

**IBERIA PARISH ASSESSOR
New Iberia, Louisiana**

**Annual Financial Statements
With Independent Auditor's Report
As of and for the Year Ended
December 31, 2012**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date **AUG 14 2013**

IBERIA PARISH ASSESSOR
New Iberia, Louisiana

Annual Financial Statements
With Independent Auditor's Report
As of and for the Year Ended December 31, 2012
With Supplemental Information Schedule

CONTENTS

	<u>Page No.</u>
Independent Auditor's Report	3-5
Basic Financial Statements	
Government-Wide Financial Statements:	
Statement of Net Position	7
Statement of Activities	8
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	9
Reconciliation of the Governmental Funds Balance Sheet to The Statement of Net Position	10
Statement of Revenues, Expenditures, and Changes in Fund Balances	11
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, And Changes in Fund Balances to the Statement of Activities	12
Notes to the Financial Statements	13-25
Required Supplementary Information:	
Budgetary Comparison Schedule-General Fund	27
Note to Budgetary Comparison Schedule	28
Other Postemployment Benefits Funding Schedule	29

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
December 31, 2012

CONTENTS (continued)

**Reports Required by Government
Auditing Standards**

**Independent Auditor's Report Required by
Government Auditing Standards 31**

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 32-33

Schedule of Findings and Questioned Costs 34

Summary Schedule of Prior Audit Findings 35

Basic Financial Statements

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SOCIETY OF LA CPA'S

Independent Auditor's Report

THE HONORABLE RICKEY J. HUVAL, SR.
IBERIA PARISH ASSESSOR
New Iberia, Louisiana

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities and the major fund of the Iberia Parish Assessor, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Assessor's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my 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 I 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 of the entity's internal control. of the entity's internal control. Accordingly, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Iberia Parish Assessor as of December 31, 2012, and the respective changes in financial position for the year ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and other postemployment benefits funding schedule on pages 27-29 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I 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 inquiring of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

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

The Honorable Rickey J. Huval, Sr.
June 27, 2013
Page 3

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, I have also issued my report dated June 27, 2013, on my consideration of the Iberia Parish Assessor's internal control over financial reporting and on my 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 my 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 Iberia Parish Assessor's internal control over financial reporting and compliance.

R. Perry Templeton

New Iberia, Louisiana
June 27, 2013

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
STATEMENT OF NET POSITION
December 31, 2012

ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$3,623,749
Receivables	<u>1,531,297</u>
Total Current Assets	5,155,046
Noncurrent Assets:	
Capital Assets (Net of Accumulated Depreciation)	<u>193,213</u>
TOTAL ASSETS	<u>\$5,348,259</u>
LIABILITIES	
Current Liabilities:	
Accounts and Other Payables	\$ <u>16,703</u>
Total Current Liabilities	16,703
Noncurrent Liabilities:	
Net OPEB Obligation	<u>1,281,041</u>
TOTAL LIABILITIES	<u>1,297,744</u>
NET POSITION	
Invested in Capital Assets, Net of Related Debt	193,213
Unrestricted	<u>3,857,302</u>
TOTAL NET POSITION	<u>\$ 4,050,515</u>

The accompanying notes are an integral part of this statement.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
STATEMENT OF ACTIVITIES
December 31, 2012

Taxation:	
Personal Services	\$ 1,470,477
Operating Services	146,407
Materials and Supplies	26,268
Travel	22,054
Depreciation Expense	<u>91,334</u>
Total Program Expenses	1,756,540
Program Revenues - Fees, Charges, and Commissions for Services:	<u>9,757</u>
Net Program Expenses	<u>(1,746,783)</u>
General Revenues:	
Taxes – Ad Valorem	1,647,310
Intergovernmental – State Funds – Revenue Sharing	147,043
Interest Earned	13,272
Other	<u>1,453</u>
Total General Revenues	<u>1,809,078</u>
Change in Net Position	62,295
Net Position – Beginning of Year	<u>3,988,220</u>
Net Position – End of Year	<u>\$ 4,050,515</u>

The accompanying notes are an integral part of this statement.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
GOVERNMENTAL FUNDS
Balance Sheet, December 31, 2012

ASSETS

Cash and Cash Equivalents	\$ 3,623,749
Receivables	<u>1,531,297</u>

TOTAL ASSETS	<u><u>\$ 5,155,046</u></u>
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LIABILITIES AND FUND BALANCE

Liabilities – Accounts and Other Payables	\$ 16,703
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Fund Balance – Unassigned	<u>5,138,343</u>
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TOTAL LIABILITIES AND FUND BALANCE	<u><u>\$ 5,155,046</u></u>
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The accompanying notes are an integral part of this statement.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana

Reconciliation of Governmental Funds
Balance Sheet to the Statement of Net Position

For the Year Ended December 31, 2012

Total Fund Balances at December 31, 2012	
Governmental Funds	\$ 5,138,343
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds balance sheets.	193,213
Other postemployment benefits (OPEB) obligations are reported as long-term liabilities in the government wide financial statements but are not reported in the governmental fund financial statements.	<u>(1,281,041)</u>
Net Position at December 31, 2012	<u>\$ 4,050,515</u>

The accompanying notes are an integral part of this statement.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
GOVERNMENTAL FUNDS

Statement of Revenues, Expenditures, and
Changes in Fund Balances

For the Year Ended December 31, 2012

REVENUES

Taxes – Ad Valorem	\$ 1,647,310
Intergovernmental Revenues – State Grants – State Revenue Sharing	147,043
Fees, Charges, and Commissions for Services	9,757
Use of Money and Property – Interest Earnings	13,272
Other Revenue	<u>1,453</u>
Total Revenues	<u>1,818,835</u>

EXPENDITURES

Current:

 General Government – Taxation:

Personal Services	1,180,067
Operating Services	146,407
Materials and Supplies	26,268
Travel and Other Charges	<u>22,054</u>
Total Expenditures-Current	1,374,796

Capital Outlay	<u>52,293</u>
Total Expenditures	<u>1,427,089</u>

EXCESS OF REVENUES OVER EXPENDITURES	391,746
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FUND BALANCE AT BEGINNING OF YEAR	<u>4,746,597</u>
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FUND BALANCE AT END OF YEAR	<u><u>\$ 5,138,343</u></u>
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The accompanying notes are an integral part of this statement.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana

Reconciliation of Governmental Funds
Statement of Revenues, Expenditures, and Changes
In Fund Balances to the Statement of Activities

For the Year Ended December 31, 2012

Total Net Change in Fund Balances – Governmental Funds	\$ 391,746
Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:	
Governmental funds report capital outlays as expenditures. However, in the government-wide statement of activities and change in net position, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period.	52,293
Depreciation expense on capital assets is reported in the government-wide statement of activities and changes in net position, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in governmental funds.	(91,334)
Governmental funds do not report net change in other postemployment benefits (OPEB) obligations. However, this obligation does appear in the Statement of Activities since the payable is reported on the Statement of Net Position.	<u>(290,410)</u>
Change in Net Position of Governmental Activities	<u>\$ 62,295</u>

The accompanying notes are an integral part of this statement.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to the Financial Statements
As of and For the Year Ended December 31, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, the assessor is elected by the voters of the parish and serves a term of four years, beginning January 1 following the year in which elected. The assessor assesses all real and movable property in the parish, subject to ad valorem taxation, prepares tax rolls, and submits the rolls to the Louisiana Tax Commission and other governmental bodies as prescribed by law. 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.

The assessor's office is located in the Iberia Parish Courthouse in New Iberia, Louisiana. The assessor employs 13 employees, all who are 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 and 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.

At December 31, 2012, there are 41,739 assessments totaling \$636,191,558. This represents an increase of 258 assessments totaling \$29,318,358 over the prior year primarily due to reassessments.

The accompanying financial statements of the Iberia Parish Assessor have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Iberia Parish Assessor has adopted GASB Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis - for State and Local Governments. Certain of the significant changes in the Statement include the following:

The financial statements include financial statements prepared using full accrual accounting for all of the Assessor's activities.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to the Financial Statements
(continued)

A. REPORTING ENTITY

For financial reporting purposes, in conformance with Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification), the assessor includes all funds, account groups, activities, et cetera, that are controlled by the assessor as an independently elected parish official. As an independently elected parish official, the assessor is solely responsible for the operations of his office, which include the hiring or retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. Other than certain operating expenditures of the assessor's office that are paid or provided by the parish council as required by Louisiana Law, the assessor is financially independent.

Statement No. 14 of the GASB established the following criteria for determining if a governmental entity is a primary government or a component unit of primary government.

- a. It has a separately elected governing body.
- b. It is legally separate.
- c. It is fiscally independent of other governments.

Because it meets the above criteria the assessor is not considered a component unit of any other governmental entity, nor is it considered a primary government for any other governmental entities.

Accordingly, the assessor is a separate governmental reporting entity. The activities of the parish council, parish school board, other independently elected parish officials, and municipal level government are not included within the accompanying financial statements as they are considered autonomous governments. These units of government issue financial statements separate from those of the parish assessor.

B. BASIC FINANCIAL STATEMENTS – GOVERNMENT – WIDE STATEMENTS

The assessor's basic financial statements include both government-wide (reporting the assessor as a whole) and fund financial statements (reporting the assessor's major fund). Both government-wide and fund financial statements categorize primary activities as either governmental or business type. All activities of the assessor are classified as governmental.

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. These statements include all the financial activities of the assessor.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to the Financial Statements
(continued)

In the Statement of Net Position, governmental activities are presented on a consolidated basis and are presented on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term obligations. Net position is reported in two parts; invested in capital assets, net of any related debt; and unrestricted net position.

The government-wide financial statements are prepared using 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 parties outside the assessor's taxpayers, or citizenry. Program revenues reduce the cost of the function to be financed from the assessor's general revenues.

Allocation of Indirect Expenses – The assessor reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function.

C. BASIC FINANCIAL STATEMENT – FUND FINANCIAL STATEMENTS

The financial transactions of the assessor are reported in individual funds in the fund financial statements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Fund financial statements report detailed information about the assessor. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

A fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. The assessor's current operations require the use of only governmental funds. The governmental fund type used by the assessor is described as follows:

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to the Financial Statements
(continued)

Governmental Fund Type

General Fund – The General Fund is the principal fund of the assessor and is used to account for the operations of the assessor's office. The various fees and charges due to the assessor's office are accounted for in this fund. General operating expenditures are paid from this fund.

D. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurement made regardless of the measurement focus applied.

1. Accrual:

The governmental type activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental fund financial statements are presented on the modified accrual basis of accounting. 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 differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Governmental funds 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 a 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:

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to the Financial Statements
(continued)

Revenues

Ad valorem taxes are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due when the tax roll is filed with the recorder of mortgages and become delinquent on December 31. Ad valorem taxes are generally collected in November and December of the current year and January and February of the ensuing year. Compensation from taxing bodies is recorded in the year the ad valorem taxes are assessed. The compensation is generally collected in December of the current year and January of the ensuing year.

Fees for preparing tax rolls are recorded in the year received.

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

Based on the above criteria, ad valorem taxes, and state revenue sharing 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.

Fund Balance

Beginning with fiscal year 2011, the Assessor implemented GASB Statement No. 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 a government's fund balances more transparent. See Note 11 for further explanation.

E. CASH AND CASH EQUIVALENTS

Cash includes amounts in interest bearing demand deposits and time deposits that mature within one year of fiscal year end. Under state law, the assessor may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal office in Louisiana. At December 31, 2012, the assessor has cash and cash equivalents (book balances) totaling

Demand deposits	\$ 1,617,257
Time deposits	2,006,492
Total	<u>\$ 3,623,749</u>

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to the Financial Statements
(continued)

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Assessor's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the Assessor or the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) of \$3,683,920 at December 31, 2012 are secured as follows:

Federal deposit insurance	\$ 804,316
Pledged securities	<u>2,879,604</u>
Total	<u>\$ 3,680,920</u>

As of December 31, 2012, the Assessor's total bank balances were fully insured and collateralized with securities held in the name of the Assessor by the pledging financial institution's agent and, therefore, not exposed to custodial credit risk.

F. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available.

Capital assets are reported in the government-wide financial statements but not in the fund financial statements. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes by the assessor, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Furniture and Equipment	5-7 years
Vehicles	5 years
Leasehold Improvements	20 years

G. COMPENSATED ABSENCES

Vacation and sick leave is granted at the discretion of the assessor. At December 31, 2012, there are no accumulated and vested benefits relating to vacation and sick leave. The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as current-year expenditure in the General Fund when leave is actually taken.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to the Financial Statements
(continued)

H. RISK MANAGEMENT

The assessor is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. To handle such risk of loss, the assessor maintains various insurance policies.

2. PRINCIPAL TAXPAYERS

The following are the principal taxpayers for the parish:

<u>Taxpayer</u>	<u>Business</u>	<u>Valuation</u>
1. Central Louisiana Electric Co	Utility	17,239,080
2. Bristow U S LLC	Oil & Gas	16,744,700
3. Thomas Energy Services	Oil & Gas	13,090,443
4. Nabors Offshore Corporation	Oil & Gas	8,646,354
5. Halliburton Energy Services	Oil & Gas	8,560,220
6. McIlhenny Company	Food Processor	7,292,026
7. Contango Operators Inc	Oil & Gas	6,324,831
8. IberiaBank	Financial	6,547,158
9. Morton International Inc.	Mining	5,633,421
10. Dynamic Industries	Oil & Gas	5,602,101

3. CHANGES IN CAPITAL ASSETS

A summary of changes in depreciable assets is as follows:

Balance, January 1, 2012	\$ 690,390
Additions	52,293
Deletions	<u>(17,574)</u>
Balance, December 31, 2012	725,109
Less accumulated depreciation	<u>531,896</u>
Net Capital Assets	<u>\$ 193,213</u>

4. PENSION PLAN

Substantially all employees of the Iberia Parish Assessor's office are members of the Louisiana Assessor's Retirement System (System), a multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to the Financial Statements
(continued)

All full-time employees who are under the age of 60 at the time of original employment and are not drawing retirement benefits from any other public retirement system in Louisiana are required to participate in the system. Employees who retire at or after age 55 with at least 12 years of credited service or at or after age 50 with at least 30 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each year of credited service rendered on or before June 30, 1999, and 3.33 percent of their final-average salary for each year of credited service rendered on or after July 1, 1999, not to exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. The system also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Assessors' Retirement System, P.O. Box 1786, Shreveport, Louisiana 71166-1786, or by calling (318) 425-4446.

Plan members are required by state statute to contribute 8.00 percent of their annual covered salary and the Iberia Parish Assessor is required to contribute at an actuarially determined rate. The current rate is 13.5 percent. Contributions to the system include one-fourth of one percent (one percent for Iberia Parish) of the taxes shown to be collectible by the tax rolls of each parish, plus revenue sharing funds appropriated by the legislature. The contribution requirements of plan members and the Iberia Parish Assessor are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Iberia Parish Assessor's contributions to the system for the years ending December 31, 2012, 2011, and 2010, were \$159,574, \$151,713 and \$164,360 respectively, equal to the required contributions for each year.

5. POST-RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

Plan Description –

The Assessor provides certain continuing health care benefits for its retired employees. The plan is a pooled-employer defined benefit health care plan administered by the Louisiana Assessors' Association. It provides lifetime healthcare insurance for eligible retirees and their spouses through the Assessor's group health insurance plan, which covers both active and retired members. The Assessor has the authority to establish and amend the benefit provisions of the plan. The plan does not issue a publicly available financial report.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to the Financial Statements
(continued)

Funding Policy –

The Assessor contributes 100% of the cost of the current year premiums for eligible retired employees and their spouses. The Assessor recognizes the cost of providing these benefits (the Assessor's portion of premiums) as expenditures when the monthly premiums are due. The benefits are financed on a pay-as-you-go basis.

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

Annual OPEB Cost and Net OPEB Obligation: The Assessor's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period of thirty years. The Assessor utilizes the level-dollar amortization method to amortize the unfunded actuarial accrued liability.

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

Annual required contribution	\$ 388,732
Interest on net OPEB obligation	39,625
Adjustment to annual required contribution	<u>(60,665)</u>
Annual OPEB cost (expense)	367,692
Contributions made	<u>(77,282)</u>
Increase in net OPEB obligation	290,410
Net OPEB obligation - beginning of year	<u>990,631</u>
Net OPEB obligation - end of year	<u>\$ 1,281,041</u>

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to the Financial Statements
(continued)

The Assessor's annual OPEB cost, the percentage of annual OPEB cost contribution to the plan, and the net OPEB obligation for 2012 is as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
12/31/10	\$ 363,932	10%	\$ 363,932
12/31/11	\$ 358,093	10%	\$ 358,093
12/31/12	\$ 367,692	21%	\$ 367,692

Fiscal year 2009 was the year of implementation of GASB Statement No 45 and the Assessor has elected to implement prospectively.

Funded Status and Funding Progress: The funded status of the plan as of December 31, 2012, was as follows:

Actuarial accrued liability (AAL)	\$3,592,445
Actuarial valuation of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	\$3,592,445
Funded ratio (actuarial value of plan assts/AAL)	0%
Covered Payroll (active plan members)	<u>\$ 714,960</u>
UAAL as a percentage of covered payroll	502%

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

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

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to the Financial Statements
(continued)

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

In the January 1, 2012 actuarial valuation, the unit credit actuarial cost method was used. The significant actuarial assumptions used in the valuation of the plan are as follows:

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

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

3. 100% of employees who elect coverage while in active employment and who are eligible for retiree benefits are assumed to elect continued medical coverage in retirement.
4. 100% of members electing coverage are assumed to also elect coverage for a spouse,
5. The medical inflation rate approximates 6%.

6. LITIGATION AND CLAIMS

There is no litigation pending against the Iberia Parish Assessor at December 31, 2012, nor is he aware of any unasserted claims.

7. LEVIED TAXES

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

	<u>Authorized Millage</u>	<u>Levied Millage</u>
Parish Wide Assessment District	3.96	3.17

Total ad valorem taxes levied during 2012 amount to \$1,655,525. Receivables at December 31, 2012 consist of \$1,431,496 in ad valorem taxes and \$98,028 in State Revenue Sharing.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to the Financial Statements
(continued)

8. DEFERRED COMPENSATION PLAN

The Iberia Parish Assessor offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Assessor employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional.

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

In accordance with provisions of GASB Statement No. 32, plan balances and activities are not reflected in these financial statements.

**9. EXPENDITURES OF THE ASSESSOR NOT INCLUDED
IN THE FINANCIAL STATEMENTS**

The assessor's office is located in the Iberia Parish Courthouse. Expenditures for utilities and janitorial services, as well as the other maintenance and operating expenditures, are paid by the Iberia Parish Council and are not included in the accompanying financial statements.

10. RISK MANAGEMENT

The Assessor is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Assessor has elected to purchase insurance coverage through the commercial insurance market to cover its exposure to loss. The Assessor is insured up to policy limits for each of the above risks. There were no significant changes in coverage, retentions, or limits during the year ended December 31, 2012. Settled claims have not exceeded the commercial coverage in any of the previous three fiscal years.

11. FUND BALANCES

As of December 31, 2012, the Assessor has adopted GASB Statement No. 54, which redefined how fund balances of the governmental funds are presented in the financial statements. Fund balances are classified as follows:

Unassigned Fund Balance – amounts that are available for any purpose

12. SUBSEQUENT EVENTS

Subsequent events have been evaluated through June 27, 2013, the date of the financial statement issuance

IBERIA PARISH ASSESSOR
New Iberia, Louisiana
Notes to Financial Statements

13. NEW ACCOUNTING PRONOUNCEMENTS

GASB 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, implemented this year provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. The Statement of Net Assets is renamed the Statement of Net Position and includes four components: assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Iberia Parish Assessor has determined that he has no deferred outflows or inflows as defined by this standard.

Management has not currently determined what, if any, impact implementation of the following statement may have on the financial statements of the Iberia Parish Assessor.

GASB 65, *Items Previously Reported as Assets and Liabilities*, will be effective for the Iberia Parish Assessor beginning with its year ending December 31, 2013. This statement required certain items that are currently reported as assets and liabilities to be reclassified as deferred outflows of resources, deferred inflows of resources, or current period outflows and inflows.

REQUIRED SUPPLEMENTARY INFORMATION

IBERIA PARISH ASSESSOR
New Iberia, Louisiana

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**
For the Year Ended December 31, 2012

	<u>BUDGET</u>	<u>ACTUAL (BUDGETARY BASIS)</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Taxes – ad valorem	\$ 1,548,621	\$ 1,647,310	\$ 98,689
Intergovernmental-state funds- state revenue sharing	155,000	147,043	(7,957)
Fees, charges, and commissions for services	9,778	9,757	(21)
Use of money and property- interest earnings	30,000	13,272	(16,728)
Other Revenue	<u>1,000</u>	<u>1,453</u>	<u>453</u>
Total revenues	<u>1,744,399</u>	<u>1,818,835</u>	<u>74,436</u>
EXPENDITURES			
Current:			
General government-taxation:			
Personal services and related Benefits	1,208,646	1,180,067	28,579
Operating services	231,354	146,407	84,947
Materials and supplies	15,000	26,268	(11,268)
Travel and other charges	25,000	22,054	2,946
Capital outlay	<u>60,000</u>	<u>52,293</u>	<u>7,707</u>
Total expenditures	<u>1,540,000</u>	<u>1,427,089</u>	<u>112,911</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES	204,399	391,746	187,347
FUND BALANCE AT BEGINNING OF YEAR	<u>4,746,597</u>	<u>4,746,597</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ 4,950,996</u>	<u>\$ 5,138,343</u>	<u>\$ 187,347</u>

See accompanying note to budgetary comparison schedule.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana

NOTE TO BUDGETARY COMPARISON SCHEDULE

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

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying financial statement include the original adopted budget amounts.

IBERIA PARISH ASSESSOR
New Iberia, Louisiana

Other Postemployment Benefits (OPEB)
Funding Schedule
For the Year Ended December 31, 2012

The funded status of the plan as of December 31, 2012 was as follows:
Schedule of Funding Progress (4.0%)

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Discount Rate</u>	<u>Actuarial Accrued Liabilities (AAL) (1)</u>	<u>Unfunded Actuarial Accrued Liabilities (UAAL)(2)</u>	<u>Funded Ratio</u>
January 1, 2010	\$ 0	4.00%	\$3,009,636	\$3,009,636	0.0%
January 1, 2011	0	4.00%	3,009,636	3,009,636	0.0%
January 1, 2012	0	4.00%	3,592,445	3,592,445	0.0%

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

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

**REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

**Independent Auditor's Report Required
By Government Auditing Standards**

The following independent auditor's report on compliance and internal control over financial reporting based on an audit of financial statements performed in accordance with *Government Auditing Standards* is presented with the requirements of *Government Auditing Standards* issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

R. PERRY TEMPLETON
CERTIFIED PUBLIC ACCOUNTANT
(A PROFESSIONAL ACCOUNTING CORPORATION)

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MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LA CPA'S

**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***

THE HONORABLE RICKEY J. HUVAL, SR.
IBERIA PARISH ASSESSOR
New Iberia, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller general of the United States, the financial statements of the governmental activities and the major fund, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Iberia Parish Assessor's basic financial statements, and have issued my report thereon dated June 27, 2013.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the Iberia 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Iberia Parish Assessor's internal control. Accordingly, I do not express an opinion on the effectiveness of the Iberia Parish Assessor's internal control.

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

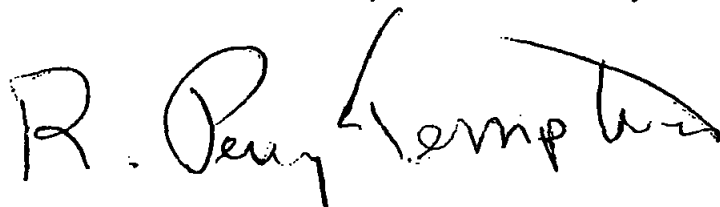
My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control over financial reporting that I 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 Iberia Parish Assessor's financial statements are free of material misstatement, I performed tests of 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 statements amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my 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. Under Louisiana Revised Statutes 24:513, this report is distributed by the Legislative Auditor as a public document.

A handwritten signature in black ink, appearing to read "R. Perry Kemp". The signature is written in a cursive, flowing style with a long horizontal stroke at the end.

New Iberia, Louisiana
June 27, 2013

IBERIA PARISH ASSESSOR
New Iberia, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2012

A. SUMMARY OF AUDITOR'S RESULTS

Auditor's Report - Financial Statements

The auditor's report expresses an unqualified opinion on the annual financial statements of the Iberia Parish Assessor.

Internal Control Deficiencies - Financial Statements

No significant internal control deficiencies were noted during the audit of the financial statements.

Material Noncompliance – Financial Statements

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

B. FINDINGS RELATING TO AN AUDIT IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

None

C. FINDINGS AND QUESTIONED COSTS RELATING TO FEDERAL PROGRAMS

At December 31, 2012, the Iberia Parish Assessor did not meet the requirements to have a single audit in accordance with OMB Circular A-133, therefore this section is not applicable.

**IBERIA PARISH ASSESSOR
New Iberia, Louisiana**

**Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2012**

There were no findings reported in the audit report for the year ended December 31, 2011.