

**IBERVILLE PARISH ASSESSOR
PLAQUEMINE, LOUISIANA
BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2010**

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

Release Date **OCT 12 2011**

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DECEMBER 31, 2010**

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To the Honorable Randy Sexton
Iberville Parish Assessor
Plaquemine, Louisiana

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of the governmental activities of the Iberville Parish Assessor as of and for the year ended December 31, 2010, which collectively comprise the Assessor's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Iberville Parish Assessor. Our responsibility is to express an opinion 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the Iberville Parish Assessor as of December 31, 2010, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 5, 2011 on our consideration of the Iberville Parish Assessor's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grants, 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* and should be considered in assessing the results of our audit.

INDEPENDENT AUDITOR'S REPORT (continued)

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 9 and 29 through 30 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.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Iberville Parish Assessor's basic financial statements. The other supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Iberville Parish Assessor. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Baxley & Associates, LLC

Plaquemine, Louisiana
May 5, 2011

MANAGEMENT'S DISUSSION AND ANALYSIS

**IBERVILLE PARISH ASSESSOR
PLAQUEMINE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

This section of the Assessor's annual report represents Management's analysis of the Assessor's financial performance during the year ended December 31, 2010. Please read it in conjunction with the financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The Assessor's net assets decreased by \$203,193, or 57.0%.
- The Assessor's revenues increased by \$8,263, or 0.9%.
- The Assessor's expenses decreased by \$40,514, or 3.7%.

OVERVIEW OF THE BASIS FINANCIAL STATEMENTS

This Management's Discussion and Analysis document introduces the Iberville Parish Assessor's basic financial statements. The basic financial statements include: (1) government-wide financial statements and fund financial statements and (2) notes to the basic financial statements. The Iberville Parish Assessor also includes in this report additional information to supplement the basic financial statements, such as required supplementary information. Comparative data is presented when available.

Government-wide Financial Statements

The Iberville Parish Assessor's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Iberville Parish Assessor's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination of reclassification of activities between funds.

The first of these government-wide statements is the Statement of Net Assets. This is the government-wide statement of position presenting information that includes all of the Iberville Parish Assessor's assets and liabilities, with the difference reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Iberville Parish Assessor as a whole is improving or deteriorating. Evaluation of the overall health of the Iberville Parish Assessor would extend to other non-financial factors such as diversification of the taxpayer base, in addition to the financial information provided in this report.

The second government-wide statement is the Statement of Activities, which reports how the Iberville Parish Assessor's net assets changed during the current calendar year. All current year revenues and expenses are included regardless of when the Iberville Parish Assessor receives or pays cash. An important purpose of the design of the statement of activities is to show the financial reliance of the Iberville Parish Assessor's distinct activities or functions on revenues provided by the Iberville Parish Assessor's taxpayers.

The government-wide financial statements are presented along with the fund financial statements on pages 11 and 12 of this report.

**IBERVILLE PARISH ASSESSOR
PLAQUEMINE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Iberville Parish Assessor uses a single fund to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Iberville Parish Assessor's only fund, the general fund.

The Iberville Parish Assessor uses only one fund type:

The Governmental fund is reported in the fund financial statements and encompasses the same function reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the Iberville Parish Assessor's governmental fund. These statements report short-term calendar accountability focusing on the use of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and governmental fund operating statement provide a reconciliation to assist in understanding the difference between these two perspectives.

The basic governmental fund financial statements are presented on pages 13 and 14 of this report.

Notes to the Basic Financial Statements

The accompany notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 16 of this report.

FINANCIAL ANALYSIS OF THE IBERVILLE PARISH ASSESSOR AS A WHOLE

The Iberville Parish Assessor's net assets at fiscal year-end are \$153,587. The table on the following page provides a summary of the Iberville Parish Assessor's net assets:

**IBERVILLE PARISH ASSESSOR
PLAQUEMINE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FINANCIAL ANALYSIS OF THE IBERVILLE PARISH ASSESSOR AS A WHOLE
(CONTINUED)**

Summary of Net Assets		
	Governmental Activities	
	2010	2009
Assets:		
Current assets	\$ 959,395	\$ 997,281
Capital assets, net of accumulated depreciation	152,529	196,312
Total Assets	1,111,924	1,193,593
Liabilities:		
Current liabilities	603,247	658,575
Long-term liabilities	355,090	178,238
Total Liabilities	958,337	836,813
Net assets:		
Invested in capital assets	152,529	196,312
Unrestricted	1,058	160,468
Total Net Assets	\$ 153,587	\$ 356,780

Current assets decreased by \$37,886. Current assets are available to pay liabilities for the current year and pay for operating the Assessor's office in the future. Current liabilities decreased by \$55,328.

The Iberville Parish Assessor reported a positive balance in net assets for its governmental activities. Net assets at December 31, 2010 decreased from net assets at December 31, 2009 by \$203,193. Note that approximately 99% of the governmental activities net assets are tied up in capital assets. The Iberville Parish Assessor used these capital assets to provide services to its citizens.

Remember the following data is presented on the accrual basis of accounting which means that all costs are presented; however, the purchase of capital assets is not included, but depreciation on the capital assets is included.

The table on the following page provides a summary of the Iberville Parish Assessor's changes in net assets:

**IBERVILLE PARISH ASSESSOR
PLAQUEMINE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FINANCIAL ANALYSIS OF THE IBERVILLE PARISH ASSESSOR AS A WHOLE
(CONTINUED)**

Summary of Changes in Net Assets

	Governmental Activities	
	2010	2009
Revenues:		
Taxes	\$ 836,896	\$ 822,270
Charges for services	510	4,998
Interest	3,095	163
Other	38,925	43,732
Total Revenues	879,426	871,163
Expenditures:		
Personnel services	750,760	805,189
Other services and charges	108,708	94,141
Depreciation	46,299	45,565
OPEB expense	176,852	178,238
Total Expenses	1,082,619	1,123,133
Change in Net Assets	(203,193)	(251,970)
Beginning Net Assets	356,780	608,750
Ending Net Assets	\$ 153,587	\$ 356,780

GOVERNMENTAL REVENUE

The Iberville Parish Assessor is heavily reliant on property taxes to support its operations. Property taxes and state revenue sharing provided 95% of the Iberville Parish Assessor's total revenues. The Iberville Parish Assessor's Office was able to earn \$3,095 in interest to support activities. Also, note the charges for services cover less than 1% of the governmental operating expenses. This means that the Iberville Parish Assessor's taxpayers and the Assessor's other general revenues fund approximately 99% of the Assessor's activities. As a result, the general economy and local businesses have a major impact on the Iberville Parish Assessor's revenue streams.

GOVERNMENTAL FUNCTIONAL EXPENSES

Since assessor operations are staff oriented, approximately 69.3% of the total expenses are employee salaries and benefits. Operating services, materials, and supplies make up 10.0% of total expenses.

**IBERVILLE PARISH ASSESSOR
PLAQUEMINE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

FINANCIAL ANALYSIS OF THE IBERVILLE PARISH ASSESSOR'S GENERAL FUND

The General Fund is the Iberville Parish Assessor's operating fund and the source of day-to-day service delivery. As discussed, the General Fund is reported in the fund statements with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financial requirements. Remember the data presented in the fund financial statements is presented on the modified accrual basis. This means that capital assets purchased during the year are reported as expenditures and no depreciation on these capital assets is reported as an expenditure in the same year.

The general fund's ending net assets is \$153,587, a decrease of \$203,193 over the prior year. This decrease is primarily the result of the events and programs described within the analysis of the Iberville Parish Assessor's activities described above. Of total net assets, \$1,058 is unrestricted indicating availability for continuing Parish Assessor service requirements.

Ad valorem taxes were \$836,896, or 1.7% more than 2009. The Assessor maintained the millage of 2.06 mils in 2010.

Salaries were \$58,709 less than 2009, a decrease of 12.2%. The cost of salary related benefits increased by \$4,280, or 1.6%. Other operating expenditures increased by approximately \$14,567, or 13.4%.

The General Fund's ending unrestricted net assets of \$1,058 is equal to approximately less than 1% of annual expenditures.

BUDGETARY HIGHLIGHT

The General Fund budget for revenues was budgeted to be higher than in 2009. Expenditures were budgeted to be lower than in 2009. Actual results for 2010 produced revenues that were more than budgeted amounts. Actual results for 2010 produced expenditures that were less than budgeted amounts.

At year-end, the Iberville Parish Assessor's actual revenue was approximately 1.16% more than the final revenue budgeted.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Iberville Parish Assessor's investment in capital assets, net of accumulated depreciation, for governmental activities as of December 31, 2010 was \$152,529. The net decrease in net investment in capital assets was 28.7%. In 2010, capital asset depreciation expense exceeded capital outlay purchases by \$43,783.

**IBERVILLE PARISH ASSESSOR
PLAQUEMINE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

CAPITAL ASSETS AND DEBT ADMINISTRATION (CONTINUED)

This difference could be viewed negatively; however, this type of information needs to be viewed as a trend over multiple years to be more meaningful. See Note D for additional information about changes in capital assets during the calendar year and outstanding at the end of the year. The following table provides a summary of capital asset activity.

	Governmental Activities	
	2010	2009
Depreciable assets:		
Vehicles, furniture, & equipment	\$ 528,321	\$ 525,805
Less accumulated depreciation	375,792	329,493
Book-value depreciable assets	\$ 152,529	\$ 196,312

At December 31, 2010, the accumulated depreciation on depreciable capital assets for governmental activities equaled 71.1% of original cost. The cost of the capital assets increased by \$2,515. These amounts and percentages indicate that in the current year, the Assessor did not replace its assets at a higher rate than they were depreciating.

At year end, the Iberville Parish Assessor had \$355,090 in long-term debt outstanding. The Iberville Parish Assessor may issue general obligation debt to meet its capital needs.

CONTACTING THE IBERVILLE PARISH ASSESSOR'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Iberville Parish Assessor's finances, comply with finance-related laws and regulations, and demonstrate the Iberville Parish Assessor's commitment to public accountability. If you have any questions about the contents of this report or would like to request additional information, please contact the Iberville Parish Assessor, P.O. Box 627, Plaquemine, Louisiana, 70765. The Assessor may be contacted in person at the Iberville Parish Courthouse, 58050 Meriam Street, Plaquemine, Louisiana, 70764.

BASIC FINANCIAL STATEMENTS

EXHIBIT A

**IBERVILLE PARISH ASSESSOR
STATEMENT OF NET ASSETS
DECEMBER 31, 2010**

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 22,432
Investments	15,181
Revenues receivable	860,566
Other receivables	15,378
Prepaid expense	45,838
Capital assets (net of accumulated depreciation)	<u>152,529</u>
TOTAL ASSETS	<u>\$ 1,111,924</u>
 LIABILITIES AND NET ASSETS	
Liabilities	
Accounts payable	3,216
Payroll deductions and benefits payable	31
Due to local government agencies	600,000
Long-term liabilities:	
OPEB payable	<u>355,090</u>
TOTAL LIABILITIES	<u>958,337</u>
 Net Assets	
Invested in capital assets, net of related debt	152,529
Unrestricted	<u>1,058</u>
TOTAL NET ASSETS	<u>\$ 153,587</u>

The accompanying notes are an integral part of this statement.

EXHIBIT B

IBERVILLE PARISH ASSESSOR
STATEMENT OF ACTIVITIES
DECEMBER 31, 2010

EXPENDITURES/EXPENSES

General Government:

Salaries	\$ 484,036
Group insurance and retirement	266,724
Advertising	527
Automobile expense	22,678
Dues and subscriptions	4,037
Depreciation	46,299
Insurance	3,010
Office supplies and printing	5,939
OPEB expense	176,852
Payroll taxes	9,434
Postage	1,431
Professional fees	8,674
Repairs and maintenance	3,229
Taxes and licenses	5,662
Telephone expense	916
Travel and educational expense	7,073
Miscellaneous expense	469
Computer programming expense	35,629

TOTAL EXPENDITURES/EXPENSES 1,082,619

PROGRAM REVENUE

Preparation of tax notices	<u>510</u>
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TOTAL PROGRAM REVENUE 510

GENERAL REVENUES

Ad valorem tax	836,896
Intergovernmental revenue - state revenue sharing	38,925
Interest income	<u>3,095</u>

TOTAL GENERAL REVENUES 878,916

CHANGE IN NET ASSETS (203,193)

NET ASSETS

Beginning of the year	<u>356,780</u>
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End of the year	<u><u>\$ 153,587</u></u>
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The accompanying notes are an integral part of this statement.

EXHIBIT C

IBERVILLE PARISH ASSESSOR
 COMBINED BALANCE SHEET
 GOVERNMENTAL FUNDS
 DECEMBER 31, 2010

	<u>General Fund</u>
ASSETS	
Cash and cash equivalents	\$ 22,432
Investments	15,181
Revenues receivable	860,566
Other receivables	15,378
Prepaid expense	<u>45,838</u>
TOTAL ASSETS	<u><u>959,395</u></u>
 LIABILITIES AND FUND BALANCES	
Liabilities	
Accounts payable	3,216
Payroll deductions and benefits payable	31
Due to local government agencies	<u>600,000</u>
Total Liabilities	<u>603,247</u>
 Fund Balance	
Unreserved - undesignated	<u>356,148</u>
 Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	152,529
Long-term liabilities, including other post employment benefits, are not due and payable in the current period and, therefore, are not reported in these funds.	<u>(355,090)</u>
Net assets of governmental activities	<u><u>\$ 153,587</u></u>

The notes to the financial statements are an integral part of this statement.

EXHIBIT D

**IBERVILLE PARISH ASSESSOR
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND TYPE - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010**

REVENUES

Ad valorem tax	\$ 836,896
Intergovernmental revenue - state revenue sharing	38,925
Preparation of tax notices	510
Interest income	3,095

TOTAL REVENUES	<u>879,426</u>
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EXPENDITURES

General Government:

Salaries	484,036
Group insurance and retirement	266,724
Advertising	527
Automobile expense	22,678
Dues and subscriptions	4,037
Insurance	3,010
Office supplies and printing	5,939
Payroll taxes	9,434
Postage	1,431
Professional fees	8,674
Repairs and maintenance	3,229
Taxes and licenses	5,662
Telephone expense	916
Travel and educational expense	7,073
Miscellaneous expense	470
Computer programming expense	35,629
Capital outlay	2,515

TOTAL EXPENDITURES	<u>861,984</u>
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EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	17,442
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FUND BALANCE AT BEGINNING OF YEAR	<u>338,706</u>
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FUND BALANCE AT END OF YEAR	<u><u>\$ 356,148</u></u>
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The accompanying notes are an integral part of this statement.

EXHIBIT E

IBERVILLE PARISH ASSESSOR
RECONCILIATION OF THE STATEMENT OF REVENUES
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2010

Amounts reported for governmental activities are
different because:

Net Change in fund balances - total governmental funds (page 14)	\$	17,442
Governmental funds report capital outlay 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. This is the amount by which capital outlays exceeded depreciation in the current period.		(43,783)
Annual OPEB (Other Post Employment Benefit) Expense		<u>(176,852)</u>
Change in net assets of governmental activities (page 12)	\$	<u>(203,193)</u>

The accompanying notes are an integral part of this statement.

**IBERVILLE PARISH ASSESSOR
PLAQUEMINE, LOUISIANA
NOTED TO FINANCIAL STATEMENTS
DECEMBER 31, 2010**

NOTE A – 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 property, prepares tax rolls, and submits the rolls to the Louisiana Tax Commission as prescribed by law. The assessor is authorized to appoint as many deputies as may be necessary for 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 responsible for the actions of the deputies.

The Assessor's office is located in the Iberville Parish Courthouse of Plaquemine, Louisiana. The Assessor's office had 12 employees at December 31, 2010. In accordance with Louisiana law, the Assessor bases real and movable property assessments on conditions existing on January 1 of the tax year. The Assessor completes an assessment listing by May 1 of the tax year and submits the list to the parish governing authority and the Louisiana Tax Commission as prescribed by law. Once the assessment listing is approved, the Assessor submits the assessment roll to the parish tax collector who is responsible for collecting the distributing taxes to the various taxing bodies.

At December 31, 2010, there are real property assessments totaling \$456,799,367. This represents an increase of 50 assessments and an increase of \$3,649,770 in assessed value over the prior year.

1. Basis of Presentation

The accompanying financial statements of the Iberville Parish Assessor have been prepared in conformity with governmental accounting principles generally accepted in the United States of America (GAAP) as applies to governmental units. The preparation of financial statements in conformity with GAAP requires management to make assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing the governmental accounting and financial reporting principles.

2. Reporting Entity

Governmental Accounting Standards Board Statement 14 established criteria for determining the governmental reporting entity. The basic criterion to include a potential component unit within the reporting entity is financial accountability.

**IBERVILLE PARISH ASSESSOR
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Based on that criterion the Assessor has no component units. For financial reporting purposes the Assessor includes all funds, account groups, activities, that are controlled by the Assessor as an independently elected parish official. As an independently elected parish official, the Assessor is solely responsible for the operations of his office, which includes the hiring or retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds.

Other than certain operating expenditures of the Assessor's office that are paid or provided by the parish council as required by Louisiana law, the Assessor is financially independent. Accordingly, the Assessor is a primary governmental reporting entity. The activities of the parish council, parish school board, other independently elected parish officials, and municipal level governments are not included within the accompanying financial statements as they are considered autonomous governments. These governmental units issue financial statements separate from those of the Parish Assessor.

3. Fund Accounting

The Assessor uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain governmental functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds of the Assessor are classified as governmental funds. Governmental funds account for the Assessor's general activities, including the collection and disbursement of specific or legally restricted monies and the acquisition of general fixed assets.

4. General Fund

The General Fund (Salary Fund), as provided by Louisiana Revised Statute 47:1906, is the principal fund of the Assessor's office. Compensation received from the ad valorem tax authorized by Act 27 of 1990, are accounted for in this fund.

**IBERVILLE PARISH ASSESSOR
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

5. Measurement Focus / Basis of Accounting

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

The Statement of Net Assets (page 11) and Statement of Activities (page 12) display information about the Assessor's office as a whole. These statements include all the financial activities of the Assessor's office. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting.

Program Revenues – Program revenues included in the Statement of Activities (page 12) are derived directly from users as a fee for services. Program revenues reduce the cost of the function to be financed from the Assessor's office general revenues.

The amounts reflected in the Governmental Fund Statements (pages 13 and 14) are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the Assessor's office operations.

The amounts reflected in the Governmental Fund Statements (pages 13 and 14) use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenue are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred and certain compensated absences which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures as listed on the following page:

**IBERVILLE PARISH ASSESSOR
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues – Tax revenue is recognized in the budgetary period for which the taxes are collected. Revenues are received from the Sheriff and Tax Collector of Iberville Parish in varying periodic payments as ad valorem taxes are assessed on December 1, for the calendar year, become due on December 31, and are considered due and subject to penalties if not paid by January 31, of the following year. Interest revenue is recognized when earned.

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

6. Budget Practice

The proposed budget was made available for public inspection for the fiscal year beginning January 1, 2010 and ending December 31, 2010 on December 18, 2009. The proposed budget, prepared on the modified accrual basis of accounting, was published in the official journal 12 days prior to the public hearing. A public hearing was held at the Assessor's Office on December 29, 2009 for comments from taxpayers. The proposed budget is legally adopted or amended by the Assessor.

Formal budgetary integration was not employed as a management control device during the year. Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts.

1. The Assessor has the sole authority to make changes within various budget classifications.
2. The fund balance remaining at the close of the fiscal year is carried forward to the ensuing year. Encumbrances, if any, outstanding at year-end lapse and are not reported as reservations of fund balance.

7. Compensated Absences

Employees of the Assessor's office are granted four or five weeks of leave each year, depending on length of service, which cannot be accumulated.

8. Cash and Cash Equivalents and Investments

Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in demand deposits and those investments with original maturities of 90 days or less. Under state law, the Assessor may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

**IBERVILLE PARISH ASSESSOR
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a nonprofit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. Investments are stated at cost, which approximates market and is equal to the value of the pool shares.

Investments in LAMP held at December 31, 2010 were \$15,181.

LAMP is administered by LAMP, Inc., a nonprofit corporation organized under the laws of the State of Louisiana. Only local government entities 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 included 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 a 2a7-like investment pool. The following facts are relevant for 2a7-like investment pools.

Credit risk – LAMP is rated AAAm by Standard & Poor's.

Custodial credit risk – LAMP participants' investments in pools are 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 – 2a7-like investment pools are excluded from this disclosure requirement, per paragraph 15 of the GASB 40 Statement.

Foreign currency risk – Not applicable to 2a7-like pools.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. 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 value of the pool shares.

**IBERVILLE PARISH ASSESSOR
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

LAMP, Inc. is subject to the regulatory oversight of the State Treasurer and the Board of Directors. LAMP is not registered with the SEC as an investment company. LAMP issues an annual financial report that includes financial statements and required supplementary information for LAMP. For additional information you can contact LAMP's administrative office at 1-800-249-5267.

Under state law, the Assessor may invest in United State bonds, treasury notes, certificates, and other forms of investment authorized by state statute. These are classified as investments if their original maturities exceed 90 days. However, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments, when made, are stated at cost.

9. Capital Assets

The Iberville Parish Assessor's assets are capitalized at historical cost or estimated historical cost. The Assessor's policy has set the capitalization threshold for reporting capital assets at \$500. Furniture and equipment are being depreciated using the straight-line method of lives ranging from 6 to 10 years. Mapping is being depreciated over 20 years.

10. Risk Management

The Assessor's office is exposed to various risks of loss related to torts, theft of assets, damage to assets, destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Assessor's office purchases commercial insurance policies at levels which management believes is adequate to protect the Assessor's office for some risks and self-insures others. Based on historical experience, no accrual has been made for unpaid claims in these financial statements. Settled claims resulting from these risks have not exceeded the commercial insurance coverage in any of the past three fiscal years.

NOTE B – CASH

At December 31, 2010, the Assessor had cash (book balances) of \$22,432 deposited with various financial institutions. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or 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 time 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.

At December 31, 2010, the Assessor had \$109,347 in deposits (collected bank balances). These deposits are secured from risk by \$500,000 of federal deposit insurance.

**IBERVILLE PARISH ASSESSOR
NOTES TO FINANCIAL STATEMENTS**

NOTE B – CASH (CONTINUED)

Even though the pledged securities are considered uncollateralized, Louisiana Revised Statute 39:1929 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 failed to pay deposited funds upon demand.

NOTE C – REVENUES RECEIVABLE

Revenues receivable at December 31, 2010 were as follows:

Millage		\$	849,116
Revenue sharing			25,950
			875,066
Less: Allowance for uncollectible taxes			(14,500)
Total		\$	860,566

NOTE D – CHANGES IN CAPITAL ASSETS

A summary of changes in capital assets is as follows:

	Balance <u>12/31/2009</u>	Additions	Deletions	Balance <u>12/31/2010</u>
Furniture and Equipment	\$ 251,652	\$ 2,515	\$ -	\$ 254,167
Mapping	274,154	-	-	274,154
	525,806	2,515	-	528,321
Accumulated Depreciation	(329,493)	(46,299)	-	(375,792)
	196,313	(43,784)	-	152,529

NOTE E – PENSION PLAN

Plan Description. Substantially all employees of the Iberville Parish Assessor's office are members of the Louisiana Assessors Retirement System (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. Of the total salaries and benefits of \$484,036 paid by the Assessor, \$449,447 are covered salaries for retirement.

**IBERVILLE PARISH ASSESSOR
NOTES TO FINANCIAL STATEMENTS**

NOTE E – PENSION PLAN (CONTINUED)

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

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Assessors' Retirement System, Post Office Box 14699 Baton Rouge, Louisiana 70898-4699, or by calling (225) 928-8886.

Funding Policy. Plan members are required by state statute to contribute 8.0 percent of their annual covered salary and the Iberville Parish Assessor is required to contribute at an actuarially determined rate. The current rate is 13.5 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish, plus revenue sharing funds appropriated by the legislature. The contribution requirements of plan members and the Iberville Parish Assessor are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuations for the prior fiscal year. The Iberville Parish Assessor's employer contributions to the System for the year ending December 31, 2010, 2009, 2008, and 2007, were \$60,675, \$70,149, \$94,502, and \$73,005, respectively, equal to the required contributions for each year. Beginning in 2000, the Assessor elected to pay his employees' contribution to the retirement fund. The amount paid for the employee's portion in 2010, 2009, 2008, and 2007, was \$35,956, \$41,570, \$56,001, and \$43,264, respectively.

NOTE F – EXPENDITURES OF THE ASSESSOR NOT INCLUDED IN THE FINANCIAL STATEMENTS

The Assessor's office is located in the Iberville Parish courthouse. The upkeep and maintenance of the courthouse is paid by the Iberville Parish Council. The parish council also furnished the Assessor with some office furniture and equipment.

NOTE G – LITIGATION

There is no litigation pending against the Assessor's office at December 31, 2010.

**IBERVILLE PARISH ASSESSOR
NOTES TO FINANCIAL STATEMENTS**

NOTE H – LEVIED TAXES

The Assessor's primary source of revenue is a 2.06 mil ad valorem tax. The total assessed valuation subject to the tax is \$456,799,367. After reduction for homestead exemptions (\$44,608,819), the taxable value of assessed property is \$412,190,548.

The following are the principal taxpayers (over approximately 56 percent of total assessed valuation) subject to the Assessor's tax at December 31, 2010:

Taxpayer	Assessed Valuation	Percent of Total
Dow Chemical Company	\$ 107,861,280	23.61%
Entergy	47,052,000	10.30%
Syngenta	28,449,280	6.23%
Georgia Gulf	26,413,380	5.78%
Cos Mar Company	18,140,690	3.97%
Ineos	10,959,400	2.40%
FINA	8,512,990	1.86%
Shintech	4,668,670	1.02%
Southern Natural Gas	5,166,430	1.13%
Total	<u>\$ 257,224,120</u>	<u>56.31%</u>

NOTE I – DEFERRED COMPENSATION PLAN

Certain employees of Iberville Parish Assessor participated in the Louisiana Public Employees Deferred Compensation adopted under the provision of the 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.

Participants may contribute a portion of their salary with the Assessor matching the maximum amount allowed by law per month, but total contributions may not exceed the amount determined under IRS regulations. All contributions are immediately vested. The Assessor's office contributed \$18,436, \$23,921, \$54,208, and \$56,307 to the plan during the year ended December 31, 2010, 2009, 2008, and 2007, respectively.

**IBERVILLE PARISH ASSESSOR
NOTES TO FINANCIAL STATEMENTS**

NOTE J – OTHER POST EMPLOYMENT BENEFITS

Plan Description. The Iberville Parish Assessor provides retired employees with the opportunity to continue their health care and life insurance benefits. The retirees who have not reached age 65 may receive their health insurance at half cost for a maximum of five (5) years or until they reach age 65. Other retirees have the option of continuing this coverage at their own cost. Life insurance is provided at the option of retirees at their own cost. The cost of to the Parish Assessor at this time is inconsequential and is funded on a pay-as-you-go basis.

Funding Policy. Until 2009, the Iberville Parish Assessor recognized the cost of providing post-employment medical and life benefits (Iberville Parish Assessor's portion of the retiree medical and life benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. In 2010, Iberville Parish Assessor's portion of health care funding cost for retired employees totaled \$53,791, and the life insurance totaled \$2,053.

Effective with the Fiscal Year beginning January 1, 2009, Iberville Parish Assessor implemented Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post Employment Benefits Other than Pensions* (GASB 45).

Annual Required Contribution. Iberville Parish Assessor's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The Annual Required Contribution (ARC) is the sum of the Normal Cost plus the contribution to amortize the Actuarial Accrued Liability (AAL). A level dollar, closed amortization period of 30 years (the maximum amortization period allowed by GASB 43/45) has been used for the post-employment benefits. The total ARC for the fiscal year beginning January 1, 2010 is \$267,217, as set forth below:

Normal Cost	\$	115,721
Amortization of UAAL		<u>151,496</u>
Annual Required Contribution (ARC)	\$	267,217

**IBERVILLE PARISH ASSESSOR
NOTES TO FINANCIAL STATEMENTS**

NOTE J – OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Net OPEB Obligation. The table below shows Iberville Parish Assessor's Net Other Post-employment Benefit (OPEB) Obligation for fiscal year ending December 31, 2010:

Annual Required Contribution	\$ 267,217
Interest on prior year Net OPEB Obligation	7,130
Adjustment to ARC	<u>(10,308.00)</u>
Annual OPEB Cost	\$ 264,039
Assumed Contributions made	<u>(87,187)</u>
Increase in Net OPEB Obligation	\$ 176,852
Net OPEB Obligation - beginning of year	178,238
Net OPEB Obligation - end of year	<u>\$ 355,090</u>

Funding Status and Funding Progress. In the fiscal year ending December 31, 2010, Iberville Parish Assessor had \$97,258 in contributions to its post employment benefits plan. The plan was not funded at all, has no assets, and hence has a funded ratio of zero. Funding status and progress is summarized as below:

Actuarial accrued liability (AAL)	2,619,661
Actuarial value of plan assets	<u>-</u>
Unfunded actuarial accrued liabilities (UAAL)	2,619,661
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	452,364
UAAL as a percentage of covered payroll	0

Actuarial Methods and Assumptions. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples include assumptions about future employment, mortality, and health care cost trend rate. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

**IBERVILLE PARISH ASSESSOR
NOTES TO FINANCIAL STATEMENTS**

NOTE J – OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the type of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and the 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 consistent with the long-term prospective of the calculations.

In the January 1, 2010, actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.0 percent investment rate of return (net of administrative expenses) and initial annual healthcare cost trend rate of 9.5% and 10.6% for pre-Medicare and Medicare eligibles, respectively, scaling down to ultimate rates of 5% per year. The Iberville Parish Assessor's unfunded actuarial accrued liability is being amortized as a level percentage of payroll on an open basis. The remaining amortization period at December 31, 2010, was thirty years.

NOTE K – DUE TO LOCAL GOVERNMENT AGENCIES

During the calendar year 2009, the Iberville Parish Assessor's office notified the Iberville Parish Council and the Iberville Parish School Board that advance funds were necessary to fund the assessor's salary and expense fund. In accordance with La. R.S. 47:1906, the governing authority of the Parish and the Parish School Board shall advance to the Assessor's salary and expense fund such funds as may be necessary in proportion to the amount of taxes levied by each for all purposes as shown by the completed tax roll. These advances shall be reimbursed without interest to the Parish and the Parish School Board when compensation is paid to the Assessor by the Parish Sheriff and Ex Officio Tax Collector. The amount advanced to the Iberville Parish Assessor's office was \$650,000. The remaining balance to be reimbursed to the Iberville Parish School Board and Iberville Parish Council at December 31, 2010 is as follows:

Beginning balance, December 31, 2009	\$	650,000
Payments made		(50,000)
Ending balance, December 31, 2010	\$	<u>600,000</u>

NOTE L – SUBSEQUENT EVENTS

These financial statements considered subsequent events through May 5, 2011, the date the financial statements were available to be issued.

**IBERVILLE PARISH ASSESSOR
NOTES TO FINANCIAL STATEMENTS**

NOTE M – GOING CONCERN

As indicated in the accompanying financial statements, the Iberville Parish Assessor showed a decrease in net assets of \$203,193 during the year ended December 31, 2010. The continuance of significant operating losses creates an uncertainty about the Assessor's ability to continue as a going concern. Management of the Assessor is developing a plan to reduce its expenses through the elimination of several positions and to reduce its liabilities by borrowing funds from other government agencies. The ability of the Assessor to continue as a going concern is dependent on acceptance of the plan by its creditors and the plan's success. The financial statements do not include any adjustments that might be necessary if the Assessor is unable to continue as a going concern.

OTHER REQUIRED SUPPLEMENTARY INFORMATION

**IBERVILLE PARISH ASSESSOR
PLAQUEMINE, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUE				
Ad valorem tax	\$ 835,000	\$ 835,000	\$ 836,896	\$ 1,896
Intergovernmental revenue - Louisiana revenue sharing	30,000	30,000	38,925	8,925
Preparation of tax notices	3,200	3,200	510	(2,690)
Interest income	1,000	1,000	3,095	2,095
TOTAL REVENUES	<u>869,200</u>	<u>869,200</u>	<u>879,426</u>	<u>10,226</u>
EXPENDITURES				
General Government:				
Salaries and related benefits	756,000	756,000	760,194	(4,194)
Advertising	3,000	3,000	527	2,473
Automobile expense	25,000	25,000	22,678	2,322
Dues and subscriptions	8,000	8,000	4,037	3,963
Insurance	-	-	3,010	(3,010)
Office supplies and printing	5,000	5,000	5,939	(939)
Postage	-	-	1,431	(1,431)
Professional fees	15,000	15,000	8,674	6,326
Repairs and maintenance	10,000	10,000	3,229	6,771
Taxes and licenses	-	-	5,662	(5,662)
Telephone expense	20,000	20,000	916	19,084
Travel and educational expense	25,000	25,000	7,073	17,927
Miscellaneous expense	10,000	10,000	470	9,530
Computer programming expense	-	-	35,629	(35,629)
Capital outlay	-	-	2,515	(2,515)
TOTAL EXPENDITURES	<u>877,000</u>	<u>877,000</u>	<u>861,984</u>	<u>15,016</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(7,800)	(7,800)	17,442	25,242
FUND BALANCE, BEGINNING OF YEAR	<u>338,706</u>	<u>338,706</u>	<u>338,706</u>	-
FUND BALANCE, END OF YEAR	<u>\$ 330,906</u>	<u>\$ 330,906</u>	<u>\$ 356,148</u>	<u>\$ 25,242</u>

SUPPLEMENTARY FINANCIAL INFORMATION

BAXLEY AND ASSOCIATES, LLC

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Staci H. Joffrion, CPA

The Honorable Randy Sexton
Iberville Parish Assessor
Plaquemine, Louisiana

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

We have audited the financial statements of the governmental activities of Iberville Parish Assessor, as of and for the year ended December 31, 2010 and have issued our report thereon dated May 5, 2011. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Iberville Parish Assessor's internal control over financial reporting as a basis for designing our auditing procedures 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 Iberville Parish Assessor's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Iberville Parish Assessor's internal control over financial reporting.

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.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting (2010-1, 2010-2, and 2010-3). *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.*

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORANCE WITH GOVERNMENT AUDITING
STANDARDS**

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Iberville Parish Assessor's financial statements are free of 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*.

The Iberville Parish Assessor's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the Iberville Parish Assessor's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information of the management of the Iberville Parish Assessor's Office and the Legislative Auditor of the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statutes 24:513, this report is distributed by the Legislative Auditor as a public document.

Baxley & Associates, LLC

Plaquemine, Louisiana
May 5, 2011

**IBERVILLE PARISH ASSESSOR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2010**

A. SUMMARY OR AUDITOR'S RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of the Iberville Parish Assessor.
2. Three significant deficiencies relating to the audit of the financial statements are reported in the Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
3. No instances of noncompliance material to the financial statements of the Iberville Parish Assessor.

B. FINDINGS – FINANCIAL STATEMENT AUDIT

2010-1 INTERNAL CONTROL

Condition:

There is a lack of segregation of duties within the Assessor's office. This is a repeat finding.

Criteria:

An important element in designing an internal accounting control system that safeguards assets and reasonably insures the reliability of the accounting records is the concept of segregation of responsibilities.

Effect:

No one person should be assigned duties that would allow that person to commit an error or perpetrate fraud and to conceal the error or fraud. For example, the same person should not be responsible for any two of the following functions: (1) authorization of a transaction, (2) recording of the transaction, or (3) custody of assets involved in the transaction.

Recommendation:

The entity should have a proper segregation of duties.

Management's Response:

Management believes it is not practical or cost effective to correct this weakness.

**IBERVILLE PARISH ASSESSOR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2010**

2010-2 LACK OF CONTROLS OVER FINANCIAL REPORTING IN ACCORDANCE WITH GAAP

Condition:

The Assessor does not have employees with sufficient expertise and training to prepare financial statements in accordance with generally accepted accounting principles (GAAP). This is repeat finding.

Criteria:

Year-end adjusting journal entries were not made to the financial statements to ensure that the statements were prepared in accordance with generally accepted accounting principles.

Effect:

As is common in small organizations, management has chosen to engage the auditor to propose certain year-end adjusting entries and to prepare the annual financial statements. This condition is intentional by management based upon the financial complexity, along with the cost effectiveness of acquiring the ability to prepare financial statements in accordance with generally accepted accounting principles. Consistent with this decision, internal controls over the preparation of year-end adjusting entries and annual financial statements, complete with notes, in accordance with generally accepted accounting principles, have not been established. Under generally accepted auditing standards, this condition represents a significant deficiency in internal controls. Recently issued Statement on Auditing Standards (SAS) 112 requires that we report the above condition as a control deficiency. The SAS does not provide exceptions to reporting deficiencies that are adequately mitigated with non audit services rendered by the auditor or deficiencies for which the remedy would be cost prohibitive or otherwise impractical.

Recommendation:

As mentioned above, whether or not it would be cost effective to cure a control deficiency is not a factor in applying SAS 112's reporting requirements. Because prudent management requires that the potential benefit from an internal control must exceed its cost, it may not be practical to correct all the deficiencies an auditor reports under SAS 112. In this case we do not believe the significant deficiency described above would be cost effective or practical and accordingly do not believe any corrective action is necessary.

Management's Response:

The Assessor is aware of the condition and feels hiring an employee with requisite qualifications would be cost prohibitive. He feels that the most cost effective solution is to have his external auditor assist in preparing year-end financial statements in accordance with GAAP.

**IBERVILLE PARISH ASSESSOR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2010**

2010-3 MISUSE OF FUNDS

Condition:

It was noted that gas purchases were made by the Assessor and charged to the Assessor's office.

Criteria:

The Assessor is provided with a personal expense allowance of 10% of his annual compensation based on statutory and certification total salary. This allowance should be used to purchase gas for his automobile per the Louisiana Assessor's Association.

Effect:

This causes a misuse of funds according to the Louisiana Assessor's Association.

Recommendation:

The Assessor should not charge gas purchases for his automobile to the Iberville Parish Assessor's office.

Management's Response:

It was an oversight on the part of the Assessor and has been corrected.

**IBERVILLE PARISH ASSESSOR
SUMMARY SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2010**

2009-1 INTERNAL CONTROL

Condition:

There is a lack of segregation of duties within the Assessor's office. This is a repeat finding.

Recommendation:

The entity should have a proper segregation of duties.

Current Status:

This condition still exists at December 31, 2010.

2009-2 LACK OF CONTROLS OVER FINANCIAL REPORTING IN ACCORDANCE WITH GAAP

Condition:

The Assessor does not have employees with sufficient expertise and training to prepare financial statements in accordance with Generally Accepted Accounting Principles (GAAP). This is a repeat finding.

Recommendation:

Whether or not it would be cost effective to cure a control deficiency is not a factor in applying SAS 112's reporting requirements. Because prudent management requires that the potential benefit from an internal control must exceed its cost, it may not be practical to correct all the deficiencies an auditor reports under SAS 112. In this case we do not believe the significant deficiency described above would be cost effective or practical and accordingly do not believe any corrective action is necessary.

Current Status:

This condition still exists at December 31, 2010.

2009-3 BUDGET

Condition:

In the General Fund, the budgeted revenue exceeded the actual revenue by 40 percent.

Recommendation:

Continuous efforts made by management should be made to monitor revenue and expenditures in relation to the budget. Amendments should be made as they become necessary.

Current Status:

This condition was corrected at December 31, 2010.