

ALLEN PARISH ASSESSOR

Oberlin, Louisiana

Financial Report

Year Ended December 31, 2017

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INDEPENDENT AUDITOR'S REPORT

Honorable Richard Earl, CLA
Allen Parish Assessor
Oberlin, Louisiana

Report on the Financials Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of the Allen Parish Assessor (the Assessor), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Assessor's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that budgetary comparison information, schedule of funding progress, schedule of employer's share of net pension liability, and schedule of employer contributions on pages 30-34 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 18, 2018 on our consideration of the Allen Parish Assessor's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Assessor's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Oberlin, Louisiana
June 18, 2018

BASIC FINANCIAL STATEMENTS

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

ALLEN PARISH ASSESSOR
Oberlin, Louisiana

Statement of Net Position
December 31, 2017

	<u>Governmental Activities</u>
ASSETS	
Cash and interest-bearing deposits	\$ 209,628
Taxes receivable, net	397,523
Due from other governmental units	17,254
Prepaid items	3,000
Capital assets, net	<u>23,275</u>
Total assets	<u>650,680</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>84,101</u>
LIABILITIES	
Accounts and other payables	6,187
Net OPEB obligation payable	700,233
Net pension liability	<u>102,112</u>
Total liabilities	<u>808,532</u>
DEFERRED INFLOWS OF RESOURCES	<u>102,717</u>
NET POSITION	
Net investment in capital assets	23,275
Unrestricted	<u>(199,743)</u>
Total net position	<u>\$(176,468)</u>

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

ALLEN PARISH ASSESSOR
Oberlin, Louisiana

Statement of Activities
For the Year Ended December 31, 2017

Activities	Expenses	Program Revenues		Net (Expense) Revenues and Changes in Net Position Governmental Activities
		Charges for Services	Operating Grants and Contributions	
Governmental activities:				
General government	<u>\$617,614</u>	<u>\$ 9,591</u>	<u>\$30,652</u>	<u>\$(577,371)</u>
	General revenues:			
				488,247
				36,500
				77,005
				31
				<u>6,182</u>
				<u>607,965</u>
				30,594
				<u>(207,062)</u>
				<u>\$(176,468)</u>

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

FUND FINANCIAL STATEMENTS (FFS)

ALLEN PARISH ASSESSOR
Oberlin, Louisiana

Balance Sheet - Governmental Fund
December 31, 2017

	<u>General Fund</u>
ASSETS	
Cash and cash equivalents	\$ 209,628
Receivables:	
Taxes receivable, net	397,523
Due from other governmental units	<u>17,254</u>
Total assets	<u>\$ 624,405</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	
Liabilities:	
Accounts payable	\$ 1,388
Accrued liabilities	<u>4,799</u>
Total liabilities	<u>6,187</u>
Deferred inflows of resources:	
Unavailable revenue - delinquent ad valorem taxes	<u>29,556</u>
Fund balance:	
Unassigned	<u>588,662</u>
Total liabilities and fund balance	<u>\$ 624,405</u>

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

ALLEN PARISH ASSESSOR
Oberlin, Louisiana

Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Position
December 31, 2017

Total fund balance for the governmental fund at December 31, 2017	\$ 588,662
Total net position reported for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:	
Equipment, furniture and fixtures, net of \$315,508 accumulated depreciation	23,275
Difference between prepaid expenses on modified accrual basis versus accrual basis	3,000
Some of the Assessor's ad valorem taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures and, therefore, are reported as deferred inflows of resources at the fund level.	29,556
Deferred outflows of resources related to net pension liability	84,101
Some liabilities are not due and payable from current financial resources and are, therefore not reported in the funds. These liabilities consist of the following:	
Net OPEB obligation payable	\$ (700,233)
Net pension liability	<u>(102,112)</u> \$ (802,345)
Deferred inflows of resources related to net pension liability	<u>(102,717)</u>
Total net position of governmental activities at December 31, 2017	<u>\$ (176,468)</u>

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

ALLEN PARISH ASSESSOR
Oberlin, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance -
Governmental Fund
For the Year Ended December 31, 2017

	<u>General Fund</u>
Revenues:	
Intergovernmental revenues -	
Ad valorem taxes	\$ 507,542
State revenue sharing	36,500
Gaming revenue	30,652
Other revenue - preparing tax rolls, etc.	15,773
Interest	<u>31</u>
Total revenues	<u>590,498</u>
Expenditures:	
Current -	
General government:	
Personnel services and related benefits	461,645
Operating services	31,484
Materials and supplies	27,237
Travel and other charges	16,073
Capital outlay	<u>1,687</u>
Total expenditures	<u>538,126</u>
Excess of revenues over expenditures	52,372
Fund balance, beginning of year	<u>536,290</u>
Fund balance, end of year	<u><u>\$ 588,662</u></u>

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

ALLEN PARISH ASSESSOR
Oberlin, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balance of the Governmental Fund
to the Statement of Activities
For the Year Ended December 31, 2017

Total net changes in fund balance for the year ended December 31, 2017 per the statement of revenues, expenditures and changes in fund balance		\$ 52,372
The change in net position reported for governmental activities in the statement of activities is different because:		
Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 1,687	
Depreciation expense for the year ended December 31, 2017	<u>(7,893)</u>	(6,206)
Difference between prepaid expenses on modified accrual basis versus accrual basis		3,000
Revenues reported in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds. These revenues consist of the following:		
Net change in unavailable revenues - delinquent ad valorem taxes	(19,295)	
Nonemployer contributions to retirement system for the year	<u>77,005</u>	57,710
Some liabilities are not recognized at the fund level because they do not represent a claim on current financial resources. Expenses at the government-wide level are recognized when these liabilities are incurred, while expenditures are recognized at the fund level when cash payments are made. The amounts below represent the difference between expenses incurred at the government-wide level and the current financial resources expended at the fund level.		
Net OPEB obligation payable	(36,195)	
Net pension liability	<u>(40,087)</u>	<u>(76,282)</u>
Total change in net position for the year ended December 31, 2017 per the statement of activities		<u>\$ 30,594</u>

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

ALLEN PARISH ASSESSOR
Oberlin, Louisiana

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

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

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

A. Financial Reporting Entity

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

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

B. Basis of Presentation

Government-Wide Financial Statements

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

Fund Financial Statements

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

ALLEN PARISH ASSESSOR
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

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

Governmental Fund -

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

General Fund

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

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

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

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

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

ALLEN PARISH ASSESSOR
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

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

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

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

Cash and interest-bearing deposits

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

Receivables

In the government-wide statements, receivables, including amounts due from other governments, consist of all revenues earned at year-end and not yet received. Uncollectible ad valorem taxes are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. The allowance for uncollectible taxes was \$14,217 at December 31, 2017.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2017, are recorded as prepaid items.

Capital Assets

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

ALLEN PARISH ASSESSOR
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

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

Furniture, fixtures and equipment	5-10 years
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Compensated Absences

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

At termination or retirement, employees are paid for vacation leave accumulated during the current year; however, emergency leave is not paid. At December 31, 2017, the Assessor has no material accumulated leave benefits.

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Assessor has one item that qualifies for reporting in this category, the deferred outflow of resources attributable to its pension plan. The Assessor reported deferred outflows of resources related to pensions of \$84,101 at December 31, 2017.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Assessor has one item that qualifies for reporting in this category in the government-wide statement of net position, the deferred inflow of resources attributable to its pension plan. The Assessor reported deferred inflows of resources related to pensions of \$102,717 at December 31, 2017. The Assessor also reported deferred inflows of resources related to unavailable delinquent ad valorem tax revenue of \$29,556 in the General Fund at December 31, 2017.

ALLEN PARISH ASSESSOR
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

Equity Classifications

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

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

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

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

ALLEN PARISH ASSESSOR
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

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

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

E. Revenues, Expenditures, and Expenses

Revenues

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

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

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

Expenditures/Expenses

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

F. Use of Estimates

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

ALLEN PARISH ASSESSOR
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

(2) Ad Valorem Taxes

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

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

Ad valorem taxes are budgeted and recorded in the year levied and billed. For the year ended December 31, 2017, special assessment district taxes were levied at the rate of 5.25 mills, on property with assessed valuations totaling \$92,999,471.

Total taxes levied during 2017 were \$488,247. Taxes receivable at December 31, 2017, were \$397,523, net of an allowance for uncollectible taxes of \$14,217.

(3) Principal Taxpayers

The following are the principal taxpayers for the parish and their 2017 assessed valuation (amounts expressed in thousands):

	2017 Assessed Valuation (in thousands)	Percent of total Assessed Valuation
Union Pacific Railroad	\$ 6,565	7.06%
Cleco Corporation	5,564	5.98%
Texas Eastern Transmission	4,192	4.51%
Boise Building Solutions	4,964	5.34%
Transcontinental Gas	3,369	3.62%
Martco OSB Oakdale	3,574	3.84%
Beauregard Electric Co.	2,731	2.94%
Tennessee Gas Pipeline	2,569	2.76%
Rayonier Gulf Timberlan	1,474	1.58%
Denbury Gulf Coast Pipeline	<u>1,330</u>	<u>1.43%</u>
	<u>\$ 36,332</u>	<u>39.06%</u>

ALLEN PARISH ASSESSOR
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

(4) Tax Abatements

The Assessor is subject to tax abatements granted by the Louisiana Department of Economic Development. This program has the stated purpose of increasing business activity and employment in the Parish and the State. Under the program, companies commit to expand or maintain facilities or employment in the Parish, establish a new business in the Parish, or relocate an existing business to the Parish. Agreements include an abatement of ad valorem taxes for a period of 10 years from the initial assessment date. The Assessor's ad valorem tax revenues were reduced by \$175,459 as a result of the tax abatement.

(5) Cash and Interest-Bearing Deposits

Under state law, the Assessor may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Assessor may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2017, the Assessor had cash and cash equivalents (book balances) totaling \$209,628.

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Assessor's deposits may not be recovered, or the Assessor will not be able to recover the collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law, deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at December 31, 2017 in the amount of \$235,178 were fully secured by federal deposit insurance and, therefore, not exposed to custodial credit risk.

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

(6) Due from Other Governmental Units

Due from other governmental units of \$17,254 consisted of the following at December 31, 2017:

Preparation of tax rolls	\$ 9,591
Gaming revenue	<u>7,663</u>
Total	<u>\$ 17,254</u>

ALLEN PARISH ASSESSOR
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

(7) Capital Assets

Capital asset balances and activity for the year ended December 31, 2017 is as follows:

	Balance 1/1/2017	Additions	Deletions	Balance 12/31/2017
Capital assets:				
Equipment, furniture and fixtures	\$ 337,096	\$ 1,687	\$ -	\$ 338,783
Less accumulated depreciation:				
Equipment, furniture and fixtures	307,615	7,893	-	315,508
Net capital assets	\$ 29,481	\$ (6,206)	\$ -	\$ 23,275

Depreciation expense of \$7,893 was charged to the general government function.

(8) Pension Plan

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

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

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

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

ALLEN PARISH ASSESSOR
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

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

Contributions: Contributions for all members are established by statute at 8.0% of earned compensation. Employer contributions were 10.0% of members' earnings for the year 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 contribution for the fiscal year ended September 30, 2017 is 4.69%, the actual employer contribution rate for the fiscal year ended September 30, 2017 was 10.00%. The actual rate differs from the actuarially required rate due to state statutes that require the contribution rate be calculated and set one year prior to the year effective. The minimum direct employer actuarially required contribution will be 5.25% for fiscal year 2018. Contributions from non-employer contributing entities were \$77,005. Contributions to the pension plan from the Assessor were \$24,939 for the year ended December 31, 2017.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At December 31, 2017, the Assessor reported a liability of \$102,112 for its proportionate share of the net pension liability. The net pension liability was measured as of September 30, 2017 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Assessor's proportion of the net pension liability was based on a projection of the Assessor's long-term share of contributions to the pension plan relative to the projected contributions of all participating employer's, actuarially determined. At September 30, 2017, the Assessor's proportion was 0.581930%, which was a decrease of .018294% from its proportion measured as of September 30, 2016.

Changes in the net pension liability may either be reported in pension expense in the year the change occurred or recognized as a deferred outflow of resources or a deferred inflow of resources in the year the change occurred and amortized into pension expense over a number of years. For the year ended December 31, 2017, the Assessor recognized \$88,600 in pension expense.

ALLEN PARISH ASSESSOR
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 11,382	\$ 32,060
Change of assumptions	63,865	-
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	3,246	31,143
Net differences between projected and actual earnings on plan investments	-	39,514
Contributions subsequent to the measurement date	5,608	-
Total	\$ 84,101	\$ 102,717

Deferred outflows of resources of \$5,608 related to pensions resulting from the Assessor's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended <u>December 31</u>	
2018	\$ (623)
2019	4,578
2020	(22,872)
2021	(11,664)
2022	6,357
	\$ (24,224)

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 expectations of future experience for the Fund.

ALLEN PARISH ASSESSOR
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

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

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

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

The long-term expected rate of return selected for this report by the Fund was 7.00%. 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%.

ALLEN PARISH ASSESSOR
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

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

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

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability	\$ 346,266	\$ 102,112	\$ (107,192)

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

(9) Deferred Compensation Plan

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

The assets of the plan are held in trust as described in IRC Section 457(g) for the exclusive benefit of the participants and their beneficiaries. The custodian thereof for the exclusive benefit of the participants holds the custodial account for the beneficiaries of this plan, and the assets may not be diverted to any other use. The administrators are agents of the employer for purposes of providing direction to the custodian of the custodial account from time to time for the investment of the funds held in the account, transfer of assets to or from the account, and all other matters. Complete disclosures relating to the Plan are included in the separately issued audit report for the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397. It is the opinion of management, after consulting with legal counsel, that the Allen Parish Assessor has no liability for losses under the plan.

ALLEN PARISH ASSESSOR
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

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

The Assessor may provide certain continuing health care and life insurance benefits for its retired employees through the Louisiana Assessor's Insurance Fund. Substantially all of the Assessor's employees become eligible for those benefits if they reach normal retirement age while working for the Assessor and were covered by the Assessor's active medical plan immediately prior to retirement. Those benefits include joint payment of monthly premiums for the coverage provided.

Plan Description: Continuing health care and life insurance benefits are provided for those retired employees who have reached normal retirement age while employed by the Assessor. The plan is a cost sharing, multiple-employer defined benefit health care plan administered by the Insurance Committee of the Assessor's Insurance Fund dba Louisiana Assessor's Association. The Insurance Committee of the Assessor's Insurance Fund has the authority to establish and amend the benefit provisions of the plan. The plan issues a publicly available financial report.

Funding Policy: The monthly premiums for retiree benefits are paid by the Assessor. The Assessor recognizes the cost of providing these benefits as an expenditure when the monthly premiums are due. The benefits are financed on a pay-as-you-go basis.

OPEB Cost/Obligation: The Assessor's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, would cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The unit credit actuarial cost method was used. The total ARC for the year beginning January 1, 2017, is as follows:

Annual required contribution	\$ 122,985
Interest on net OPEB obligation	26,562
Adjustment to annual required contribution	<u>(43,552)</u>
Annual OPEB cost (expense)	105,995
Contributions made	<u>(69,800)</u>
Increase in net OPEB obligation	36,195
Net OPEB obligation - beginning of year	<u>664,038</u>
Net OPEB obligation - end of year	<u>\$ 700,233</u>

The Assessor's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2017, 2016, and 2015 follow:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2015	\$ 108,794	44.9%	\$ 614,545
12/31/2016	\$ 107,261	53.9%	\$ 664,038
12/31/2017	\$ 105,995	65.9%	\$ 700,233

ALLEN PARISH ASSESSOR
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

Funded Status and Funding Progress: The funded status of the plan as of December 31, 2017, was as follows:

Actuarial accrued liability (AAL)	\$ 1,154,124
Actuarial valuation of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 1,154,124</u>
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	\$ 258,018
UAAL as a percentage of covered payroll	447.3%

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 revision 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 costs 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 included in 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. GASB statement No. 45 requires an actuarial valuation at least triennially for plans with less than 200 participants.

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 pattern 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 perspective of the calculations.

In the January 1, 2017 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 of 4.0% per annum, compounded annually.

ALLEN PARISH ASSESSOR
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

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 members at retirement are assumed to elect retiree medical coverage.
4. 40% of members electing coverage are assumed to also elect coverage for a spouse. Females are assumed to be three years younger than males, for active employees.
5. The medical inflation trend rate is 6.1%.

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

The Allen Parish Police Jury provided the office space and utilities for the Assessor's office for the year ended December 31, 2017. These expenditures are not reflected in the accompanying financial statements.

(12) Litigation

There is no litigation pending against the Assessor's office at December 31, 2017.

(13) Risk Management

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

ALLEN PARISH ASSESSOR
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

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

A detail of compensation, benefits, and other payments paid to the Assessor, Richard Earl, for the year ended December 31, 2017 follows:

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 144,976
Benefits - health insurance	21,764
Benefits - retirement	21,263
Benefits - deferred compensation	5,799
Benefits - life insurance	240
Conference lodging and meals	2,926
Registration fees	730
Telephone	1,736
Board fees (paid by Louisiana Assessor's Retirement Fund)	600
Total	<u>\$ 200,034</u>

(15) New Accounting Pronouncement

In June 2015, the Governmental Accounting Standards Board (GASB) approved Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits other than Pensions." GASB Statement No. 75 replaces the requirements of Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits other than Pensions." GASB Statement 75 improves accounting and financial reporting by state and local governments for postemployment benefits other than pensions. The provisions of GASB Statement No. 75 must be implemented by the Assessor for the year ending December 31, 2018. The effect of implementation of this statement on the Assessor's financial statements has not yet been determined.

**REQUIRED
SUPPLEMENTARY INFORMATION**

ALLEN PARISH ASSESSOR
Oberlin, Louisiana
General Fund

Budgetary Comparison Schedule
For the Year Ended December 31, 2017

	Budget		Actual	Variance - Favorable (Unfavorable)
	Original	Final		
Revenues:				
Intergovernmental revenues -				
Ad valorem taxes	\$ 460,000	\$ 473,936	\$ 507,542	\$ 33,606
State revenue sharing	36,000	36,880	36,500	(380)
Gaming revenue	32,000	31,484	30,652	(832)
Other revenue - preparing tax rolls, copies, etc.	10,000	15,012	15,773	761
Interest	<u>25</u>	<u>34</u>	<u>31</u>	<u>(3)</u>
Total revenues	<u>538,025</u>	<u>557,346</u>	<u>590,498</u>	<u>33,152</u>
Expenditures:				
General government:				
Personnel services and related benefits -				
Salaries:				
Assessor	145,000	144,976	144,976	-
Deputy Assessors	125,000	112,877	113,041	(164)
Other	40,000	39,523	39,595	(72)
Group insurance	110,000	107,724	108,545	(821)
Pension	56,000	49,756	48,513	1,243
Medicare tax	<u>7,000</u>	<u>6,967</u>	<u>6,975</u>	<u>(8)</u>
Total personnel services and related benefits	<u>483,000</u>	<u>461,823</u>	<u>461,645</u>	<u>178</u>
Operating services -				
Professional services	16,000	16,230	15,125	1,105
Insurance	5,000	5,726	5,357	369
Leases and rentals	1,500	2,129	442	1,687
Telephone	7,200	7,071	7,093	(22)
Training	<u>2,000</u>	<u>1,349</u>	<u>3,467</u>	<u>(2,118)</u>
Total operating services	<u>31,700</u>	<u>32,505</u>	<u>31,484</u>	<u>1,021</u>
Materials and supplies -				
Office supplies and expenditures	9,500	10,243	9,920	323
Automobile supplies and maintenance	5,000	3,265	3,126	139
Computer operation and maintenance	10,000	7,200	9,615	(2,415)
Dues and subscriptions	<u>8,000</u>	<u>5,330</u>	<u>4,576</u>	<u>754</u>
Total materials and supplies	<u>32,500</u>	<u>26,038</u>	<u>27,237</u>	<u>(1,199)</u>
Travel and other charges -				
Travel	16,000	14,441	10,048	4,393
Bad debt expense (recovery)	<u>15,000</u>	<u>-</u>	<u>6,025</u>	<u>(6,025)</u>
Total travel and other charges	<u>31,000</u>	<u>14,441</u>	<u>16,073</u>	<u>(1,632)</u>
Capital outlay -				
Capital outlay - vehicle	<u>15,000</u>	<u>-</u>	<u>1,687</u>	<u>(1,687)</u>
Total expenditures	<u>593,200</u>	<u>534,807</u>	<u>538,126</u>	<u>(3,319)</u>
Net change in fund balance	(55,175)	22,539	52,372	29,833
Fund balance, beginning of year	<u>536,290</u>	<u>536,290</u>	<u>536,290</u>	<u>-</u>
Fund balance, end of year	<u>\$ 481,115</u>	<u>\$ 558,829</u>	<u>\$ 588,662</u>	<u>\$ 29,833</u>

ALLEN PARISH ASSESSOR
Oberlin, Louisiana

Schedule of Funding Progress
For the Year Ended December 31, 2017

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities (AAL)	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
January 1, 2009	-	\$ 1,211,551	\$ 1,211,551	0%	\$263,353	460%
January 1, 2012	-	\$ 1,381,132	\$ 1,381,132	0%	\$261,895	527%
January 1, 2015	-	\$ 1,154,124	\$ 1,154,124	0%	\$237,112	487%

ALLEN PARISH ASSESSOR
Oberlin, Louisiana

Schedule of Employer's Share of Net Pension Liability
For the Year Ended December 31, 2017 *

Year Ended December 31,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2017	0.581930%	\$ 102,112	\$ 245,395	41.6%	95.61%
2016	0.563636%	198,890	242,646	82.0%	90.68%
2015	0.577461%	302,199	261,895	115.4%	85.57%

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

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

ALLEN PARISH ASSESSOR
Oberlin, Louisiana

Schedule of Employer Contributions
For the Year Ended December 31, 2017

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

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

ALLEN PARISH ASSESSOR
Oberlin, Louisiana

Notes to Required Supplementary Information

(1) Budgets and Budgetary Accounting

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

1. All budgetary appropriations lapse at the end of each fiscal year.
2. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the Assessor.

(2) Excess of Expenditures Over Appropriations

The General Fund incurred expenditures in excess of appropriations totaling \$3,319 for the year ended December 31, 2017.

(3) Pension Plan

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

**INTERNAL CONTROL, COMPLIANCE
AND OTHER MATTERS**

KOLDER, SLAVEN & COMPANY, LLC

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

Honorable Richard Earl, CLA
Allen Parish Assessor
Oberlin, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the Allen Parish Assessor, (the Assessor), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Assessor's basic financial statements, and have issued our report thereon dated June 18, 2018.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan, as item 2017-001 to be a significant deficiency.

Compliance and Other Matters

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

Allen Parish Assessor's Response to Findings

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

Purpose of this Report

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Oberlin, Louisiana
June 18, 2018

ALLEN PARISH ASSESSOR
Oberlin, Louisiana

Summary Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
For the Year Ended December 31, 2017

<u>Ref. No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken</u>	<u>Corrective Action Planned</u>	<u>Name of Contact Person</u>	<u>Completion Date</u>
CURRENT YEAR (12/31/17) --						
<u>Internal Control:</u>						
2017-001	Unknown	Due to the small number of employees, the Assessor did not have adequate segregation of functions within the accounting system.		Based upon the size of the operation and the cost benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.	Richard Earl, Assessor	N/A
PRIOR YEAR (12/31/16) --						
<u>Internal Control:</u>						
2016-001	Unknown	Due to the small number of employees, the Assessor did not have adequate segregation of functions within the accounting system.	No			

ALLEN PARISH ASSESSOR
Statewide Agreed-Upon Procedures Report

Year Ended December 31, 2017

KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

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

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

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

The procedures and associated findings are as follows:

Written Policies and Procedures

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

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

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

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

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

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

- d) **Receipts**, including receiving, recording, and preparing deposits
Written policies and procedures were obtained and address the functions noted above.
- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
Written policies and procedures were obtained and address the functions noted above.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process
Written policies and procedures were obtained and address the functions noted above.
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage
Written policies and procedures were obtained and address the functions noted above.
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
Written policies and procedures were obtained and address the functions noted above.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.
Written policies and procedures were obtained and address the functions noted above.
- j) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
Written policies and procedures were obtained and address the functions noted above.

Board (or Finance Committee, 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.
Not applicable.
 - b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).
Not applicable.
 - If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.
Not applicable.

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

Not applicable.

Bank Reconciliations

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

Obtained listing of client bank accounts from management and management's representation that 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;

Obtained bank statements and reconciliations for all months in the fiscal period for noting that reconciliations have been prepared for all months.

- b) Bank reconciliations include evidence that a member of management or a board member, (in this specific circumstance, the contracted CPA acts as a substitution for management, as he is actively involved with the Accessor, understands the nature of the transactions, can identify unusual transactions, prepares the bank reconciliations, and makes adjusting journal entries) (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and

Obtained bank statements and reconciliations for all months in the fiscal period noting evidence of management review present for all months for each of the two accounts selected.

- 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.

Obtained bank statements and reconciliations for all months in the fiscal period noting there was no documentation of management's research for items that have been outstanding for more than 6 months.

Collections

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

Obtained listing of cash collection locations and management's representation that 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.

For selected location, three individuals responsible for collecting cash are not bonded and share one cash drawer. The individual responsible for depositing the cash in the bank is not responsible for collecting cash. An outside CPA is responsible for recording the related transaction and reconciling the related bank account.

- 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.

For selected location, there is a formal process to reconcile cash collections to the general ledger by revenue source, by a person who is not responsible for cash collections.

- 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.

The highest (dollar) week of cash collections for the selected location was obtained along with collection documentation, deposit slips, and bank statements. In one instance, a deposit was made two days from receipt.

- 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.

Selected location collections were completely supported by documentation.

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.

Written policies and procedures do not specifically define a process to determine completeness of all collections by a person who is not responsible for collections.

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

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.

Listing of disbursements and management's representation that the listing is complete was obtained.

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.

Examined supporting documentation for each of the 25 disbursements selected and found that there were 13 purchases which would require a purchase order. All 13 of these purchases were initiated without the use of a purchase order.

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

No exceptions were noted.

- 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.

Examined supporting documentation for the 25 disbursements selected noting that 13 payments were processed without an approved purchase order. All payments were processed with an approved invoice.

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.

Written policies and procedures were obtained and do not address the functions noted above.

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.

Written policies and procedures were obtained and do not address the functions noted above.

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.

Through inquiry and observation, the supply of unused checks is maintained in a locked location.

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

No signature stamp or signature machine utilized.

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

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

Listing of active credit cards, bank debit cards, fuel cards and name of person who maintain possession of cards and management's representation that the listing is complete was obtained.

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

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

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

For one of the cards tested there was no evidence that the monthly/combined statement and supporting documentation was reviewed and approved, in writing, by someone other than that authorized card holder.

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

There were no finance charges or late charges assessed on any of the cards selected.

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)

No exceptions noted.

- Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.

No exceptions noted.

- Other documentation that may be required by written policy (e.g., purchase order, written authorization.)

No exceptions noted.

- 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.

No exceptions noted.

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

No exceptions noted.

Travel and Expense Reimbursement

- 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.

Listing of travel and expense reimbursements by person and management's representation that the listing is complete was obtained.

- 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) and report any amounts that exceed GSA rates.

Written policies and procedures were obtained and address allowable amounts which are in accordance with the GSA.

- 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.

Expenses were paid 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.]

No exceptions noted.

- Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).

No exceptions noted.

- Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)

No exceptions noted.

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.

No exceptions noted.

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

No exceptions noted.

Contracts

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.

Listing of all contracts in effect and management's representation that the listing is complete was obtained.

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.

No exceptions were noted.

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)

There were no instances of noncompliance noted.

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

There were no instances of noncompliance noted.

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

No amendments were made to contracts during the fiscal year.

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

There were no instances of noncompliance noted.

- 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).

No exceptions noted.

Payroll and Personnel

- 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:

Listing of employees with their related salaries and management's representation that the listing is complete was obtained.

- 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.

No exceptions were noted.

- 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.

No exceptions were noted.

- 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.)

All selected employees had daily attendance and leave documented.

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

No exceptions were noted.

- 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.

No exceptions were noted.

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.

No employees were terminated during the fiscal 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.

All payroll and retirement contributions during the fiscal period were submitted by the required deadlines.

Ethics (excluding nonprofits)

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.

Documentation was maintained to demonstrate that required ethics training was completed.

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.

Management asserted that they have received no ethics allegations during the fiscal period.

Debt Service (excluding nonprofits)

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

No debt was issued during the fiscal period.

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.

There was no outstanding debt during the fiscal period.

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

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

Management has asserted that the Allen Parish Assessor did not have any misappropriations of public funds or assets.

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) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

There were no exceptions noted.

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

No exceptions noted.

Management's Response:

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

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

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Oberlin, Louisiana
June 18, 2018