



**LAFOURCHE PARISH ASSESSOR  
Thibodaux, Louisiana**

**FINANCIAL STATEMENTS  
AND INDEPENDENT AUDITORS' REPORTS**

**DECEMBER 31, 2020**



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**LAFOURCHE PARISH ASSESSOR**  
**Thibodaux, Louisiana**

**FINANCIAL STATEMENTS**  
**AND INDEPENDENT AUDITORS' REPORTS**

**DECEMBER 31, 2020**

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## INDEPENDENT AUDITORS' REPORT

Honorable Wendy L. Thibodeaux  
Lafourche Parish Assessor  
Thibodaux, Louisiana

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

We have audited the accompanying financial statements of the governmental activities and each major fund of the Lafourche Parish Assessor (the Assessor) as of and for the year ended December 31, 2020, 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.

### **Auditors' Responsibility**

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

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

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

## Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Lafourche Parish Assessor, as of December 31, 2020, 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 the *Budgetary Comparison Schedule*, the *Schedule Changes in Total OPEB Liability and Related Ratios*, *Schedule of Employer Contributions*, and the *Schedule of Proportionate Share of Net Pension Liability* on pages 33 through 36 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Assessor's basic financial statements. The *Schedule of Compensation, Benefits, and Other Payments to Agency Head* included on page 38 is presented for purposes of additional analysis as required by Act 706 of the 2014 Louisiana Legislative Session and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying

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

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

In accordance with Government Auditing Standards, we have also issued our report dated June 29, 2021, on our consideration of the Lafourche 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 Lafourche Parish Assessor's internal control over financial reporting and compliance.



T.S. Kearns & Co., CPA, PC  
Certified Public Accountants  
Thibodaux, Louisiana

June 29, 2021

**BASIC FINANCIAL STATEMENTS**  
**GOVERNMENT WIDE FINANCIAL STATEMENTS**

# LAFOURCHE PARISH ASSESSOR

## Thibodaux, Louisiana

### STATEMENT OF NET POSITION

DECEMBER 31, 2020

#### ASSETS

##### Current assets:

|                           |                  |
|---------------------------|------------------|
| Cash and cash equivalents | \$ 3,546,325     |
| Investments               | 1,222,966        |
| Receivables:              |                  |
| Ad valorem taxes          | 1,849,251        |
| State revenue sharing     | 38,366           |
| Accrued Interest          | 2,720            |
| Total current assets      | <u>6,659,627</u> |

##### Noncurrent assets:

|   |                  |
|---|------------------|
| Capital assets, net of accumulated depreciation | 53,751           |
| Deposits  | 700              |
| Total noncurrent assets                         | <u>54,451</u>    |
| Total assets                                    | <u>6,714,078</u> |

#### DEFERRED OUTFLOWS OF RESOURCES

|                                      |                  |
|--------------------------------------|------------------|
| Pension related                      | 814,570          |
| Post employment benefit plan related | 2,030,065        |
| Total deferred outflows of resources | <u>2,844,635</u> |

#### LIABILITIES

##### Current Liabilities:

|                           |               |
|---------------------------|---------------|
| Accounts payable          | 5,992         |
| Accrued expenses          | 16,597        |
| Total current liabilities | <u>22,589</u> |

##### Noncurrent liabilities:

|  |                  |
|--|------------------|
| Post employment benefit obligation payable | 7,561,673        |
| Net pension liabilities                    | 309,661          |
| Total noncurrent liabilities               | <u>7,871,334</u> |

|                   |                  |
|-------------------|------------------|
| Total liabilities | <u>7,893,923</u> |
|-------------------|------------------|

#### DEFERRED INFLOWS OF RESOURCES

|                                      |                |
|--------------------------------------|----------------|
| Pension related                      | 500,843        |
| Post employment benefit plan related | 226,327        |
| Total deferred inflows of resources  | <u>727,170</u> |

#### NET POSITION

|                            |                   |
|----------------------------|-------------------|
| Invested in capital assets | 53,750            |
| Unrestricted               | 883,869           |
| Total net position         | <u>\$ 937,620</u> |

The accompanying notes are an integral part of this financial statement.

**LAFOURCHE PARISH ASSESSOR**  
**Thibodaux, Louisiana**  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2020

| Functions/Programs                                    | Expenses     | Net (Expense)<br>Revenue and<br>Changes in<br>Net Position |
|---|--------------|--|
| Governmental activities:                              |              |  |
| Property assessment and tax roll preparation          | \$ 2,830,174 | \$ (2,830,174)   |
| General Revenues:                                     |              |  |
| Ad valorem taxes                                      |              | 1,920,475  |
| Interest  |              | 19,528   |
| State revenue sharing                                 |              | 57,528   |
| Gain (loss) on disposal of capital assets             |              | (326)  |
| Contributions from non-employer contributing entities |              | 295,872  |
| Miscellaneous   |              | -  |
| Total general revenues                                |              | 2,293,078  |
| Change in net position                                |              | (537,096)  |
| Net position - beginning                              |              | 1,474,716  |
| Net position - ending                                 |              | \$ 937,620   |

The accompanying notes are an integral part of this financial statement.

**BASIC FINANCIAL STATEMENTS**

**FUND FINANCIAL STATEMENTS**

**LAFOURCHE PARISH ASSESSOR**  
**Thibodaux, Louisiana**  
BALANCE SHEET - GOVERNMENTAL FUND  
DECEMBER 31, 2020

|  | <u>General Fund</u> |
|--|---------------------|
| <b>ASSETS</b>  |                     |
| Cash and cash equivalents  | \$ 3,546,325        |
| Ad valorem tax receivable  | 197,101             |
| State revenue sharing receivable                                   | -                   |
| Due from other governments   | 1,522,548           |
| Investments  | 1,222,966           |
| Deposits   | 700                 |
| Total assets   | \$ 6,489,640        |
| <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b> |                     |
| Liabilities  |                     |
| Accounts payable   | \$ 5,992            |
| Accrued expenses   | 16,597              |
| Total liabilities  | 22,589              |
| Deferred Inflows of Resources                                      |                     |
| Unavailable ad valorem tax revenue                                 | 129,602             |
| Total deferred inflows of resources                                | 129,602             |
| Fund balance   |                     |
| Unassigned   | 6,337,450           |
| Total fund balance   | 6,337,450           |
| Total liabilities, deferred inflows of resources and fund balance  | \$ 6,489,640        |

The accompanying notes are an integral part of this financial statement.

**LAFOURCHE PARISH ASSESSOR**  
**Thibodaux, Louisiana**

RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
DECEMBER 31, 2020

Total fund balances - Governmental Funds \$ 6,337,450

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.

|                                |                  |        |
|--------------------------------|------------------|--------|
| Equipment and Furniture        | 322,931          |        |
| Vehicles                       | 78,668           |        |
| Less: Accumulated Depreciation | <u>(347,851)</u> | 53,748 |

Revenues that have been deferred are unearned in the governmental funds  
but are recognized as revenue in the government wide financial statements 170,689

Deferred outflows of expenditures for the retirement system and OPEB  
obligation are not available resources and therefore, are not reported  
in the funds.

|                                     |                  |           |
|-------------------------------------|------------------|-----------|
| Deferred outflows - pension related | 814,570          |           |
| Deferred outflows - OPEB related    | <u>2,030,065</u> | 2,844,635 |

Long-term liabilities applicable to the Assessor's activities are not  
due and payable in the current period and accordingly are not  
reported as fund liabilities.

|                       |                  |             |
|-----------------------|------------------|-------------|
| OPEB liability        | (7,561,673)      |             |
| Net pension liability | <u>(309,661)</u> | (7,871,334) |

Some ad valorem revenues will not be collected within sixty days after year  
end therefore they are not considered "available" revenues in the  
governmental fund. 129,602

Deferred inflows of contributions for the retirement system and OPEB  
obligation as well as ad valorem are not payable from current expendable  
resources, and therefore, are not reported in the fund financial statements.

|                                    |                  |                  |
|------------------------------------|------------------|------------------|
| Deferred inflows - OPEB related    | (226,327)        |                  |
| Deferred inflows - pension related | <u>(500,843)</u> | <u>(727,170)</u> |

Net position of governmental activities \$ 937,619

**LAFOURCHE PARISH ASSESSOR**  
**Thibodaux, Louisiana**  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUND  
DECEMBER 31, 2020

|  | <u>General Fund</u> |
|--|---------------------|
| <b>REVENUES</b>  |                     |
| Intergovernmental:                                       |                     |
| Taxes  | \$ 1,925,457        |
| Interest   | 19,528              |
| State revenue sharing                                    | 57,528              |
| Miscellaneous  | -                   |
|  | -                   |
| Total Revenues   | 2,002,514           |
| <b>EXPENDITURES</b>                                      |                     |
| Current  |                     |
| General government-taxation:                             |                     |
| Personnel services                                       | 1,709,342           |
| Supplies and materials                                   | 88,172              |
| Services and other charges                               | 211,673             |
|  | 211,673             |
| Total current expenditures                               | 2,009,188           |
| Capital outlay expenditures                              | 10,356              |
| Total Expenditures                                       | 2,019,543           |
| <b>Excess revenues over (under) expenditures</b>         | (17,030)            |
| <b>Other financing sources (uses)</b>                    |                     |
| Total other financing sources (uses)                     | -                   |
| <b>Excess (deficiency) of revenues and other sources</b> |                     |
| <b>Over expenditures and other uses</b>                  | (17,030)            |
| <b>Fund balance, beginning of year</b>                   | 6,354,480           |
| <b>Fund balance, end of year</b>                         | \$ 6,337,450        |

The accompanying notes are an integral part of this financial statement.

**LAFOURCHE PARISH ASSESSOR**  
**Thibodaux, Louisiana**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND  
TO THE STATEMENT OF ACTIVITIES  
DECEMBER 31, 2020

|  |    |          |
|--|----|----------|
| Total net change in fund balance for the year ended per Statement of Revenues, Expenditures, and Changes in Fund Balance | \$ | (17,030) |
|--|----|----------|

The change in net position reported for governmental activities in the Statement of Activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

|   |    |                 |  |                 |
|---|----|-----------------|--|-----------------|
| Capital outlay which is considered expenditures on the statement of revenues, expenditures and changes in fund balance. | \$ | 10,356          |  |                 |
| Basis of capital assets removed from service  |    | (326)           |  |                 |
| Depreciation expense  |    | <u>(26,286)</u> |  | <u>(16,256)</u> |

Some of the revenues reported in the Statement of Activities do not provide current financial resources and these are not reported as revenues in governmental funds. Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These timing differences are summarized below:

|   |  |                   |  |                  |
|---|--|-------------------|--|------------------|
| Accrued post-employment benefits                      |  | (636,673.00)      |  |                  |
| Pension expense                                       |  | (158,027.32)      |  |                  |
| Ad valorem tax revenue                                |  | (4,981.94)        |  |                  |
| State revenue sharing revenue                         |  | -                 |  |                  |
| Interest income                                       |  | -                 |  |                  |
| Contributions from non-employer contributing entities |  | <u>295,872.00</u> |  | <u>(503,810)</u> |

|   |    |                         |
|---|----|-------------------------|
| Change in net position of governmental activities | \$ | <u><u>(537,096)</u></u> |
|---|----|-------------------------|

**LAFOURCHE PARISH ASSESSOR**  
**Thibodaux, Louisiana**  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2020

**NOTE I - 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 four-year term. The assessor assesses all real and movable property in the parish, subject to ad valorem taxation. The assessor is authorized to appoint as many deputies as may be necessary for the efficient operation of the office and provide assistance to the taxpayers of the parish. The deputies are authorized to perform all functions of the office, but the assessor is officially and peculiarly responsible for the actions of the deputies.

In accordance with Louisiana law, the assessor bases real and movable property assessments on conditions existing on January 1 of the tax year. The assessor completes an assessment listing by May 1 of the tax year and submits the list to the parish governing authority and the Louisiana Tax Commission, as prescribed by law. Once the assessment listing is approved, the assessor submits the assessment roll to the parish tax collector, who is responsible for the collection and distribution of taxes to the various taxing bodies.

At December 31, 2020, there were 98,396 real property, movable property, oil & gas, watercraft and public service assessments totaling \$1,165,337,393. This represents an increase of 1,081 assessments with an increase in assessed value totaling \$21,765,643 over the prior year.

**A. 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. As an independently elected official, the Assessor is solely responsible for the operations of her 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 (GWFS)

The statement of net position and statement of activities display information about the reporting government as a whole. They include the fund of the reporting entity, which is considered to be a governmental activity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Assessor's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expenses of other functions are not allocated to those functions but

# LAFOURCHE PARISH ASSESSOR

## Thibodaux, Louisiana

### NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2020

are reported separately in the statement of activities. Program revenues include (a) fees, fines and charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

#### Fund Financial Statements (FFS)

The accounts of the Assessor are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The fund of the Assessor is classified as a governmental fund. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The major fund of the Assessor is described below:

#### Governmental Fund - General Fund

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

#### **C. Measurement Focus / Basis of Accounting**

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

# LAFOURCHE PARISH ASSESSOR

## Thibodaux, Louisiana

### NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2020

#### Measurement Focus

On the government-wide statement of net position and the statement of activities, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery) and financial position. All assets and liabilities (whether current or noncurrent) associated with its activities are reported. Government-wide fund equity is classified as net position. In the fund financial statements, the "current financial resources" measurement focus is used. Only current financial assets and liabilities are generally included on its balance sheet. Their operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of the period.

#### Basis of Accounting

In the government-wide statement of net position and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues are classified by source and expenditures are classified by function and character. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

#### Program revenues

Program revenues included in the statement of activities are derived directly from the program itself or from parties outside the Assessor's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Assessor's general revenues.

#### Use of Restricted Resources

When both restricted and unrestricted resources are available for use, it is the Assessor's policy to use restricted resources first, then unrestricted resources as they are needed.

**LAFOURCHE PARISH ASSESSOR**  
**Thibodaux, Louisiana**  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2020

**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 and savings accounts of the Assessor.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include ad valorem taxes and state revenue sharing. The financial statements for the Assessor contain no allowance for uncollectible accounts. At year-end, an allowance for ad valorem taxes was considered unnecessary due to immateriality.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond the current year are recorded as prepaid items. The Assessor uses the consumption method to account for prepaid items.

Investments

Investments consist of certificates of deposit which are stated at cost and approximate market value.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. All capital assets are capitalized at historical cost, or estimated historical costs for assets where actual cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Assessor maintains a threshold level of \$250 or more for capitalizing capital assets. 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.

Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets are depreciated using the straight-line method over their estimated useful lives. Useful lives vary from 5 to 15 years.

# LAFOURCHE PARISH ASSESSOR

## Thibodaux, Louisiana

### NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2020

#### Compensated Absences

Employees of the Assessor's office earn two weeks of non-cumulative vacation and sick leave each year after one year of employment. Leave for extended hospital confinements may be granted at the discretion of the Assessor. Vacation leave and sick or personal leave does not accumulate and is not payable upon termination or retirement. At year end, there are no accumulated or vested benefits relating to vacation or sick leave that are required to be accrued or reported.

#### Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the statement of net position and or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position and or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

#### Equity Classifications

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

- Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted net position- Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- Unrestricted net position - All other net position that 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 of the governmental funds are classified as follows.

# LAFOURCHE PARISH ASSESSOR

## Thibodaux, Louisiana

### NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2020

Nonspendable - represents amounts that are not expected to be converted to cash because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted - represents balances where constraints have been established by parties outside the Assessor's office or imposed by law through constitutional provisions or enabling legislation.

Committed - represents balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the Assessor's highest level of decision-making authority.

Assigned - represents balances that are constrained by the Assessor's intent to be used for specific purposes, but are not restricted or committed.

Unassigned - represents balances that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund.

When expenditures are incurred for the purposes for which both restricted and unrestricted amounts are available, the Assessor will reduce restricted amounts first, followed by unrestricted amounts. When expenditures are incurred for purposes for which committed, assigned and unassigned amounts are available, the Assessor will reduce committed amounts first, followed by assigned amounts, and then unassigned amounts.

#### Estimates

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

#### **E. Budgeting**

As required by Louisiana Revised Statute 39:1303, the Assessor adopted a budget for its General Fund. The budgetary practices included public notice of the proposed budget, public inspection of the proposed budget and public hearings on the budget prior to adoption. Any amendment involving the transfer of monies from one function to another or increases in expenditures must be approved by the Assessor. All budgeted amounts, which are not expensed, or obligated through contracts, lapse at year end.

The General Fund budget is adopted on the cash basis (non-GAAP) of accounting. For purposes of budgetary comparison, the general fund Statement of Revenues and Expenditures have been adjusted to the cash basis of accounting.

# LAFOURCHE PARISH ASSESSOR

## Thibodaux, Louisiana

### NOTES TO THE FINANCIAL STATEMENTS

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#### F. Subsequent Events

The Assessor evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through June 29, 2021, which is the date the financial statements were available to be issued.

No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

#### G. New Accounting Pronouncement

In June 2017, GASB has issued Statement No. 87 “Leases”. This Statement was initially effective for fiscal years subsequent to December 15, 2019. This Statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It established a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about government’s leasing activities. GASB issued Statement No. 95 “Postponement of the Effective Dates of Certain Authoritative Guidance” Which has deferred the effective date of Statement No. 87 Implementation Guide 2019-3 by 18 months to fiscal years beginning after June 15, 2021. The Assessor plans to adopt this Update as applicable by the effective date.

#### NOTE II - CASH & INVESTMENTS

At December 31, 2020, the Assessor had cash and cash equivalents (book balances) and investments, comprised entirely of certificates of deposit, as follows:

|                          |                     |
|--------------------------|---------------------|
| CASH & CASH EQUIVALENTS  |                     |
| Operating account        | \$ 358,521          |
| Money Market account     | <u>3,187,803</u>    |
| Total Cash & equivalents | <u>\$ 3,546,324</u> |
| INVESTMENTS              |                     |
| LAMP                     | <u>1,222,966</u>    |
| Total Investments        | <u>\$ 1,222,966</u> |

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The deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Custodial credit risk is the risk that in the event of a financial institution failure, the Assessor's deposits may not be returned to them. To mitigate this risk, state law requires deposits to be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent financial institution. At December 31, 2020, the Assessor had \$4,821,449 in deposits (collected bank balances).

These deposits are secured from risk by \$500,000 of federal deposit insurance and \$3,777,929 of pledged securities held by the custodial bank in the name of the fiscal agent bank. Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, R.R. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the assessor that the fiscal agent has failed to pay deposited funds on demand.

#### Louisiana Asset Management Pool

Investments held at December 31, 2020 consist of \$1,222,966 in the Louisiana Asset Management Pool (LAMP). In accordance with GASB Codification Section 150.128, the investment in LAMP is not exposed to custodial credit risk because the investment is in the pool of funds and, therefore, not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955.

GASB Statement No. 40 Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk, concentration of credit risk interest rate risk, and foreign currency risk for all public entity investments.

LAMP is an investment pool that, to the extent practical, invest in a manner consistent with GASB No. 79. The following facts are relevant for investment pools:

Credit risk: LAMP is rated AAAM by Standard & Poor's.

# LAFOURCHE PARISH ASSESSOR

## Thibodaux, Louisiana

### NOTES TO THE FINANCIAL STATEMENTS

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Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.

Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments.

Foreign currency risk: Not applicable.

The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net position value of the pool shares.

LAMP, Inc. is subject to regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

### NOTE III - CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2020, are as follows:

|  | <u>12/31/2019</u> | <u>Additions</u>   | <u>Deletions</u> | <u>12/31/2020</u> |
|--|-------------------|--------------------|------------------|-------------------|
| All capital assets are being depreciated |                   |                    |                  |                   |
| Capital assets, cost:                    |                   |                    |                  |                   |
| Equipment & furniture                    | \$ 322,856        | \$ 10,356          | \$ (10,280)      | \$ 322,932        |
| Vehicles                                 | 78,668            | -                  | -                | 78,668            |
| Total                                    | <u>401,524</u>    | <u>10,356</u>      | <u>(10,280)</u>  | <u>401,600</u>    |
| Less: accumulated depreciation           | (331,517)         | (26,286)           | 9,954            | (347,849)         |
| Total capital assets, net                | <u>\$ 70,007</u>  | <u>\$ (15,930)</u> | <u>\$ (326)</u>  | <u>\$ 53,751</u>  |

For the year ended December 31, 2020, depreciation expense was \$26,286.

# LAFOURCHE PARISH ASSESSOR

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#### NOTE IV - DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units at December 31, 2020 consisted of ad valorem tax funds totaling \$1,522,548 due from the Lafourche Parish Sheriff's Office.

#### NOTE V - PROPERTY TAXES

Property taxes are levied each November 1 on the assessed value listed as of the prior January 1 for all real property, merchandise and movable property located in the Parish. Assessed values are established by the Lafourche Parish Assessor's Office and the State Tax Commission at percentages of actual value as specified by Louisiana law. A reevaluation of all property is required to be completed no less than every four years. Taxes are due and payable December 31 with interest being charged on payments after January 1. Taxes can be paid through the tax sale date, which is the last Wednesday in June. Properties for which the taxes have not been paid are sold for the amount of the taxes.

The tax rate for the year ended December 31, 2020, was \$1.88 per \$1,000 of assessed valuation on property within Lafourche Parish for the purpose of assessing property, preparing tax rolls and submitting the rolls to the Louisiana Tax Commission.

#### NOTE VI - LONG-TERM OBLIGATIONS

The following is a summary long term debt for the year ended December 31, 2020:

|                                   | Net OPEB<br>Obligation | Net Pension<br>Liability |
|-----------------------------------|------------------------|--------------------------|
| Balance, December 31, 2019        | \$6,582,044            | \$509,035                |
| Additions                         | 979,629                | -                        |
| Deletions                         | -                      | (199,374)                |
| <b>Balance, December 31, 2020</b> | <b>\$7,561,673</b>     | <b>\$309,661</b>         |

#### NOTE VII - PENSION AND RETIREMENT PLANS

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 system. The system's financial statements are prepared using the accrual basis of accounting.

# LAFOURCHE PARISH ASSESSOR

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Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

The Fund issues an annual publicly available financial report that includes financial statements and required supplementary information for the Fund. That report may be obtained by writing to the Louisiana Assessors' Retirement Fund, Post Office Box 14699, Baton Rouge, Louisiana 70898. This report can also be found on the Fund's website at [www.louisianaassessors.org](http://www.louisianaassessors.org).

#### **Plan Description**

Substantially all of the full-time employees of the Assessor participate in the Louisiana Assessors' Retirement Fund (the Fund), 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 55 and have at least 12 years of service or have at least 30 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 60 and have at least 12 years of service or have reached the age of 55 and have at least 30 years of service. Employees who became members prior to October 1, 2006, are entitled to annual pension benefits equal to three and one-third percent of their average final compensation based on the 36 consecutive months of highest pay, multiplied by their total years of service, not to exceed 100% of final compensation. Employees who become members on or after October 1, 2006 will have their benefit based on the highest 60 months of consecutive service. Employees may elect to receive their pension benefits in the form of a joint/survivor annuity.

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

1. at death, the beneficiary will receive a lump sum payment based on the present value of the employee's annuity account balance;
2. at death, the beneficiary will receive a life annuity based on their reduced retirement allowance;
3. at death, the beneficiary will receive a life annuity equal to one-half of their reduced retirement allowance; and

# LAFOURCHE PARISH ASSESSOR

## Thibodaux, Louisiana

### NOTES TO THE FINANCIAL STATEMENTS

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4. any other benefit certified by the actuary and approved by the Board of Trustees that will be equivalent in value to their retirement allowance.

#### **Death Benefits**

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

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

#### **Contributions**

At December 31, 2020, members of the Fund are required by state statute to contribute 8% of their annual covered salary and the Assessor is required to contribute at an actuarially determined rate, which was 8% of annual covered payroll as of December 31, 2020. The contribution requirements of plan members and the Assessor are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. Member contributions are deducted from the member's salary and remitted by the Assessor. Administrative costs of the Fund are financed through employer contributions.

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.

Louisiana Revised Statute 11:1481 requires plan members to contribute 8.00% into the Fund. Effective July 2, 1999, Act 818 of the 1999 regular session of the legislature authorized the Assessor, at her discretion, to pay all or a portion of the employees' contribution, provided the

# LAFOURCHE PARISH ASSESSOR

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Assessor notify the Assessor's Retirement Fund fifteen days prior to the beginning of the calendar year. For the calendar year 2020, the Assessor elected to pay 100% of the employees' contribution to the Fund. Therefore, the Assessor's employer and employee contributions for the year ended December 31, 2020, was \$74,533 and \$74,533, respectively. The Assessor's total retirement expenditure for 2020 was \$149,066.

#### **Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At December 31, 2020, the Assessor reported a liability totaling \$309,661 for its proportionate share of the net pension liability for the Fund. The net pension liability was measured as of September 30, 2020 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Assessor's proportion of the Net Pension Liability was based on a projection of the Assessor's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At September 30, 2020, the Assessor's proportion was 2.026895% for the Fund, which was an increase of 0.09714% from its proportion measured as of September 30, 2019.

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, 2020, the Assessor recognized \$220,108 in pension expense.

For the year ended December 31, 2020, the Assessor recognized revenue from ad valorem taxes and revenue sharing funds received by the Fund. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities totaling \$295,872.

At December 31, 2020, the Assessor reported deferred outflows of resources and deferred inflows of resources related to pensions from the Fund:

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|   | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|---|--------------------------------------|-------------------------------------|
| Differences between expected and actual experience  | \$ 9,910                             | \$ 247,407                          |
| Change in assumptions   | 687,470                              | -                                   |
| Net difference between projected and actual earnings<br>on pension plan investments                                 | -                                    | 243,508                             |
| Changes in proportion and differences between<br>employer contributions and proportionate share<br>of contributions | 42,656                               | 9,928                               |
| Employer contributions subsequent to the measurement date.  | 74,533                               | -                                   |
| <b>Total</b>  | <b>\$ 814,569</b>                    | <b>\$ 500,843</b>                   |

**Actuarial Assumptions**

The total pension liability in the December 31, 2020, actuarial valuation for the Fund was determined using the following actuarial assumptions, applied to all periods included in the measurement:

|   |   |
|---|---|
| Valuation Date                            | September 30, 2020  |
| Actuarial Cost Method                     | Entry Age Normal  |
| Investment Rate of Return (discount rate) | 5.75%, net of pension investment expense, including inflation   |
| Inflation Rate                            | 2.10%   |
| Salary Increases                          | 5.25%   |
| Annuitant and beneficiary mortality.      | Pub-2010 Public Retirement Plans Mortality Table for General Healthy Retirees multiplied by 120% with full generational projection using the appropriate MP-2019 improvement scale. |



# LAFOURCHE PARISH ASSESSOR

## Thibodaux, Louisiana

### NOTES TO THE FINANCIAL STATEMENTS

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The long-term expected rate of return selected for this report by the Fund was 5.75%, which was a 0.25% decrease from the rate used in the prior year. 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 5.75%.

The effects of certain other changes in the net pension liability are required to be included in pension expense over the current and future periods. The effects on the total pension liability of (1) changes of economic and demographic assumptions or of other inputs and (2) differences between expected and actual experience are required to be included in pension expense in a systematic and rational manner over a closed period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees), determined as of the beginning of the measurement period. The effect on net pension liability of differences between the projected earnings on pension plan investments and actual experience with regard to those earnings is required to be included in pension expense in a systematic and rational manner over a closed period of five years, beginning with the current period. The Expected Remaining Service Lives (ERSL) for 2020 is 6 years.

#### Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Fund calculated using the discount rate of 5.75%, 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 or one percentage point higher than the current discount rate (assuming all other assumptions remain unchanged):

|  | 1 %<br>Decrease<br>(4.75%) | Current<br>Discount Rate<br>(5.75%) | 1%<br>Increase<br>(6.75%) |
|--|----------------------------|-------------------------------------|---------------------------|
| Assessor's Share of Net<br>Pension Liability | \$ 1,405,667               | \$ 309,661                          | (\$ 622,114)              |

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**Amounts Payable to Pension Plan**

There were no amounts payable to the pension plan as of December 31, 2020.

**NOTE VIII - DEFERRED COMPENSATION PLAN**

All fulltime employees of the Lafourche Parish Assessor are eligible to contribute to the State of Louisiana Public Employees Deferred Compensation Plan adopted under the provisions of Internal Revenue Code Section 457. 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.

Funding Policy. The assessor will match up to 100% of the employee contribution per pay period for each employee. The total employer contribution expense for 2020 was \$42,306.

**NOTE IX – OTHER POST-EMPLOYMENT BENEFITS (OPEB)**

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 single employer defined benefit OPEB plan administered by the Assessor. No assets are accumulated in a trust that meets the criteria of paragraph 4 of Statement No. 75.

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

Employees Covered by Benefit Terms: on December 31, 2020 the following employees were covered by the benefit terms -

|                     |    |
|---------------------|----|
| Active employees    | 17 |
| Retirees            | 6  |
| Beneficiaries       | 2  |
| Spouses of retirees | 5  |
| Total               | 30 |

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Total OPEB Liability

The Assessor's total OPEB liability of \$7,561,673 was measured as of December 31, 2020 and was determined by an actuarial valuation as of January 1, 2020.

Actuarial Assumptions and Other Inputs: The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

|                                       |   |
|---------------------------------------|---|
| Actuarial cost method                 | Entry-Age Normal  |
| Inflation                             | 2.20%   |
| Salary increases, including inflation | 3.00%   |
| Discount rate                         | 2.12%   |
| Participation assumption              | 100% of members are assumed to elect retiree medical coverage at retirement |
| Health care cost trend rates          |   |
| Medical                               | Initially, 6.4%, decreasing to an ultimate rate of 3.70%                    |
| Medicare Supplement                   | Initially, 5.4%, decreasing to an ultimate rate of 3.70%                    |
| Dental                                | 3.00%   |

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

Mortality rates for healthy retirement were based on the Sex-distinct Pub-2010 General Mortality with separate employee, healthy annuitant rates, projected generationally using scale MP-2020. Mortality rates for beneficiaries for beneficiaries were based on the Sex-distinct Pub 2010 General Contingent Survivors Mortality, projected generationally using Scale MP-2020. Mortality rates for disabled retirees were based on the Sex-distinct Pub 2010 General Disabled Retirees Mortality, projected generationally using scale MP-2020.

Changes in the Total OPEB Liability

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The following presents changes in the total OPEB liability.

|   |                    |
|---|--------------------|
| Balance, 12/31/19                             | \$6,582,044        |
| Changes for the year:                         |                    |
| Service cost                                  | 345,851            |
| Interest                                      | 187,820            |
| Effect of economic/demographic gains (losses) | (91,044)           |
| Changes in assumptions                        | 684,276            |
| Benefit payments                              | (147,274)          |
| <b>Balance, 12/31/20</b>                      | <b>\$7,561,673</b> |

Sensitivity of the total OPEB liability to changes in the discount rate

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

|                      | 1% Decrease | Discount Rate | 1% Increase |
|----------------------|-------------|---------------|-------------|
|                      | 1.12%       | 2.12%         | 3.12%       |
| Total OPEB liability | \$9,286,885 | \$7,561,673   | \$6,238,831 |

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

|                      | 1% Decrease | Current Trend Rate | 1% Increase |
|----------------------|-------------|--------------------|-------------|
| Total OPEB liability | \$6,189,985 | \$7,561,673        | \$9,432,974 |

#### OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB

For the year ended December 31, 2020, the Assessor recognized an OPEB expense of \$783,947. At December 31, 2020, the Assessor reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|  | Deferred<br>Outflows of<br>Resources | Deferred Inflows<br>of Resources |
|--|--------------------------------------|----------------------------------|
| Differences between expected and actual experience | (\$80,871)                           | \$325,815                        |
| Changes of assumptions or other inputs             | (145,456)                            | 1,704,250                        |
| Amounts paid subsequent to the measurement date    | 0                                    | 0                                |
| <b>Total</b>                                       | <b>(226,327)</b>                     | <b>\$2,030,065</b>               |

# LAFOURCHE PARISH ASSESSOR

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

| Year ended<br>December 31, |            |
|----------------------------|------------|
| 2021                       | \$ 250,276 |
| 2022                       | 250,276    |
| 2023                       | 250,276    |
| 2024                       | 250,276    |
| 2025                       | 250,276    |
| Thereafter*                | 552,358    |

\*Note that additional future deferred inflows and outflows of resources may impact these numbers.

#### NOTE X -TAX ABATEMENTS

The local government is subject to certain property tax abatements granted by the Louisiana State Board of Commerce and Industry (the "State Board"), a state entity governed by board members representing major economic groups and gubernatorial appointees. Abatements to which the government may be subject include those issued for property taxes under the Industrial Tax Exemption Program ("ITEP") and grant sales tax rebates to taxpayers pursuant to the Enterprise Zone Tax Rebate Program ("EZ Program"). For the year ending December 31, 2020, the government participated in the Industrial Tax Exemption Program.

Under the ITEP, as authorized by *Article 7, Section 21(F) of the Louisiana Constitution and Executive Order Number JBE 2017-73*, companies that qualify as manufacturers can apply to the State Board for a property tax exemption on all new property, as defined, used in the manufacturing process. Under the ITEP, companies are required to promise to expand or build manufacturing facilities in Louisiana, with a minimum investment of \$5 million. The exemptions are granted for a 5-year term and are renewable for an additional 5-year term upon approval by the State Board. In the case of the local government, these state-granted abatements have resulted in reductions of property taxes, which the tax assessor administers as a temporary reduction in the assessed value of the property involved. The abatement agreements stipulate a percentage reduction of property taxes, which can be as much as 100 percent. The local government may recapture abated taxes if a company fails to expand facilities or otherwise fail to fulfill its commitments under the agreement. For the year ended December 31, 2020, \$94,074 in Assessor ad valorem tax revenues were abated by the State of Louisiana through ITEP.

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**NOTE XI – OPERATING LEASE COMMITMENT**

On July 1, 2019, the Assessor entered into a one-year lease agreement for office facilities with the Town of Lockport. The lease terms provided for monthly rental payments of \$315. The lease was renewed July 1, 2020, for a one-year term. Rental expenditures for the year ended December 31, 2020, were \$3,780.

**NOTE XII – EXPENSES OF THE ASSESSOR NOT INCLUDED IN FINANCIAL STATEMENTS**

The accompanying financial statements do not include certain portions of the Assessor's expenses paid directly by the Lafourche Parish Government. These expenses include office space, utilities, and capital improvements.

**NOTE XII - LITIGATION**

The Assessor is exposed to various risks of loss related to workers' compensation; torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Assessor carries commercial insurance. No settlements were made during the year that exceeded the Assessor's insurance coverage.

**REQUIRED SUPPLEMENTARY INFORMATION**

**LAFOURCHE PARISH ASSESSOR**  
**Thibodaux, Louisiana**

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND (NON-GAAP)  
 FOR THE YEAR ENDED DECEMBER 31, 2020

|  | Budget       | Actual<br>(Non-GAAP) | Variance with<br>Final Budget<br>Favorable<br>(Unfavorable) |
|--|--------------|----------------------|---|
| <b>REVENUES</b>                              |              |                      |   |
| Intergovernmental:                           |              |                      |   |
| Ad Valorem tax and revenue sharing           | \$ 2,475,973 | \$ 2,301,430         | \$ (174,543)  |
| Interest earned                              | 50,000       | 19,528               | (30,472)  |
| Sale of fixed assets                         | -            | -                    | -   |
| Miscellaneous                                | 5,000        | -                    | (5,000)   |
| Total Revenues                               | 2,530,973    | 2,320,958            | (210,015)   |
| <b>EXPENDITURES</b>                          |              |                      |   |
| Current                                      |              |                      |   |
| General government:                          |              |                      |   |
| Personnel services                           | 2,005,000    | 1,721,149            | 283,851   |
| Operation services & other charges           | 471,000      | 233,062              | 237,938   |
| Materials & supplies                         | 42,000       | 88,008               | (46,008)  |
| Capital outlay                               | 71,000       | 10,356               | 60,644  |
| Total Expenditures                           | 2,589,000    | 2,052,575            | 536,425   |
| Excess of Revenues over (under) Expenditures | (58,027)     | 268,383              | 326,410   |
| Fund balance, beginning of year              | 4,278,356    | 4,479,057            | 200,700   |
| Fund balance, end of year                    | \$ 4,220,329 | \$ 4,747,439         | \$ 527,110  |

See Independent Auditors' Report.

**LAFOURCHE PARISH ASSESSOR**  
**Thibodaux, Louisiana**

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS  
FOR THE YEAR ENDED DECEMBER 31, 2020

|   | 2018          | 2019          | 2020          |
|---|---------------|---------------|---------------|
| <b>TOTAL OPEB LIABILITY</b>                                 |               |               |               |
| Service cost  | \$ 248,193    | \$ 210,248    | \$ 345,851    |
| Interest on total OPEB liability                            | 156,670       | 206,790       | 187,820       |
| Difference between expected and actual experience           | 486,054       | -             | (91,044)      |
| Changes in assumptions or other inputs                      | (216,991)     | 1,405,281     | 684,276       |
| Benefit payments  | (147,638)     | (145,916)     | (147,274)     |
| <br>Net change in OPEB liability                            | <br>526,288   | <br>1,676,403 | <br>979,629   |
| <br>Total OPEB liability, beginning                         | <br>4,379,353 | <br>4,905,641 | <br>6,582,044 |
| Total OPEB liability, ending                                | 4,905,641     | 6,582,044     | 7,561,673     |
| <br>Covered payroll   | <br>1,080,163 | <br>1,016,579 | <br>887,023   |
| <br>Total OPEB liability as a percentage of covered payroll | <br>454.16%   | <br>647.47%   | <br>852.48%   |

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

# LAFOURCHE PARISH ASSESSOR

## Thibodaux, Louisiana

### SCHEDULE OF THE LAFOURCHE PARISH ASSESSOR'S PROPORIONATE SHARE OF THE NET PENSION LIABILITY FOR THE YEAR ENDED DECEMBER 31, 2020 (\*)

| Fiscal Year* | Employer's<br>Proportion of<br>the Net Pension<br>Liability (Asset) | Employer's<br>Proportionate<br>Share of the Net<br>Pension Liability<br>(Asset) | Employer's<br>Covered-<br>Employee<br>Payroll | Proportionate Share of<br>the Net Pension<br>Liability as a<br>Percentage of its<br>Covered Employee<br>Payroll | Plan Fiduciary<br>Net Position as a<br>Percentage of the<br>Total Pension<br>Liability |
|--------------|---|---|---|---|--|
| 2020         | 2.0269%   | \$309,661   | \$931,660                                     | 33.2376%  | 96.7900%   |
| 2019         | 1.9298%   | \$509,035   | \$868,378                                     | 58.6191%  | 94.1200%   |
| 2018         | 2.0557%   | \$399,632   | \$895,601                                     | 44.6217%  | 95.4600%   |
| 2017         | 2.0060%   | \$351,997   | \$904,492                                     | 38.9165%  | 95.6100%   |
| 2016         | 1.9355%   | \$682,973   | \$845,141                                     | 80.8117%  | 90.6800%   |
| 2015         | 1.8221%   | \$953,544   | \$778,173                                     | 122.5362%   | 85.5700%   |

*Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.*

*\*The amounts presented for each year were determined as of the fiscal year end of the plan that occurred within the calendar year.*

# LAFOURCHE PARISH ASSESSOR

## Thibodaux, Louisiana

### SCHEDULE OF THE LAFOURCHE PARISH ASSESSOR'S CONTRIBUTIONS FOR THE YEAR ENDED DECEMBER 31, 2020 (\*)

| <u>Fiscal Year*</u> | <u>Contractually<br/>Required<br/>Contribution</u> | <u>Contributions in<br/>Relation to<br/>Contractually<br/>Required<br/>Contribution</u> | <u>Contribution<br/>Deficiency<br/>(Excess)</u> | <u>Employer's<br/>Covered Payroll</u> | <u>Contributions<br/>as a % of<br/>Covered<br/>Payroll</u> |
|---------------------|--|---|---|---------------------------------------|--|
| 2020                | \$74,533   | \$74,533  | -   | \$931,660                             | 8.00%  |
| 2019                | \$69,470   | \$69,470  | -   | \$868,378                             | 8.00%  |
| 2018                | \$71,648   | \$71,648  | -   | \$895,601                             | 8.00%  |
| 2017                | \$85,883   | \$85,883  | -   | \$904,492                             | 9.50%  |
| 2016                | \$114,094  | \$114,094   | -   | \$845,141                             | 13.50%   |
| 2015                | \$105,053  | \$105,053   | -   | \$778,173                             | 13.50%   |

*Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become*

*\*The amounts presented for each year were determined as of the fiscal year end of the plan that occurred within the calendar*

**LAFOURCHE PARISH ASSESSOR**  
**Thibodaux, Louisiana**  
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION  
DECEMBER 31, 2020

**NOTE A - PENSION PLAN SCHEDULES**

**Changes of Benefit Terms include:**

There were no changes of benefit terms during any of the years presented.

**Changes of Assumptions:**

| Plan Year ended December 31, | Discount Rate | Investment Rate of Return | Inflation Rate | Expected Remaining Service Lives | Projected Salary Increase |
|------------------------------|---------------|---------------------------|----------------|----------------------------------|---------------------------|
| 2015                         | 7.00%         | 7.00%                     | 2.50%          | 6                                | 5.75%                     |
| 2016                         | 7.00%         | 7.00%                     | 2.50%          | 6                                | 5.75%                     |
| 2017                         | 6.75%         | 6.75%                     | 2.50%          | 6                                | 5.75%                     |
| 2018                         | 6.25%         | 6.25%                     | 2.20%          | 6                                | 5.75%                     |
| 2019                         | 6.00%         | 6.00%                     | 2.20%          | 6                                | 5.75%                     |
| 2020                         | 5.75%         | 5.75%                     | 2.10%          | 6                                | 5.25%                     |

**NOTE B – OTHER POST EMPLOYMENT BENEFITS**

**Changes of Benefit Terms include:**

There were no changes of benefit terms during any of the years presented.

**Changes of Assumptions:**

Changes of assumptions and other inputs reflect the effects of changes in the discount rate for each period. The following are the discount rates used in each period:

| Period | Discount Rate |
|--------|---------------|
| 2018   | 4.10%         |
| 2019   | 2.74%         |
| 2020   | 2.12%         |

No assets are accumulated in a trust that meets the criteria in Paragraph 4 of Statement 75.

**OTHER SUPPLEMENTARY INFORMATION**

**LAFOURCHE PARISH ASSESSOR**  
**Thibodaux, Louisiana**

**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER  
PAYMENTS TO AGENCY HEAD  
FOR THE YEAR ENDED DECEMBER 31, 2020**

Agency Head Name: Wendy L. Thibodeaux, Assessor

|  |                          |
|--|--------------------------|
| Salary   | \$ 154,539               |
| Benefits-Insurance                               | 25,092                   |
| Benefits-Retirement                              | 12,700                   |
| Benefits-Deferred Comp                           | 3,993                    |
| Vehicle Provided by Government                   | 690                      |
| Cell Phone                                       | -                        |
| Travel   | 464                      |
| Registration Fees                                | 1,205                    |
| Conference Travel                                | 640                      |
| Housing/Lodging                                  | -                        |
| Meals  | 12                       |
|  | <hr/>                    |
| Total compensation, benefits, and other payments | <u><u>\$ 199,335</u></u> |

**OTHER REPORTS REQUIRED BY  
*GOVERNMENTAL AUDITING STANDARDS***



**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 Wendy L. Thibodeaux  
Lafourche Parish Assessor  
Thibodaux, 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 government activities and each major fund of the Lafourche Parish Assessor. (the Assessor) as of and for the year ended December 31, 2020, 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 29, 2021.

**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. We did not identify deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards (2020-01)*.

## Purpose of this Report

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

Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



T.S. Kearns & Co., CPA, PC  
Certified Public Accountants  
Thibodaux, Louisiana

June 29, 2021

# LAFOURCHE PARISH ASSESSOR

## Thibodaux, Louisiana

### SCHEDULE OF FINDINGS AND RESPONSES FOR THE YEAR ENDED DECEMBER 31, 2020

#### A. SUMMARY OF AUDITOR'S REPORTS:

- a. The independent auditors' report expresses an unmodified opinion on the financial statements of the Lafourche Parish Assessor.
- b. No significant deficiencies or material weaknesses in internal control relating to the audit of the financial statements were reported in the Independent Auditors' 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*.
- c. There was one instance of noncompliance material to the financial statements of the Lafourche Parish Assessor were reported in the Independent Auditors' 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*.
- d. No management letter was issued for the year ended December 31, 2020.

#### B. FINDINGS REQUIRED UNDER *GOVERNMENTAL AUDITING STANDARDS*:

##### Internal Control

No items reported under this section.

##### Compliance

##### 2020-01 BUDGET AMENDMENT

*Condition:* The General Fund budget adopted for the year ended December 31, 2020 had an unfavorable budget variance from actual revenue exceeding 5%.

*Criteria:* LA Revised Statutes require the Assessor to amend its operating budget when: Total actual revenue and other sources plus projected revenue and other sources for the remainder of the year, within a fund, are failing to meet total budgeted revenues and other sources by five percent or more.

Total actual expenditures and other uses plus projected expenditures and other uses for the remainder of the year, within a fund, are exceeding the total budgeted expenditures and other uses by five percent or more.

**LAFOURCHE PARISH ASSESSOR**  
**Thibodaux, Louisiana**  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED DECEMBER 31, 2020

Actual beginning fund balance, within a fund, fails to meet estimated beginning fund balance by five percent or more and fund balance is being used to fund current year expenditures.

*Cause:* The Assessor did not monitor the budget to actual statements closely enough during the year.

*Effect:* The Assessor was out of compliance with state law.

*Recommendation:* We recommend that the Assessor monitor more closely budget to actual statements during the year to comply with this requirement.

*Management's Response:* This issue occurred due to the timing of ad valorem receipts of \$111,372 which was collected in the month of December 2019 but were budgeted to be collected in the calendar year 2020. This caused a negative variance in the proposed budget versus actual collected for 2020. However, the Assessor concurred with this finding and the recommendations and has implemented corrective action immediately.

**C. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS AS DEFINED IN THE UNIFORM GUIDANCE:**

There were no federal awards for the year ended December 31, 2020.

**LAFOURCHE PARISH ASSESSOR**  
**Thibodaux, Louisiana**  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2020

**A. INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS**

None reported.

**B. INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS**

Not applicable

**C. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

There were no federal awards.