MD&A

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**Table 2**  
**Changes in Fund Balance**

The following table represents a Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance for the year ended December 31, 2017:

	<u>2016</u>	<u>2017</u>	<u>% Change</u>
<b>General Revenues:</b>			
Ad Valorem Taxes	\$ 683,990	\$ 683,637	-0.1
State Revenue Sharing	32,872	34,035	3.5
Federal Revenue Sharing	403	401	0.5
Other Income	15,076	16,830	11.6
<b>Total Revenues</b>	<u>732,341</u>	<u>734,903</u>	0.4
<b>Expenses:</b>			
General & Administrative	462,169	410,303	-11.2
Insurance	87,714	98,181	11.9
Office Expense	41,113	37,776	-8.1
Capital Expenses	42,243	41,911	-0.8
Other Expenses	31,438	51,369	63.4
<b>Total Expenditures</b>	<u>664,677</u>	<u>639,540</u>	-3.8
<b>Increase (Decrease) in Fund Balances</b>	<u>67,664</u>	<u>95,363</u>	40.9
<b>Prior Period Adjustment</b>	-0-	75,056	100.0
<b>Beginning Fund Balances</b>	845,035	912,699	8.0
<b>Ending Fund Balances</b>	<u>\$ 912,699</u>	<u>\$ 1,083,118</u>	18.7

- Total revenues increased by \$2,562 or 0.4%. The primary reason for this increase is because of an increase in federal revenue sharing in the amount of \$34,033.
- Total expenses decreased by \$25,137 or 3.8%. The primary reason for this decrease is due to a decrease in general and administrative expense in the amount of \$51,866.

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## MD&A

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### CAPITAL ASSETS

#### *Capital Assets*

At December 31, 2017, the LaSalle Parish Assessor had \$155,737 invested in capital assets, including furniture and equipment.

	<u>2016</u>	<u>2017</u>
Furniture & Equipment	\$ 454,753	\$ 496,664
Accumulated Depreciation	(295,546)	(340,927)
<b>Capital Assets, Net of Accumulated Depreciation</b>	<u>\$ 159,207</u>	<u>\$ 155,737</u>

### CONTACTING THE LASALLE PARISH ASSESSOR'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the LaSalle Parish Assessor's finances and to show the LaSalle Parish Assessor's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact the LaSalle Parish Assessor's Office, PO Box 400, Jena, Louisiana 71342, telephone number (318) 992-8256.

## **Basic Financial Statements**

**LaSalle Parish Assessor  
Jena, Louisiana  
Statement of Net Position  
December 31, 2017**

		<b>GOVERNMENTAL ACTIVITIES</b>
<b>ASSETS</b>		
Cash & Cash Equivalents	\$	398,382
Taxes Receivable		700,062
Capital Assets, Net of Accumulated Depreciation		155,737
<b>TOTAL ASSETS</b>		<u>1,254,181</u>
 <b>DEFERRED OUTFLOW OF RESOURCES</b>		
<b>PENSION FUND RELATED</b>		<u>152,652</u>
 <b>LIABILITIES</b>		
Accounts Payable		7,449
Payroll & Related Taxes Payable		7,877
Net Pension Liability		137,449
Postemployment Benefit Obligation		580,424
<b>TOTAL LIABILITIES</b>		<u>733,199</u>
 <b>DEFERRED INFLOW OF RESOURCES</b>		
<b>PENSION FUND RELATED</b>		<u>104,236</u>
 <b>NET POSITION</b>		
Net Investment in Capital Assets		155,737
Unrestricted		413,661
<b>TOTAL NET POSITION</b>	<b>\$</b>	<u><u>569,398</u></u>

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

**LaSalle Parish Assessor  
Jena, Louisiana  
Statement of Activities  
Year Ended December 31, 2017**

FUNCTIONS/PROGRAMS	EXPENSES	CHARGES FOR SERVICES	CAPITAL GRANTS	OPERATING GRANTS	NET (EXPENSE) REVENUE
Governmental Activities					
General Government	\$ (760,035)	\$ -0-	\$ -0-	\$ -0-	\$ (760,035)
Total Governmental Activities	\$ (760,035)	\$ -0-	\$ -0-	\$ -0-	\$ (760,035)
			<b>REVENUES</b>		
			Ad Valorem Taxes		683,637
			Federal Revenue Sharing		-0-
			Intergovernmental		34,436
			Other Income		120,483
			<b>TOTAL REVENUES</b>		<b>838,556</b>
			<b>CHANGE IN NET POSITION</b>		78,521
			<b>PRIOR PERIOD ADJUSTMENT</b>		151,252
			<b>NET POSITION – BEGINNING OF YEAR</b>		339,625
			<b>NET POSITION – END OF YEAR</b>	\$	<b>569,398</b>

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

**LaSalle Parish Assessor  
Jena, Louisiana  
Balance Sheet – Governmental Funds  
December 31, 2017**

		<u>GENERAL FUND</u>
<b>ASSETS</b>		
Cash & Cash Equivalents	\$	398,382
Taxes Receivable		700,062
<b>TOTAL ASSETS</b>		<u>1,098,444</u>
 <b>LIABILITIES &amp; FUND BALANCE</b>		
<b>LIABILITIES</b>		
Accounts Payable		7,449
Payroll & Related Taxes		7,877
<b>TOTAL LIABILITIES</b>		<u>15,326</u>
 <b>FUND BALANCES</b>		
Unassigned		1,083,118
<b>TOTAL FUND BALANCES</b>		<u>1,083,118</u>
 <b>TOTAL LIABILITIES &amp; FUND BALANCE</b>	 \$	 <u>1,098,444</u>

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

**LaSalle Parish Assessor  
Jena, Louisiana  
Reconciliation of the Balance Sheet – Governmental Funds  
to the Statement of Net Position  
Year Ended December 31, 2017**

Total fund balance-governmental funds		\$ 1,083,118
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the balance sheet- governmental funds.		
Capital Assets	496,664	
Less Accumulated Depreciation	(340,927)	
		155,737
Deferred inflow and outflows of resources not recognized in the fund balance of Governmental Funds Statement.		
Pension Related Inflows	(104,236)	
Pension Related Outflows	152,652	
		48,416
Long-term liabilities including bonds payable are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Net Pension Liability	(137,449)	
OPEB Liability	(580,424)	
		(717,873)
Total net position of governmental activities		\$ <u>569,398</u>

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

**LaSalle Parish Assessor  
Jena, Louisiana  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Year Ended December 31, 2017**

	<b>GENERAL FUND</b>
<b>REVENUES</b>	
Ad Valorem Taxes	\$ 683,637
Federal Revenue Sharing	401
State Revenue Sharing	34,035
Other Income	15,257
<b>TOTAL REVENUES</b>	<b>733,330</b>
 <b>EXPENDITURES</b>	
Salaries & Related Benefits	410,053
Employee Retirement	-0-
Contract Labor	250
Office Expense	37,776
Travel	4,158
Repair & Maintenance	650
Insurance	98,181
Utilities	1,214
Legal & Accounting	13,125
Oil & Gas	28,586
Miscellaneous	3,612
Capital Outlay	41,911
<b>TOTAL EXPENDITURES</b>	<b>639,516</b>
 <b>EXCESS (DEFICIENCY) OF REVENUES &amp; OTHER SOURCES OVER (UNDER) EXPENDITURES &amp; OTHER USES</b>	<b>93,814</b>
 <b>OTHER FINANCING SOURCES (USES)</b>	
Interest Income	1,573
Interest Expense	(24)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>1,549</b>
 <b>NET CHANGE IN FUND BALANCE</b>	<b>95,363</b>
 <b>PRIOR PERIOD ADJUSTMENT</b>	<b>75,056</b>
 <b>FUND BALANCE – BEGINNING OF YEAR</b>	<b>912,699</b>
<b>FUND BALANCE – END OF YEAR</b>	<b>\$ 1,083,118</b>

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

**LaSalle Parish Assessor  
Jena, Louisiana  
Reconciliation of the Statement of Revenues, Expenditures, & Changes in Fund Balances  
of Government Funds to the Statement of Activities  
Year Ended December 31, 2017**

Net Change in Fund Balance- total governmental funds \$ 95,363

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report pension outlays as expenditures. However, in the Statement of Activities, the cost is based on various assumptions made by the pension fund's actuary. Governmental funds do not recognize employee contributions to the pension fund as revenue.

Difference in pension expenditures and pension expense	(51,105)	
Pension Related Revenue	103,653	
		52,548

Governmental funds report capital outlays as expenditure. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount which capital outlays exceeded depreciation in the current period.

Capital Outlay	41,911	
Depreciation	(45,381)	
		(3,470)

The issuance of long-term debt (bonds, leases, etc.) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs premiums, discounts, and similar items when debt is issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

OPEB Liability	(65,920)	
Long-Term Debt Issued	-0-	
Principal Paid	-0-	
		(65,920)

Changes in net position of governmental activities \$ 78,521

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

**Notes to the Basic Financial  
Statements**

**LASALLE PARISH ASSESSOR  
JENA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**INTRODUCTION**

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

The Assessor's office is located in the LaSalle Parish Courthouse in Jena, Louisiana. The Assessor employs five employees, including four deputies. In accordance with Louisiana law, the Assessor bases real and movable property assessments on conditions existing on January 1 of the tax year. The Assessor completes an assessment listing by May 1 of the tax year and submits the list to the parish governing authority and the Louisiana Tax Commission as prescribed by law. Once the assessment listing is approved, the Assessor submits the assessment roll to the parish tax collector who is responsible for collecting and distributing taxes to the various taxing bodies.

**1. SUMMARY OF SIGNIFICANT POLICIES**

**A. BASIS OF PRESENTATION**

The accompanying basic financial statements of the LaSalle Parish Assessor have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis—for State and Local Governments*, issued in June 1999. Certain of the significant changes in the Statement include the following:

- A Management Discussion and Analysis (MD&A) section providing an analysis of the Assessor's overall financial position and results of operations;
- Financial statements prepared using full accrual accounting for all of the Assessor's activities; and
- A change in the fund financial statements to focus on the major funds.

**LASALLE PARISH ASSESSOR  
JENA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

**B. REPORTING ENTITY**

As the governing authority of the parish, for reporting purposes, the LaSalle Parish Police Jury is the financial reporting entity for LaSalle Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

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

1. Appointing a voting majority of an organization's governing body, and:
  - a. The ability of the police jury to impose its will on that organization and/or;
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury maintains and operates the LaSalle Parish Courthouse in which the Assessor's office is located, the Assessor was determined to be a component unit of the LaSalle Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Assessor and do not present information on the police jury, the general government services provided by the police jury, or the other governmental units that comprise the financial reporting entity.

**LASALLE PARISH ASSESSOR  
JENA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

**C. FUND ACCOUNTING**

The Assessor uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain Assessor functions or activities. A fund is a separate fiscal and accounting entity with a self-balancing set of accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures.

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

**General Fund** - The primary operating fund of the Assessor, it accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to the Assessor's policy.

**D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING**

**Fund Financial Statements (FFS)**

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

In the Fund Financial Statements, governmental fund equity is classified as a fund balance. The entity has implemented GASB Statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions." This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on the purposes for which resources can be used:

**LASALLE PARISH ASSESSOR  
JENA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

- a. Nonspendable fund balance – amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;
- b. Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- c. Committed fund balance – amounts constrained to specific purposes by a government itself using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- d. Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- e. Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

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

***Revenues***

Ad valorem taxes 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.

**LASALLE PARISH ASSESSOR  
JENA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

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, and fees for preparing tax rolls have been treated as susceptible to accrual.

***Expenditures***

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Equity Classifications – In the Government-Wide Financial Statements, equity is classified as Net Position and displayed in three components as applicable. The components are as follows:

Net Investment in Capital Assets – Capital assets including restricted capital assets, when applicable, net of accumulated depreciation.

Restricted Net Position- Net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.

Unrestricted Net Position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

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

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

***Program Revenues*** - Program revenues included in the Statement of Activities are derived directly from the Assessor’s users as a fee for services; program revenues reduce the cost of the function to be financed from the Assessor’s general revenues.

**LASALLE PARISH ASSESSOR  
JENA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

**E. DEPOSITS AND INVESTMENTS**

The LaSalle Parish Assessor's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the LaSalle Parish Assessor's investment policy allow the LaSalle Parish Assessor to invest in collateralized certificate of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

Investments (bank certificate of deposits in excess of 90 days) for the LaSalle Parish Assessor are reported at fair value.

**F. RECEIVABLES AND PAYABLES**

All trade and other receivables are shown net of an allowance for uncollectables.

**G. CAPITAL ASSETS**

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. Approximately 9% of fixed assets are valued at estimated historical costs based on the actual costs of like items while the remaining 91% are based on actual historical costs. The assessor maintains a threshold level of \$2,000 or more for capitalizing capital assets.

Capital assets and related expenses are recorded in the Statement of Net Position and Statement of Activities, respectively, but are not reported in the fund financial statements. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Equipment	5-10 years
Furniture	5-10 years
Vehicles	7 years

**H. ESTIMATES**

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

**LASALLE PARISH ASSESSOR  
JENA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

**I. EMERGENCY & VACATION LEAVE**

Employees of the Assessor's office earn six days of emergency leave each year. Emergency leave is used for personal illness, family illness, and other personal problems. Employees are not paid for unused emergency leave upon resignation or retirement. In addition to unused 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, and employees are not paid for unused vacation leave upon resignation or retirement. At December 31, 2017, there are no accumulated and vested benefits relating to emergency and vacation leave that require accrual or disclosure.

**J. RISK MANAGEMENT**

The Assessor is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; and injuries to employees. To handle such risk of loss, the Assessor maintains commercial insurance policies covering: automobile liability, medical payments, and collision; surety bond coverage; and property insurance on the contents of his office in the LaSalle Parish Courthouse. No claims were paid on any of the policies during the past three years that exceeded the policies' coverage amount.

**2. CASH AND INVESTMENTS (CD'S IN EXCESS OF 90 DAYS)**

At December 31, 2017, the LaSalle Parish Assessor had cash and investments (bank balances) totaling \$392,687 as follows:

General Account	\$ 392,686
Salary Account	1
<b>Total</b>	<u>\$ 392,687</u>

These deposits are stated at cost, which approximated market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the 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. 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.

***Custodial Credit Risk***

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the 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.

**LASALLE PARISH ASSESSOR  
JENA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

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.

Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Entity that the fiscal agent bank has failed to pay deposit funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Entity's name.

***Deposits***

It is the Entity's policy for deposits to be 100% secured by collateral at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. The Entity's deposits are categorized to give an indication of the level of risk assumed by the Entity at year end. The categories are described as follows:

- ***Category 1*** – Insured or collateralized with securities held by the Entity or by its agent in the Entity's name.
- ***Category 2*** – Collateralized with securities held by the pledging financial institution's trust department or agent in the Entity's name.
- ***Category 3*** – Uncollateralized.

Amounts on deposit are secured by the following pledges:

<b>Description</b>	<b>Market Value</b>
FDIC (Category 1)	\$ 250,000
Securities (Category 2)	631,480
<b>Total</b>	<b>\$ 881,480</b>

Deposits were fully secured as of December 31, 2017.

**3. RECEIVABLES**

The receivables of \$700,062 at December 31, 2017, are as follows:

Ad Valorem Taxes Receivable	\$ 700,062
<b>Total</b>	<b>\$ <u>700,062</u></b>

Allowance for uncollectible taxes is considered immaterial, thus, is not presented.

**LASALLE PARISH ASSESSOR  
JENA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

**4. AD VALOREM TAXES**

The Assessor levies taxes on real and business personal property located within its boundaries. The LaSalle Parish Sheriff bills and collects property taxes.

**Property Tax Calendar**

Assessment Date	January 1
Levy Date	No Later Than June 1
Tax Bills Mailed	On Or About October 15
Total Taxes Arc Duc	December 31
Penalties And Interest Are Added	January 1
Lien Date	January 1

The following is a summary of authorized and levied ad valorem taxes:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>	<u>Assessed Value</u>	<u>Total Tax</u>
Assessor District	9.42	8.98	N/A	\$78,727,710	\$700,062

**5. CAPITAL ASSETS**

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

	<u>Beginning of Period</u>	<u>Additions</u>	<u>Deletions/ Transfers</u>	<u>End of Period</u>
Equipment & Furniture	\$ 454,753	\$ 41,911	\$ -0-	\$ 496,664
Less Accumulated Depreciation:	(295,546)	(45,381)	-0-	(340,927)
<b>Total Assets Being Depreciated, Net</b>	<u>\$ 159,207</u>	<u>\$ (3,470)</u>	<u>\$ -0-</u>	<u>\$ 155,737</u>

**6. ACCOUNTS, SALARIES AND OTHER PAYABLES**

The payables of \$15,326 at December 31, 2017, are as follows:

Accounts Payable	\$	7,449	
Payroll & Related Taxes Payable		7,877	
<b>Total</b>	\$	<u>15,326</u>	

**LASALLE PARISH ASSESSOR  
JENA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

**7. PENSION PLAN – PLAN DESCRIPTION**

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.

*General*

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

*Reporting Entity*

The Louisiana Assessors’ Retirement Fund is not a component unit of the State of Louisiana, and its financial statements are not included in the State’s consolidated annual financial report. The accompanying consolidated financial statements reflect the activity of the Fund.

The Fund is administered by a board of trustees made up of seventeen members, the president, vice president, secretary-treasurer of the Louisiana Assessor’s Association, and eight regular member representatives who are elected for a term of two years from the Association districts. Two of the members are retiree representatives nominated by the board and elected by the retirees, two members are assessor employee representatives nominated by the board and elected by the employees, and two members are legislative representatives of which one is from the House and one is from the Senate.

*Plan Membership*

Employer membership data at September 30, 2017 and 2016 is as follows:

	<u>2017</u>	<u>2016</u>
<b>Employer Members</b>		
Louisiana Assessors’ Offices	64	64
Louisiana Assessors’ Association	1	1
	65	65
 <b>Employee Members</b>		
Current retirees and beneficiaries	570	556
Terminated vested participants	13	10
Terminated due a refund	90	84
Active plan participants	751	772
	1,424	1,422

**LASALLE PARISH ASSESSOR  
JENA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

**A. Pension Benefits**

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

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

If employees terminate before rendering 12 years of service, they forfeit the right to receive the portion of their accumulated plan benefits attributable to the employer's contributions. Benefits are payable over the employees' lives in the form of a monthly annuity. Employees may elect a reduced benefit or any of four options at retirement:

1. At death, the beneficiary will receive a lump sum payment based on the present value of the employee's annuity account balance.
2. At death, the beneficiary will receive a life annuity based on their reduced retirement allowance.
3. At death, the beneficiary will receive a life annuity equal to one-half of their reduced retirement allowance.
4. Any other benefit certified by the actuary and approved by the Board of Trustees that will be equivalent in value to their retirement allowance.

**B. Death Benefits**

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

1. If a member of the Fund dies in service with less than 12 years of creditable service and leaves a surviving spouse, their accumulated contributions shall be paid to the surviving spouse.

**LASALLE PARISH ASSESSOR  
JENA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

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

**C. Disability Benefits**

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

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

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

**D. Back-Deferred Retirement Option Plan (Back-DROP)**

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

**LASALLE PARISH ASSESSOR  
JENA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

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

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

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

The Back-DROP benefit shall have two portions: a lump-sum portion and a monthly benefit portion. The member's Back-DROP monthly benefit shall be calculated pursuant to the provisions applicable for service retirement set forth in R.S. 11:1422 through 1423, subject to the following conditions:

1. Creditable service shall not include service credit reciprocally recognized pursuant to R.S. 11:142.
2. Accrued service at retirement shall be reduced by the Back-DROP.
3. Final average compensation shall be calculated by excluding all earnings during the Back-DROP period.
4. Contributions received by the Fund during the Back-DROP period and any interest that has accrued on employer and employee contributions received during the period shall remain with the Fund and shall not be refunded to the employee or the employer.
5. The member's Back-DROP monthly benefit shall be calculated based upon the member's age and service and the Fund provisions in effect on the last day of creditable service before the Back-DROP period.
6. At retirement, the member's maximum monthly retirement benefit payable as a life annuity shall be equal to the Back-DROP monthly benefit.

**LASALLE PARISH ASSESSOR  
JENA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

7. The member may elect to receive a reduced monthly benefit in accordance with the options provided in R.S. 11:1423 based upon the member's age and the age of the member's beneficiary as of the actual effective date of retirement. No change in the option selected or beneficiary shall be permitted after the option is filed with the Board of Trustees.

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

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

**E. Excess Benefit Plan**

Under the provisions of this excess benefit plan, a member may receive a benefit equal to the amount by which the member's monthly benefit from the Fund has been reduced because of the limitations of Section 415 of the Internal Revenue Code.

**8. SUMMARY OF SIGNIFICANT ACCOUNTING AND FINANCIAL REPORTING  
POLICIES – PENSION PLAN**

**A. Basis of Accounting**

The Fund's financial statements are prepared in conformity with accounting principles generally accepted in the United States of America using the accrual basis of accounting. Employer and employee contributions are recognized in the period in which the employee is compensated for services. Benefits and refunds are recognized when due and payable. Investment purchases and sales are recorded as of their trade date. Additional contributions from ad valorem taxes and revenue sharing monies are recognized in the year appropriated by the legislature.

**B. Principles of Consolidation**

The consolidated financial statements include the accounts of Louisiana Assessors' Retirement Fund and its wholly-owned subsidiary, Louisiana Assessors' Retirement Fund Excess Benefit Account. All significant intercompany balances have been eliminated in the consolidation.

**LASALLE PARISH ASSESSOR  
JENA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

**C. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the actuarial information included in the required supplementary information as of the benefit information date, and the reported amounts of additions to and deductions from plan net position during the reporting period. Actual results could differ from those estimates. The Fund utilizes various investment instruments, which, by nature, are exposed to a variety of risk levels and risk types, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the value of investment securities will occur in the near term and those changes could materially affect the amounts reported in the Consolidated Statements of Fiduciary Net Position.

**D. Cash and Cash Equivalents**

Cash and cash equivalents include demand deposits in banks and temporary cash investments in money market accounts with the trust department of the investment custodian bank. The money market balances consist of government-backed pooled funds.

**E. Valuation of Investments**

Investments are reported at fair value. Fair value is the amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Quoted market prices, when available, have been used to value investments. Short-term investments are reported at market value, when published prices are available, or at cost, which approximates fair value.

Securities traded on a national or international exchange are valued at the last reported sales price at the current exchange rate. Mortgage-backed securities are valued on the basis of estimated future principal and interest payments and are discounted at prevailing interest rates for similar instruments. Fair values of the limited partnership investments are based on valuations reported by the general partner. Because of the inherent uncertainties in estimating fair values, it is at least reasonably possible that the estimates will change in the near term. Investments that do not have an established market are reported at estimated fair value. Unrealized gains and losses are included in investment income in the Consolidated Statements of Changes in Fiduciary Net Position.

**F. Property and Equipment**

Property and equipment are reported at historical cost. Depreciation is computed using the straight-line method based upon useful lives of 3 to 15 years for equipment and furniture. Minor equipment and furniture acquisitions are reported as capital outlays in the period they are made.

**LASALLE PARISH ASSESSOR  
JENA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

**9. CONTRIBUTIONS, FUNDING STATUS, AND RESERVES – PENSION PLAN**

**A. Contributions**

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

Administrative costs of the Fund are financed through employer contributions. According to state statute, contributions for all employers are actuarially determined each year. Employer contributions were 10.0% of members' earnings for the years ended September 30, 2017.

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 contributions for fiscal year 2017 is 4.69%, the actual employer contribution rate for fiscal year 2017 is 10.0%, since state statutes require that employer rates be set one year in advance. The minimum direct employer actuarially required contribution will be 5.25% for fiscal year 2018.

**B. Funding Status**

*Actuarial Methods and Assumptions*

The current year actuarial assumptions utilized for this report are based on the assumptions used in the September 30, 2017 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 our expectations of future experience for the Fund.

**LASALLE PARISH ASSESSOR  
JENA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

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

	<u>September 30, 2017</u>	<u>September 30, 2016</u>
Valuation date	September 30, 2017.	September 30, 2016.
Actuarial cost method	Entry age normal.	Entry age normal.
Investment rate of return (discount rate)	6.75%, net of pension plan investment expense, including inflation.	7.00%, net of pension plan investment expense, including inflation.
Inflation rate	2.50%.	2.50%.
Salary increases, including inflation and merit increases	5.75%.	5.75%.
Annuitant and beneficiary mortality	RP-2000 Healthy Annuitant Table set forward one year and projected to 2030 for males and females.	RP-2000 Healthy Annuitant Table set forward one year and projected to 2030 for males and females.
Active member mortality	RP-2000 Employee Table set back four years for males and three years for females.	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.	RP-2000 Disabled Lives Mortality Tables set back five years for males and three years for females.

*Net Pension Liability and Pension Expense*

The Schedule of Employers' Net Pension and Liability presents information about whether the plan fiduciary net position is increasing or decreasing over time relative to total pension liability. The total pension liability was determined by an actuarial valuation as of the valuation date using assumptions and methods as described in the previous section.

The net pension liability, which was calculated in accordance with GASB 67, as of September 30, 2017 and 2016, was as follows:

	<u>2017</u>	<u>2016</u>
Total Pension Liability	\$ 399,744,486	\$ 378,520,063
Plan Fiduciary Net Position	<u>(382,197,366)</u>	<u>(343,233,124)</u>
Net Pension Liability	<u>\$ 17,547,120</u>	<u>\$ 35,286,939</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	95.61%	90.68%

**LASALLE PARISH ASSESSOR  
JENA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

*Discount Rate*

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2017 and 2016, are summarized in the following table.

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>	
	<u>2017</u>	<u>2016</u>
Domestic Equity	7.50%	7.50%
International Equity	8.50%	8.50%
Domestic Bonds	2.50%	2.50%
International Bonds	3.50%	3.50%
Real Estate	4.50%	4.50%
Alternative Assets	6.24%	-

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

The effects of certain other changes in the net pension liability are required to be included in pension expense over the current and future periods. The effects on the total pension liability of (1) changes of economic and demographic assumptions or of other inputs and (2) differences between expected and actual experience are required to be included in pension expense in a systematic and rational manner over a closed period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees), determined as of the beginning of the measurement period. The effect on net pension liability of differences between the projected earnings is required to be included in pension expense in a systematic and rational manner over a closed period of five years, beginning with the current period. The Expected Remaining Service Lives (ERSL) for 2017 is 6 years.

**LASALLE PARISH ASSESSOR  
JENA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

*Sensitivity to Changes in the Discount Rate*

The following presents the net pension liability of the Fund calculated using the discount rate of 7.00%, 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 (6.00%) or one percentage point higher (8.00%) than the current discount rate (assuming all other assumptions remain unchanged):

	<b>1% Decrease <u>(5.75%)</u></b>	<b>Current Discount Rate <u>(6.75%)</u></b>	<b>1% Increase <u>(7.75%)</u></b>
Net Pension Liability	<u>\$59,502,765</u>	<u>\$17,547,120</u>	<u>\$18,419,993</u>

**C. Disaggregated Pension Amounts**

	<u>Amounts from the 2017 Employer Pension Report</u>	<u>2017 Employer Specific Amounts</u>	<u>2017 Total Pension Amounts</u>
Net Pension Liability	\$ 137,449	\$ -	\$ 137,449
<i>Deferred Outflows of Resources Related to Pensions:</i>			
Deferred Outflows—Differences b/w Expected & Actual Experience	15,321	-	15,321
Deferred Outflows—Difference b/w Projected & Actual Investment Earnings	86,920	-	86,920
Deferred Outflows—Changes of Assumptions	85,966	-	85,966
Deferred Outflows—Changes in Proportion & Diff. b/w Actual & Proportionate Contr.'s	263	-	263
Deferred Outflows—Contributions Subsequent to Measurement Date	-	60,366	60,366
<i>Deferred Inflows of Resources Related to Pensions:</i>			
Deferred Inflows—Differences b/w Expected & Actual Experience	43,153	-	43,153
Deferred Inflows—Differences b/w Projected & Actual Investment Earnings	53,187	-	53,187
Deferred Inflows—Changes in Assumptions	-	-	-
Deferred Inflows—Changes in Proportion & Diff. b/w Actual & Proportionate Contr.'s	7,896	-	7,896
Pension Expense	102,207	36,337	138,594
Revenue	<u>\$ 103,653</u>	<u>\$ -</u>	<u>\$ 103,653</u>

**10. EXPENDITURES OF THE ASSESSOR'S OFFICE PAID BY THE POLICE JURY**

The LaSalle Parish Assessor's Office is located in the LaSalle Parish Courthouse. The cost of maintaining and operating the Courthouse, as required by Louisiana Revised Statute 33:4713, is paid by the LaSalle Parish Police Jury.

**LASALLE PARISH ASSESSOR  
JENA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

**11. DEFERRED COMPENSATION PLAN**

All of the employees of the LaSalle Parish Assessor are eligible to participate in the State of Louisiana deferred compensation plan. Employees may contribute up to 20% of their salary (not to exceed \$12,000 a year) to the plan on a pre-tax basis. The contributions are withheld from the employees' paycheck. The contributions are fully vested immediately and are remitted to a third-party administrator each pay period, where they are deposited to an account in the employee's name. The LaSalle Parish Assessor does not assume any liability for the funds and does not have any control over the funds once they are remitted to the third-party administrator. The Assessor's Office made matching contributions to the plan in the amount of \$5,221 for the year.

**12. NET OTHER POSTEMPLOYMENT BENEFIT (OPEB) (RETIREMENT HEALTH COVERAGE) OBLIGATION (POSITION) FOR THE YEAR ENDED DECEMBER 31, 2017**

The following table shows the calculation of the Annual Required Contribution and Net OPEB Obligation. The final ARC will be dependent on the discount rate selected and the end of year Net OPEB obligation will need to reflect actual contributions.

	<b>FYE 12/31/17</b>
<b>Discount Rate</b>	<b>4.00%</b>
 <b>Determination of Annual Required Contribution</b>	
Normal Cost at Fiscal Year End	\$ 57,327
Amortization of UAAL	51,860
Annual Required Contribution (ARC)	109,187
 <b>Determination of Net OPEB Obligation</b>	
Annual Required Contribution	109,187
Interest on Prior Year Net OPEB Obligation	20,580
Adjustment to ARC	(33,745)
Annual OPEB Cost	96,022
Assumed Contributions Made	(30,102)
Estimated Increase in Net OPEB Obligation	65,920
Net OPEB Obligation – Beginning of Year	514,504
Estimated Net OPEB Obligation – End of Year	\$ 580,424

**LASALLE PARISH ASSESSOR  
JENA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

The following table shows the estimated annual OPEB cost and net OPEB obligation for the prior 3 years assuming the plan is not prefunded (4% discount rate):

<b>Fiscal Year Ended</b>	<b>Discount Rate</b>	<b>Annual OPEB Cost</b>	<b>Percentage of OPEB Cost Contributed</b>	<b>Net OPEB Obligation</b>
12/31/2015	4.00%	\$99,584	28.7%	\$446,301
12/31/2016	4.00%	\$97,767	30.2%	\$514,504
12/31/2017	4.00%	\$96,022	31.3%	\$580,424

**13. PRIOR PERIOD ADJUSTMENTS**

A prior period adjustment was made to correct prior year deferred outflows, capitalization of intangible assets, and prior year receivables.

**Required Supplementary Information**

**LaSalle Parish Assessor  
Jena, Louisiana  
Ten Year Schedule of the Employer's  
Proportionate Share of the Net Pension Liability  
Year Ended December 31, 2017**

	<u><b>2015</b></u>	<u><b>2016</b></u>	<u><b>2017</b></u>
Employer's proportion of the NPL (percentage)	0.81%	0.81%	0.78%
Employer's proportionate share of the NPL (amount)	\$426,281	\$287,426	\$137,449
Employer's covered-employee payroll	\$358,203	\$362,929	\$341,934
Employer's proportionate share of the NPL as a percentage of its covered-employee payroll	1.19%	79.20%	40.20%
Plan fiduciary net position as a percentage of the total pension liability	85.57%	90.68%	95.61%

See independent auditor's report.  
The accompanying notes are an integral part of this statement.

**LaSalle Parish Assessor  
Jena, Louisiana  
Ten Year Schedule of the Employer Contributions  
Year Ended December 31, 2017**

	<u>2015</u>	<u>2016</u>	<u>2017</u>
Statutorily required contributions	\$73,767	\$74,792	\$60,366
Contributions in relation to the statutorily required contributions	\$73,767	\$74,792	\$60,366
Contribution deficiency (excess)	-0-	-0-	-0-
Employer's covered-employee payroll	\$358,203	\$362,929	\$341,232
Contributions as a percentage of covered-employee payroll	20.6%	20.6%	17.69%

\*Note: covered payroll used is during the measurement period.

See independent auditor's report.  
The accompanying notes are an integral part of this statement.

**LaSalle Parish Assessor  
Jena, Louisiana  
Notes to Changes to Supplementary Information  
Year Ended December 31, 2017**

Changes in Valuation	
Methods and Assumptions	None

See independent auditor's report.  
The accompanying notes are an integral part of this statement.

**LaSalle Parish Assessor  
Jena, Louisiana  
Schedule of Funding Progress  
Year Ended December 31, 2017**

**Other Post Employment Benefits**

Actuarial Valuation Date	Actuarial Value Of Assets	Discount Rate	Actuarial Accrued Liabilities (AAL) <sup>(1)</sup>	Unfunded Actuarial Accrued Liabilities (UAAL) <sup>(2)</sup>	Funded Ratio
January 1, 2010	0	4.00%	\$ 745,751	\$ 745,751	0.0%
January 1, 2011	0	4.00%	745,751	745,751	0.0%
January 1, 2012	0	4.00%	883,470	883,470	0.0%
January 1, 2013	0	4.00%	883,470	883,470	0.0%
January 1, 2014	0	4.00%	883,470	883,470	0.0%
January 1, 2015	0	4.00%	790,697	790,697	0.0%
January 1, 2016	0	4.00%	790,697	790,697	0.0%
January 1, 2017	0	4.00%	\$ 790,697	\$ 790,697	0.0%

(1) Actuarial Accrued Liability determined under the projected unit credit cost method.

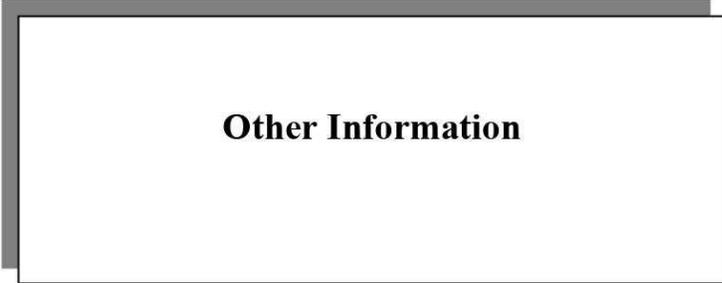
(2) Actuarial Accrued Liability less Actuarial Value of Assets.

See independent auditor's report.  
The accompanying notes are an integral part of the financial statements.

**LaSalle Parish Assessor  
Jena, Louisiana  
General Fund  
Budgetary Comparison Schedule  
Year Ended December 31, 2017**

	<b>BUDGETED AMOUNTS</b>			<b>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>	<b>ACTUAL</b>	
<b>REVENUES</b>				
Ad Valorem Taxes	\$ 660,000	\$ 675,000	\$ 683,637	\$ 8,637
Federal Revenue Sharing	-0-	-0-	-0-	-0-
State Revenue Sharing	34,000	34,000	34,436	436
Loan Proceeds	-0-	-0-	-0-	-0-
Other Income	1,000	24,000	16,830	(7,170)
Intergovernmental	-0-	-0-	-0-	-0-
<b>TOTAL REVENUES</b>	<u>695,000</u>	<u>733,000</u>	<u>734,903</u>	<u>1,903</u>
<b>EXPENDITURES</b>				
Salaries & Related Benefits	540,000	520,000	410,053	109,947
Contract Labor	-0-	-0-	250	(250)
Office Expense	55,000	45,000	37,776	7,224
Travel	12,000	12,000	4,158	7,842
Repair & Maintenance	47,000	45,000	650	44,350
Insurance	-0-	-0-	98,181	(98,181)
Utilities	-0-	-0-	1,214	(1,214)
Legal & Accounting	-0-	-0-	13,125	(13,125)
Miscellaneous	-0-	-0-	32,222	(32,222)
Lease Expense	-0-	-0-	-0-	-0-
Debt Service	-0-	-0-	-0-	-0-
Capital Outlay	20,000	18,000	41,911	(23,911)
<b>TOTAL EXPENDITURES</b>	<u>674,000</u>	<u>640,000</u>	<u>639,540</u>	<u>460</u>
<b>Net Change in Fund Balance</b>	<u>\$ 21,000</u>	<u>\$ 93,000</u>	<u>95,363</u>	<u>\$ 2,363</u>
<b>PRIOR PERIOD ADJUSTMENT</b>			75,056	
<b>FUND BALANCE – BEGINNING</b>			<u>912,699</u>	
<b>FUND BALANCE – END</b>			<u>\$ 1,083,118</u>	

See independent auditor's report.



**Other Information**

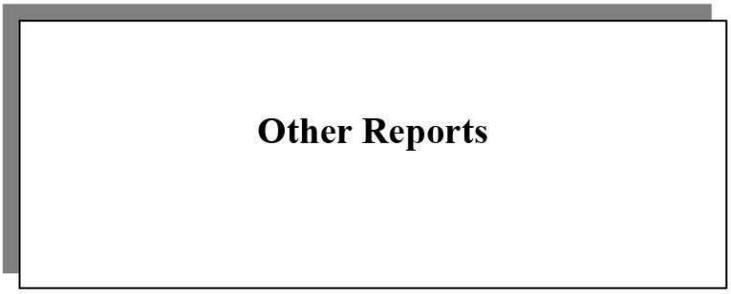
**LaSalle Parish Assessor  
Jena, Louisiana**

**Schedule of Compensation Benefits and Other Payments  
to Agency Head or Chief Executive Officer  
For the Year Ended December 31, 2017**

LaSalle Parish Assessor, Honorable Tom Kendrick

Purpose	Amount
Salary	\$ 131,797
Benefits-Insurance	21,283
Benefits-Retirement	28,303
Benefits (Expense Allowance)	13,180
Car Allowance	-0-
Vehicle Provided by Government	-0-
Per Diem	400
Reimbursements	-0-
Travel	380
Registration Fees	-0-
Conference Travel	-0-
Continuing Professional Education Fees	-0-
Housing	-0-
Un-vouchered Expenses*	-0-
Special Meals	\$ -0-

\*An example of an un-vouchered expense would be a travel advance.  
See independent auditor's report.



**Other Reports**

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### MEMBERS

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Society of Louisiana  
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Association of  
Certified Fraud Examiners

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

Honorable Tom Kendrick  
LaSalle Parish Assessor  
Jena, 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 of the LaSalle Parish Assessor, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the LaSalle Parish Assessor's basic financial statements, and have issued our report thereon dated May 29, 2018.

#### **Internal Control Over Financial Reporting**

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

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

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

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the LaSalle 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*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the audit committee, management, federal awarding agencies and Legislative Auditor's Office and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a public document and its distribution is not limited.

## *The Vercher Group*

Jena, Louisiana

May 29, 2018



**LASALLE PARISH ASSESSOR  
STATE OF LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COST  
(CONTINUED)  
DECEMBER 31, 2017**

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**Section II Financial Statement Findings**

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No findings to report.

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**Section III Federal Awards Findings and Questioned Costs**

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Not applicable.

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## **MANAGEMENT LETTER COMMENTS**

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During the course of our audit, we observed conditions and circumstances that may be improved. Below are situations that may be improved (if any) and recommendations for improvements.

### **CURRENT YEAR MANAGEMENT LETTER COMMENTS**

No items to report.

**LASALLE PARISH ASSESSOR  
JENA, LOUISIANA**

**MANAGEMENT'S SUMMARY  
OF PRIOR YEAR FINDINGS**

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Legislative Auditor  
State of Louisiana  
Baton Rouge, Louisiana 70804-9397

The management of the LaSalle Parish Assessor, Louisiana has provided the following action summaries relating to findings brought to their attention as a result of their financial review for the year ended December 31, 2016.

**PRIOR YEAR FINDINGS**

No items to report.

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### **AGREED-UPON PROCEDURES REPORT**

**LaSalle Parish Assessor's Office, Louisiana**

**Independent Accountant's Report**

**On Applying Agreed-Upon Procedures**

**For the Period of January 1, 2017-December 31, 2017**

LaSalle Parish Assessor  
LaSalle Parish, Louisiana

To the LaSalle Parish Assessor and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by LaSalle Parish Assessor (Entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the period January 1, 2017 through December 31, 2017. The Entity's management is responsible for those C/C areas identified in the SAUPs.

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

The procedures and associated findings are as follows:

## *Written Policies and Procedures*

---

1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
  - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget
  - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
  - c) ***Disbursements***, including processing, reviewing, and approving
  - d) ***Receipts***, including receiving, recording, and preparing deposits
  - e) ***Payroll/Personnel***, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
  - f) ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process
  - g) ***Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage
  - h) ***Travel and expense reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
  - i) ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.
  - j) ***Debt Service***, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

**Observations:** We obtained a copy of the written policies and procedures manual and read it for the above items. The document addressed the above items except debt service.

**Exception:** The policy and procedures manual did not address debt service.

**Management's response:** The entity has no debt and does not intend to enter into debt.

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

---

2. Obtain and review the board/committee minutes for the fiscal period, and:
  - a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.
  - b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).
    - If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those

entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.

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

**Not applicable; the entity does not keep minutes.**

### ***Bank Reconciliations***

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- 3. Obtain a listing of client bank accounts from management and management's representation that the listing is complete.
- 4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:
  - a) Bank reconciliations have been prepared;
  - b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and
  - c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

**Observations: We obtained a listing of bank accounts on bank confirmations and management's representation that the listings were complete.**

**A) Bank reconciliations are prepared for all bank accounts that have activity.**

**B) Bank reconciliations are prepared by an outside accounting firm and reviewed by management.**

**C) Inquiry found the entity reviews old outstanding checks on a regular basis.**

### ***Collections***

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

**Observations: We obtained the listing (Assessor's Office) and management's representation that the listing is complete.**

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

- a) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.
- b) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.
- c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:
  - Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.
  - Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

**Observations:** A) The entity accepts very little cash and has two cash drawers. Each person responsible for collecting cash is (1) not bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account, and (3) not required to share the same cash register or drawer with another employee.

**Exception:** Each person is not bonded.

**Management's response:** The cost does not justify the benefit of implementing this procedure.

**B) The entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person (outside fee accountant) who is not responsible for cash collections in the cash collection location selected.**

**C) We selected the February 2017 deposits and traced the amount from the general ledger to the bank statement.**

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

**Observations:** The Entity has a policy and procedure manual that addresses collection procedures. Inquiry found that the employee responsible for collections is not the same employee responsible for determining completeness.

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

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

**Observations: We obtained a general ledger from the Entity and management’s representation that the general ledger population is complete.**

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

- a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.
- b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.
- c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.

**Observations: We randomly selected 25 disbursements and obtained supporting documentation of the following:**

- A) Purchases were initiated using a requisition system.**
- B) Purchases are not approved by a person not initiating the purchase.**
- C) Purchases are not processed without an approved invoice.**

**Exception: Purchases are not approved by a person not initiating the purchase.**

**Management’s response: The Entity does not have the personnel to implement this procedure.**

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

**Observations: Inquiry found that the person responsible for processing payments (the fee accountant) is prohibited from adding vendors to the Entity’s purchasing/disbursement system.**

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

**Observations: The person with signatory authority or who makes the final authorization for disbursements also has responsibility for initiating purchases.**

**Exception: The person with signatory authority or who makes the final authorization for disbursements also has responsibility for initiating purchases.**

**Management’s response: Management does not have the personnel to implement this procedure.**

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

**Observations: Inquiry and observation found that unused checks are locked in a cabinet.**

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

**Not applicable.**

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

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

**Observations: Management provided a listing of all credit cards and management's representation that the list is complete.**

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

**Observations: The Entity has (1) card, Visa.**

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

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

**Observations: We obtained the monthly statement for Visa February 2017 and tested it for the following:**

**A) The statement was reviewed and approved by the authorized card holder.**

**Exception: The statement was reviewed and approved by the authorized card holder.**

**Management's response: Management does not have the personnel to implement this procedure.**

**B) There were no finance charges on the statement.**

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

- a) For each transaction, report whether the transaction is supported by:
  - An original itemized receipt (i.e., identifies precisely what was purchased)
  - Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.
  - Other documentation that may be required by written policy (e.g., purchase order, written authorization.)
- b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing/disbursement policies and the Louisiana Public Bid Law (i.e. transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.
- c) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

**Observations: We tested the February 2017 statement for the following:**

- A) Itemized receipt, documentation of the business purpose.**
- B) Compared each transaction with the Entity's purchasing/disbursement policies and the Louisiana Public Bid Law.**
- C) Documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution.**

### *Travel and Expense Reimbursement*

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

**Observations: Management provided a general ledger and management's representation that the general ledger is complete.**

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

**Observations: We obtained the Entity's written policies relating to travel and related expense reimbursements and compared it to the per diem and mileage rates established by the U.S. General Services Administration.**

19. Using the listing or general ledger from #17 above, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expenses selected:
  - a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.

**Observations: We selected the 3 employees with the largest travel expenditure for the fiscal period and found the expenditure was in accordance with written policy.**

b) Report whether each expense is supported by:

- An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]
- Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).
- Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)

**Observations: The expenditures were for per diem meals.**

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

**Observations: We compared the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value and found no exceptions.**

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

**Observations: The expense was reviewed and approved, in writing, by the Assessor but not by someone other than the person receiving the benefit.**

**Exception: The expense was reviewed and approved, in writing, by the Assessor but not by someone other than the person receiving the benefit.**

**Management's response: Management does not have the personnel to implement this procedure.**

## *Contracts*

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

**Observations: We obtained a general ledger from management and management's representation that the general ledger is complete.**

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

- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.
- b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:

- If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder)
  - If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.
- c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.
- d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.
- e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).

**Observations: We found that the Entity had (1) contract (Pictometry) and tested it for the following:**

- A) There is a formal /written contract that supports the services arrangement and the amount paid.**
- B) The contract was not subject to the Louisiana Public Bid Law.**
- C) The contract had not been amended.**
- D) We selected the largest payment from the contract. We obtained the payment made in the general ledger and compared it to the contract terms.**
- E) Not applicable.**

### *Payroll and Personnel*

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22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:
- a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.
  - b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.

**Observations: We selected all 5 employees and tested as follows:**

- A) Payments were made in accordance with the documented pay rate structure.**
- B) None of the employees received a pay rate change during the fiscal year.**

23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:
- a) Report whether all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and

does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)

- b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.
- c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

**Observations: We tested 5 employees for the following:**

**A) No employees were paid leave. All employees were salaried.**

**B) All employees are salaried.**

**C) There was no leave earned.**

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

**Observations: The Entity had one termination in the fiscal year. There were no termination payments made during the year.**

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

**Observations: We reviewed forms 941 and the general ledger accrual accounts and found no delinquent payments.**

### *Ethics (excluding nonprofits)*

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

**Observations: The entity maintained documentation of ethics compliance.**

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

**Observations: Inquiry found no alleged ethics violations reported to the entity during the fiscal year.**

### *Debt Service (excluding nonprofits)*

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

**Not applicable; no debt**

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

**Not applicable; no debt**

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

**Not applicable.**

***Other***

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

**Observations: Inquiry found no reported misappropriations of public funds.**

32. Observe and report whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at [www.la.gov/hotline](http://www.la.gov/hotline)) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

**Observations: The entity has the notice posted on its premises.**

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.

*The Vercher Group*

Jena, Louisiana

May 29, 2018