

**FRANKLIN PARISH ASSESSOR**  
**Winnsboro, Louisiana**

**Annual Financial Statements**  
**With Independent Auditor's Report**  
**As of and for the Year Ended**  
**December 31, 2019**

FRANKLIN PARISH ASSESSOR  
Winnsboro, Louisiana

Annual Financial Statements  
With Independent Auditor's Report  
As of and for the Year Ended December 31, 2019  
With Supplemental Information Schedules

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FRANKLIN PARISH ASSESSOR  
Winnsboro, Louisiana  
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Practice Limited to  
Governmental Accounting,  
Auditing and  
Financial Reporting

## **Independent Auditor's Report**

FRANKLIN PARISH ASSESSOR  
Winnsboro, Louisiana

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

I have audited the accompanying financial statements of the governmental activities and the major fund of the Franklin Parish Assessor, a component unit of the Franklin Parish Police Jury, as of December 31, 2019, and for the year then ended, and the related notes to the financial statements, which collectively comprise the Assessor's basic financial statements as listed in the table of contents.

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

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

### ***Auditor's Responsibility***

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

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

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

### ***Opinions***

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the government activities and the major fund information of the Franklin Parish Assessor as of December 31, 2019, 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.

FRANKLIN PARISH ASSESSOR  
Winnsboro, Louisiana  
Independent Auditor's Report,  
December 31, 2019

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Budgetary Comparison Schedules and notes to required supplementary information, the Schedule of Changes in Net OPEB Liability and Related Ratios, the Schedule of Employer's share of the Net Pension Liability, and the Schedule of Employer Contributions, as listed in the table of contents, 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. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with managements's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

***Other Information***

My audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Franklin Parish Assessor's office basic financial statements. The accompanying schedule of compensation, benefits and other payments to agency head on page 42 is presented for the purpose of additional analysis and is not a required part of the financial statements.

This schedule is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 my opinion, the schedule of compensation, benefits and other payments is fairly stated, in all material respects, in relation to the basic financial statements.

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

In accordance with *Government Auditing Standards*, I have also issued a report dated February 28, 2020, on my consideration of the Franklin Parish Assessor's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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 Franklin Parish Assessor's internal control over financial reporting and compliance.

FRANKLIN PARISH ASSESSOR  
Winnsboro, Louisiana  
Independent Auditor's Report,  
December 31, 2019

**Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of the Louisiana Legislative Auditor, I have issued a report, dated February 28, 2020, on the results of my statewide agreed-upon procedures performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards*. The purpose of that report is solely to describe the scope of testing performed on those control and compliance areas identified in the Louisiana Legislative Auditor's statewide agreed-upon procedures, and the results of that testing, and not to provide an opinion on control or compliance.



West Monroe, Louisiana  
February 28, 2020

**REQUIRED SUPPLEMENTARY INFORMATION**  
**PART I**

FRANKLIN PARISH ASSESSOR  
Winnsboro, Louisiana

**Management's Discussion and Analysis**  
December 31, 2019

As management of the Franklin Parish Assessor, I offer readers of the Franklin Parish Assessor's financial statements this narrative overview and analysis of the financial activities of the Franklin Parish Assessor for the fiscal year ended December 31, 2019. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

**Overview of the Financial Statements**

This Management Discussion and Analysis document introduces the Assessor's basic financial statements. The annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (Government-wide Financial Statements) provide information about the financial activities as a whole and illustrate a longer-term view of the Assessor's finances. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund (Fund Financial Statements) tell how these services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the operations in more detail than the Government-Wide Financial Statements by providing information about the most significant funds. This report also contains other supplementary information in addition to the basic financial statements themselves.

Our auditor has provided assurance in her independent auditor's report that the Basic Financial Statements are fairly stated. The auditor, regarding the Required Supplemental Information and the Supplemental Information is providing varying degrees of assurance. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the Franklin Parish Assessor's finances, in a manner similar to a private-sector business.

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

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, earned, but unused, sick leave).

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

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

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

The Franklin Parish Assessor adopts an annual appropriated budget for the general fund. A budgetary comparison statement is provided for the major fund to demonstrate compliance with this budget.

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

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Franklin Parish Assessor's performance.

### **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, assets of the Franklin Parish Assessor exceeded liabilities by \$1,585,483. Approximately 5% of the Franklin Parish Assessor's net position reflects its investment in capital assets (e.g., equipment), less any related debt used to acquire those assets that is still outstanding. These assets are not available for future spending.

The balance in unrestricted net position is affected by two factors: 1) resources expended, over time, by the Franklin Parish Assessor to acquire capital assets from sources other than internally generated funds (i.e., debt), and 2) required depreciation on assets being included in the statement of net position.

# STATEMENT OF NET POSITION

	2019	2018
<b>ASSETS</b>		
Cash and cash equivalents	\$2,188,984	\$2,062,929
Receivables	696,392	692,711
Prepays	3,958	3,958
Capital assets (net of accumulated depreciation)	75,170	101,146
<b>TOTAL ASSETS</b>	<u>2,964,504</u>	<u>2,860,744</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension related	465,492	212,715
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u>\$3,429,996</u>	<u>\$3,073,459</u>
<b>LIABILITIES</b>		
Accounts payable	\$639	\$490
Net pension liability	201,347	145,472
Net OPEB Obligation	1,442,676	1,165,954
<b>Total Liabilities</b>	<u>1,644,662</u>	<u>1,311,916</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension related	199,851	249,206
<b>NET POSITION</b>		
Invested in capital assets, net of related debt	75,170	101,146
Unrestricted	1,510,313	1,411,191
<b>TOTAL NET POSITION</b>	<u>1,585,483</u>	<u>1,512,337</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<u>\$3,429,996</u>	<u>\$3,073,459</u>

	2019	2018
<b>Taxation:</b>		
Personal services	\$728,886	\$629,224
Operating services	47,736	45,944
Materials and supplies	11,247	9,758
Travel	16,786	18,699
Depreciation expense	27,939	25,396
<b>Total Program Expenses</b>	<u>832,594</u>	<u>729,021</u>
<b>Net Program Expenses</b>	<u>(832,594)</u>	<u>(729,021)</u>
<b>General revenues:</b>		
Taxes - ad valorem	732,905	744,322
Intergovernmental - state funds - state revenue sharing	35,248	34,765
Intergovernmental - local		52,762
Interest earned	29,932	20,501
Other revenues	107,652	104,098
<b>Total General Revenues</b>	<u>905,737</u>	<u>956,448</u>
Change in Net Position	73,143	227,427
Net Position - Beginning of year	1,512,340	1,284,910
Net Position - End of year	<u>\$1,585,483</u>	<u>\$1,512,337</u>

## Financial Analysis of the Government's Funds

As noted earlier, the Franklin Parish Assessor uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in

assessing the financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of December 31, 2019, the general fund's governmental fund balances of \$2,888,695 showed an increase of \$129,587 over December 31, 2018.

### **General Fund Budgetary Highlights**

Differences between revenues of the original budget and the final budget were due primarily to an increase in state revenue sharing and interest earnings and a decrease in ad valorem taxes. The major differences between expenditures in the original budget and the final budget were due to a increase in personal services and materials and supplies and decreases in operating services, travel and other charges and capital outlay.

### **Capital Asset and Debt Administration**

**Capital assets.** The Franklin Parish Assessor's investment in capital assets for its governmental activities as of December 31, 2019, amounts to \$75,170 (net of accumulated depreciation). This investment includes furniture and equipment. There were increases in capital assets of \$1,963 for the year ended December 31, 2019 and decreases of \$763 in capital assets for the year.

**Long-term debt.** The Franklin Parish Assessor contributes to a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The plan provides lifetime healthcare insurance for eligible retirees through the assessor's group health insurance plan. Net OPEB obligation associated with the Retiree Health Plan at December 31, 2019 is \$1,442,676. Net pension liability is \$201,347 at December 31, 2019.

### **Requests for Information**

This financial report is designed to provide a general overview of the Franklin Parish Assessor's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Franklin Parish Assessor, 210 Main Street, Winnsboro, LA 71295.

February 28, 2020

## **BASIC FINANCIAL STATEMENTS**

FRANKLIN PARISH ASSESSOR  
Winnsboro, Louisiana

STATEMENT OF NET POSITION  
December 31, 2019

**ASSETS**

Cash and cash equivalents	\$2,188,984
Receivables	696,392
Prepays	3,958
Capital assets (net of accumulated depreciation)	<u>75,170</u>
<b>TOTAL ASSETS</b>	<b><u>2,964,504</u></b>

**DEFERRED OUTFLOW OF RESOURCES**

Pension related	<u>465,492</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES</b>	<b><u>\$3,429,996</u></b>

**LIABILITIES**

Accounts payable	\$639
Net pension liability	201,347
Net OPEB obligation	<u>1,442,676</u>
<b>TOTAL LIABILITIES</b>	<b>1,644,662</b>

**DEFERRED INFLOWS OF RESOURCES**

Pension and OPEB related	199,851
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**NET POSITION**

Invested in capital assets, net of related debt	75,170
Unrestricted	<u>1,510,313</u>
<b>TOTAL NET POSITION</b>	<b><u>1,585,483</u></b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<b><u>\$3,429,996</u></b>

The accompanying notes are an integral part of this statement.

FRANKLIN PARISH ASSESSOR  
Winnsboro, Louisiana

STATEMENT OF ACTIVITIES  
December 31, 2019

Taxation:	
Personal services	\$728,886
Operating services	47,736
Materials and supplies	11,247
Travel	16,786
Depreciation expense	27,939
Total Program Expenses	<u>832,594</u>
General revenues:	
Taxes - ad valorem	732,905
Intergovernmental:	
State Revenue Sharing	35,248
Interest earned	29,932
Other revenue	107,652
Total General Revenues	<u>905,737</u>
Change in Net Position	73,143
Net Position - Beginning of year	<u>1,512,340</u>
Net Position - End of year	<u><u>\$1,585,483</u></u>

The accompanying notes are an integral part of this statement.

FRANKLIN PARISH ASSESSOR  
Winnsboro, Louisiana  
GOVERNMENTAL FUNDS

Balance Sheet, December 31, 2019

**ASSETS**

Cash and cash equivalents	\$2,188,984
Receivables	696,392
Prepays	<u>3,958</u>
TOTAL ASSETS	<u>\$2,889,334</u>

**LIABILITIES AND FUND EQUITY**

Liabilities:

Accounts payable	<u>\$639</u>
TOTAL LIABILITIES	<u>639</u>
Fund Equity - fund balances - unassigned	<u>2,888,695</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$2,889,334</u>

The accompanying notes are an integral part of this statement.

FRANKLIN PARISH ASSESSOR  
Winnsboro, Louisiana

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

For the Year Ended December 31, 2019

Total Fund Balances at December 31, 2019 - Governmental Funds (Statement C)		<u>\$2,888,695</u>
Deferred outflows of resources		465,492
Cost of capital assets at December 31, 2019	\$315,210	
Less: Accumulated depreciation as of December 31, 2019	<u>(240,040)</u>	75,170
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		
Net pension liability		(201,347)
Net OPEB obligation		(1,442,676)
Deferred inflows of resources		<u>(199,851)</u>
Net Position at December 31, 2019 (Statement A)		<u>\$1,585,483</u>

The accompanying notes are an integral part of this statement.

FRANKLIN PARISH ASSESSOR  
Winnsboro, Louisiana  
GOVERNMENTAL FUNDS

Statement of Revenues, Expenditures,  
and Changes in Fund Balances

For the Year Ended December 31, 2019

**REVENUES**

Taxes - ad valorem	\$732,905
State grant - state revenue sharing	35,248
Use of money and property - interest earnings	29,932
Other revenue	<u>1,953</u>
Total revenues	<u>800,038</u>

**EXPENDITURES**

## Current:

General government - taxation:	
Personal services	592,719
Operating services	47,736
Materials and supplies	11,247
Travel and other charges	16,786
Capital outlay	<u>1,963</u>
Total expenditures	<u>670,451</u>

<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	129,587
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<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>2,759,108</u>
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<b>FUND BALANCES AT END OF YEAR</b>	<u><u>\$2,888,695</u></u>
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The accompanying notes are an integral part of this statement.

FRANKLIN PARISH ASSESSOR  
Winnsboro, Louisiana

Reconciliation of Governmental Funds  
Statement of Revenue, Expenditures, and Changes  
in Fund Balances to the Statement of Activities

For the Year Ended December 31, 2019

Total net change in fund balances - governmental funds (Statement D)	\$129,587
Amounts reported for governmental activities in the Statement of Activities are different due to:	
Capital outlays are reported in governmental funds as expenditures. However, in the statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceed depreciation for the period.	(25,976)
Payments of long-term debt, including contributions to OPEB obligation, are reported as expenditures in governmental funds. However, those amounts are a reduction of long-term liabilities in the Statement of Net Position and are not reflected in the Statement of Activities.	(32,192)
Non-employer contributions to cost-sharing pension plan	105,699
Pension expense	<u>(103,975)</u>
Change in net position of governmental activities (Statement B)	<u>\$73,143</u>

The accompanying notes are an integral part of this statement.

FRANKLIN PARISH ASSESSOR  
Winnsboro, Louisiana

Notes to the Financial Statements  
As of and For the Year Ended December 31, 2019

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, the assessor is elected by the voters of the parish and serves a term of four years, beginning January 1 following the year in which elected. The assessor assesses all real and movable property in the parish, subject to ad valorem taxation, prepares tax rolls, and submits the rolls to the Louisiana Tax Commission and other governmental bodies as prescribed by law. The assessor is authorized to appoint as many deputies as necessary for the efficient operation of his office and to provide assistance to the taxpayers of the parish. The deputies are authorized to perform all functions of the office, but the assessor is officially and pecuniarily responsible for the actions of the deputies.

At December 31, 2019, there are 39,309 real, movable, and public service assessment listings totaling \$136,411,776. This represents an increase of 248 assessment listings. The total taxable valuation increased by \$1,545,209.

The accompanying financial statements of the Franklin Parish Assessor have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis -for State and Local Governments*, issued in June 1999.

**A. REPORTING ENTITY**

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

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

## FRANKLIN PARISH ASSESSOR

Winnsboro, Louisiana

### Notes to the Financial Statements (Continued)

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

Because the police jury maintains and operates the parish courthouse in which the assessor's office is located and provides partial funding for equipment, furniture and supplies of the assessor's office, the assessor was determined to be a component unit of the Franklin Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the assessor and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the Franklin Parish financial reporting entity.

## **B. BASIC FINANCIAL STATEMENTS - GOVERNMENT-WIDE STATEMENTS**

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

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

In the Statement of Net Position, governmental activities are presented on a consolidated basis and are presented on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term obligations. Net position are reported in three parts; invested in capital assets, net of any related debt; restricted net position; and unrestricted net position. The assessor first uses restricted resources to finance qualifying activities.

## FRANKLIN PARISH ASSESSOR

Winnsboro, Louisiana

### Notes to the Financial Statements (Continued)

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

**Program Revenues** - Program revenues included in the Statement of Activities (Statement B) are derived directly from parties outside the assessor's taxpayers or citizenry. Program revenues reduce the cost of the function to be financed from the assessor's general revenues.

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

## C. BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS

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

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

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

FRANKLIN PARISH ASSESSOR  
Winnsboro, Louisiana  
Notes to the Financial Statements (Continued)

**Governmental Fund Type**

**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.

**D. BASIS OF ACCOUNTING**

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

**1. Accrual:**

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

**2. Modified Accrual:**

The governmental fund financial statements are presented on the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

FRANKLIN PARISH ASSESSOR  
Winnsboro, Louisiana  
Notes to the Financial Statements (Continued)

**Revenues**

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

Compensation from taxing bodies is recorded in the year the ad valorem taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The compensation is generally collected in December of the current year and January of the ensuing year.

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

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

Based on the above criteria, ad valorem taxes, compensation from taxing bodies, and fees for preparing tax rolls have been treated as susceptible to accrual.

**Expenditures**

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

**E. CASH AND CASH EQUIVALENTS**

Under state law, the assessor may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2019, the assessor has cash and equivalents (book balances) totaling \$2,188,984 as follows:

Demand deposits	\$268,903
Time deposits	<u>1,920,081</u>
Total	<u>\$2,188,984</u>

*Custodial Credit Risk:* Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. Under state law, the 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

## FRANKLIN PARISH ASSESSOR

Winnsboro, Louisiana

### Notes to the Financial Statements (Continued)

securities plus the federal deposit insurance must at all times equal or exceed 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. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Assessor that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Assessor's name. The Assessor does not have a policy concerning custodial risk.

Cash and cash equivalents (bank balances) at December 31, 2019, are secured as follows:

Bank balances	<u>\$2,204,388</u>
Federal deposit insurance	\$862,904
Pledged securities (uncollateralized)	<u>2,210,368</u>
Total	<u>\$3,073,272</u>

#### F. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The assessor maintains a threshold level of \$500 or more for capitalizing capital assets.

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

<u>Description</u>	<u>Estimated Lives</u>
Furniture and fixtures	5 - 10 years
Vehicles	5 - 15 years
Equipment	5 - 20 years

#### G. ANNUAL AND SICK LEAVE

All employees earn from five to thirty-five days of noncumulative vacation leave annually depending on their length of service. All employees are granted ten days of sick leave annually. At December 31, 2019, there are no accumulated and vested benefits relating to vacation and sick leave.

FRANKLIN PARISH ASSESSOR  
Winnsboro, Louisiana  
Notes to the Financial Statements (Continued)

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current-year expenditure in the General Fund when leave is actually taken.

**H. RISK MANAGEMENT**

The assessor is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. To handle such risk of loss, the assessor maintains commercial insurance policies covering his automobile, professional liability and surety bond coverage. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended December 31, 2019.

**I. PENSION PLANS**

The Franklin Parish Tax Assessors's Office is a participating employer in a cost-sharing, multiple-employer defined benefit pension plan as described in Note 5. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions for the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within the plan.

**J. OPEB PLAN**

The Assessor's defined benefit post employment health care plan provides OPEB to eligible retired employees. The plan provides OPEB for permanent full-time employees of the Assessor. The Assessor's OPEB plan is a single employer defined benefit OPEB plan administered by the Assessor. Benefits are provided through the Louisiana Assessors' Retirement Fund. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the Assessor.

**K. EQUITY CLASSIFICATIONS**

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

## FRANKLIN PARISH ASSESSOR

Winnsboro, Louisiana

### Notes to the Financial Statements (Continued)

- a. 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 borrowing that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

When an expense is incurred for the purposes for which both restricted and unrestricted net position is available, management applies unrestricted resources first, unless a determination is made to use restricted resources. The policy concerning which to apply first varies with the intended use and legal requirements. This decision is typically made by management at the incurrence of the expense.

In the fund financial statements, governmental fund equity is classified as fund balance and displayed in five components. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

*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 government's intent to be used for specific purposes, but are not restricted nor 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.

## FRANKLIN PARISH ASSESSOR

Winnsboro, Louisiana

### Notes to the Financial Statements (Continued)

The General Fund has an unassigned fund balance of \$2,888,695. If applicable, the Assessor would typically use restricted fund balances first, followed by committed resources and assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

## L. ESTIMATES

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

## 2. PRINCIPAL TAXPAYERS

The following are the principal taxpayers for the parish and their 2019 assessed valuation (amounts expressed in thousands):

	2019 Assessed Valuation	Per cent of Total Assessed Valuation
Tennessee Gas Pipeline Co.	\$12,211	8.95%
Perryville Gas Storage	11,131	8.16%
Regency Intrastate	8,804	6.45%
ETC Tiger Pipeline, LLC	4,251	3.12%
Entergy Louisiana, LLC	3,039	2.23%
American Midstream, Inc.	2,140	1.57%
Columbia Gulf Transmission	2,022	1.48%
Northeast Louisiana Power Coop	1,656	1.21%
Winnsboro State Bank	1,631	1.20%
ANR Pipeline Company	1,618	1.19%
Total	<u>\$48,503</u>	<u>35.56%</u>

FRANKLIN PARISH ASSESSOR  
Winnsboro, Louisiana  
Notes to the Financial Statements (Continued)

**3. RECEIVABLES**

The General Fund receivables of \$696,392 December 31, 2019, are as follows:

<u>Class of Receivables</u>	
Taxes - ad valorem	\$660,780
Intergovernmental - state funds - state revenue sharing (net)	35,612
Total	<u>\$696,392</u>

**4. CHANGES IN CAPITAL ASSETS**

A summary of changes in office furnishings and equipment follows:

Balance, January 1, 2019	\$314,010
Additions	1,963
Deletions	<u>(763)</u>
Balance, December 31, 2019	315,210
Less accumulated depreciation	<u>(240,040)</u>
Net Capital Assets	<u>\$75,170</u>

**5. NOTE DISCLOSURES AND REQUIRED SUPPLEMENTARY INFORMATION FOR A COST-SHARING EMPLOYER**

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

***Summary of Significant Accounting Policies.***

The Fund prepares its employer schedules in accordance with Governmental Accounting Statement No. 68 - *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*. GASB Statement No. 68 established standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources and expenses/expenditures. It provides methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to periods of employee service. It also provides methods to calculate participating employer's proportionate share of net pension liability, deferred inflows, deferred outflows, pension expense and amortization periods for deferred inflows and deferred outflows.

## FRANKLIN PARISH ASSESSOR

Winnsboro, Louisiana

### Notes to the Financial Statements (Continued)

The Fund's employer schedules were prepared using the accrual basis of accounting. Employer contributions, on which the employer allocations are based, are recognized in the period in which the employee is compensated for services performed.

The preparation of schedules of employer allocations and pension amounts by employer in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities. Accordingly, actual results may differ from estimated amounts.

#### *Plan Fiduciary Net Position*

Plan fiduciary net position is a significant component of the Fund's collective net pension liability. The Fund's plan fiduciary net position was determined using the accrual basis of accounting. The Fund's assets, liabilities, revenues, and expenses were recorded with the use of estimates and assumptions in conformity with accounting principles generally accepted in the United States of America. Such estimates and assumptions primarily relate to actuarial evaluations or unsettled transactions and events as of the date of the financial statements and estimates in the determination of the fair market value of the Fund's investments. Accordingly, actual results may differ from estimated amounts.

#### *Plan Description.*

The Louisiana Assessors' Retirement and Relief Fund was established for the purpose of providing retirement allowances and other benefits as stated under the provisions of R.S. Title 11:1401 for eligible employees of the assessors' office. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the Fund in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

The Fund has issued a stand-alone audit report on their financial statements. Access to the report can be found on the Louisiana Legislative Auditor's website, [www.la.la.gov](http://www.la.la.gov), or by contacting the Louisiana Assessors' Retirement fund, Post Office Box 14699, Baton Rouge, Louisiana 70898.

#### *Plan Benefits*

##### *Pension benefits*

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

## FRANKLIN PARISH ASSESSOR

Winnsboro, Louisiana

### Notes to the Financial Statements (Continued)

Members whose first employment making them eligible for membership began prior to October 1, 2006, are entitled to annual pension benefits equal to three and one-third percent of their highest monthly average final compensation received during any 36 consecutive months, multiplied by their total years of service, not to exceed 100% of final compensation. Members whose first employment making them eligible for membership began on or after October 1, 2006, but before October 1, 2013, are entitled to annual pension benefits equal to three and one-third percent of their highest monthly average final compensation received during any 60 consecutive months, multiplied by their total years of service, not to exceed 100% of monthly average final compensation. Members whose first employment making them eligible for membership began on or after October 1, 2013 but who have less than thirty years of service, are entitled to annual pension benefits equal to three percent of their highest monthly average final compensation received during any 60 consecutive months, multiplied by their total years of service, not to exceed 100% of monthly average final compensation. Members whose first employment making them eligible for membership began on or after October 1, 2013 and have thirty or more years of service, are entitled to annual pension benefits equal to three and one-third percent of their highest monthly average final compensation received during any 60 consecutive months, multiplied by their total years of service, not to exceed 100% of monthly average final compensation. Employees may elect to receive their pension benefits in the form of a joint and survivor annuity.

If members 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.

The Fund also provides death and disability benefits. Benefits are established or amended by state statute.

For the year ended December 31, 2019, the Franklin Parish Assessor's total payroll for all employees was \$369,726. Total covered payroll was \$342,338. Covered payroll refers to all compensation paid by the Franklin Parish Assessor to active employees covered by the plan.

#### *Contributions*

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ended December 31, 2019, the actual employer contribution rate was 8%, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Members are required by state statute to contribute 8% of their annual covered salary. The contributions are deducted from the member's salary and remitted by the participating agency. Administrative costs of the Fund are financed through employer contributions. The fund also received one-fourth of one percent of the property taxes assessed in each parish of the state as well as a state revenue sharing appropriation. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities,

FRANKLIN PARISH ASSESSOR

Winnsboro, Louisiana

Notes to the Financial Statements (Continued)

but are not considered special funding situations. The Franklin Parish Assessor's contributions to the Fund for the year ending December 31, 2019 were \$27,387.

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

At December 31, 2019, the Assessor reported a liability of \$201,347 for its proportionate share of the net pension liability. The net pension liability was measured as of September 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Assessors' proportion of the net pension liability was based on a projection of the Assessors' long-term share of contributions to the pension plan relative to the projected contributions of all participating assessors', actuarially determined. At September 30, 2019, the Assessors' proportion was 0.7633 percent, which was a decrease of 0.0150 from its proportion measured as of September 30, 2018.

For the year ended December 31, 2019, the Assessor recognized pension expense of \$142,365 plus difference in proportionate share and differences between employer contributions and proportionate share of contributions, which was \$(38,391). Total pension expense for the Assessor for the year ended December 31, 2018 was \$103,975.

At December 31, 2018, the Assessor reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$7,465	\$94,995
Changes in assumptions	212,634	
Net Difference between projected and actual earnings on pension plan		23,379
Changes in employer's proportion of beginning NPL	6,787	4,397
Differences between employer and proportionate share of contributions		455
Subsequent measurement contributions	6,847	
Total	\$233,733	\$123,226

\$6,847 reported as deferred outflows of resources related to pensions resulting from the Assessors' contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

FRANKLIN PARISH ASSESSOR  
Winnsboro, Louisiana  
Notes to the Financial Statements (Continued)

Year ended December 31:	
2019	\$6,338
2020	17,571
2021	38,706
2022	36,084
2023	4,961

**Actuarial assumptions.** The total pension liability in the September 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date	September 30, 2019
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment rate of return	6.00%, net of investment expense
Inflation rate	2.20%
Salary increases	5.75%
Annuitant and beneficiary mortality	RP-2000 Healthy Annuitant Table set forward one year and projected to 2030 for males and females
Active members mortality	RP-2000 Employee Table set back four years for males and three years for females
Disabled lives mortality	RP-2000 Disabled Lives Mortality Table set back five years for males and three years for females

The long-term expected rate of return on pension plan investments was determined using a building block method.

***Sensitivity of the Assessors' 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 6.00%, as well as what the funds 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 rate.

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Assessors' proportionate share of the net pension liability	\$572,101	\$201,347	(\$116,427)

## FRANKLIN PARISH ASSESSOR

Winnsboro, Louisiana

### Notes to the Financial Statements (Continued)

#### 6. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

**Plan Description.** The Franklin Parish Assessor (the Assessor) provides certain continuing health care and life insurance benefits for its retired employees. The Franklin Parish Assessor's OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the Assessor. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the Assessor. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB) Codification Section P52 *Postemployment Benefits Other Than Pensions-Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria-Defined Benefit*.

**Benefits Provided** - Medical, dental, and life benefits are provided through comprehensive plans and are made available to employees upon actual retirement. Employees are covered by the Louisiana Assessors' Retirement Fund, whose retirement eligibility (D.R.O.P. entry) provisions are as follows: Attainment of age 55 and 12 years of service; or, any age and 30 years of service; employees hired on and after October 1, 2013 are not able to retire or enter DROP until age 60 with 12 years of service; or, age 55 with 30 years of service. The retiree must also have 20 years of service for the retiree to receive employer contributions.

Life insurance coverage is provided to retirees and 100% of the blended rate (active and retired) is paid by the employer. The amount of insurance coverage while active is continued after retirement, but insurance coverage amounts are reduced to 50% of the original amount at age 70 or at retirement.

**Employees covered by the benefit terms** - At December 31, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	8
Inactive employees entitled to but not yet receiving benefit payments	0
Active employees	6
Total employees	<u>14</u>

#### Total OPEB Liability

The Assessor's total OPEB liability of \$1,442,676 was measured as of December 31, 2019 and was determined by an actuarial valuation as of that date.

**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:

Inflation	2.5%
Salary increases	4.0%, including inflation
	4.10%, annually (Beginning of Year to Determine ADC)

# FRANKLIN PARISH ASSESSOR

Winnsboro, Louisiana

## Notes to the Financial Statements (Continued)

	2.74% annually (As of End of Year Measurement Date)
Healthcare cost trend rates	Flat 5.5% annually

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index as of December 31, 2019, the end of the applicable measurement period.

Mortality rates were based on the RP-2000 Table without projection with 50%/50% unisex blend.

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of ongoing evaluations of the assumptions from January 1, 2009 to December 31, 2019.

### Changes in the Total OPEB Liability

Balance at December 31, 2017	\$1,165,954
Changes for the year:	
Service cost	24,777
Interest	48,312
Differences between expected and actual	54,325
Changes in assumptions	216,060
Benefit payments and net transfers	(66,752)
Net Changes	276,722
Balance at December 31, 2019	<u>\$1,442,676</u>

*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 1-percentage-point lower (3.10%) or 1-percentage-point higher (5.10%) than the current discount rate:

	<b>1.0% Decrease (3.10%)</b>	<b>Current Discount Rate (4.10%)</b>	<b>1.0% Increase (5.10%)</b>
Total OPEB liability	\$1,652,175	\$1,442,676	\$1,271,580

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates* - 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 1-percentage-point lower (4.5%) or 1-percentage-point higher (6.5%) than the current discount rate:

	<b>1.0% Decrease (4.5%)</b>	<b>Current Discount Rate (5.5%)</b>	<b>1.0% Increase (6.5%)</b>
Total OPEB liability	\$1,318,035	\$1,442,676	\$1,597,213

**FRANKLIN PARISH ASSESSOR**

Winnsboro, Louisiana

**Notes to the Financial Statements (Continued)****OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended December 31, 2019, the Assessor recognized OPEB expense of \$98,945. At December 31, 2019, the Assessor reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual expenditures	\$46,564	(\$3,510)
Changes in assumptions	185,194	(73,115)
Total	<u>\$231,759</u>	<u>(\$76,625)</u>

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

Year ended December 31:	
2019	\$25,856
2020	25,856
2021	25,856
2022	25,856
2023	25,856
Thereafter	\$25,856

**7. LITIGATION AND CLAIMS**

The Franklin Parish Assessor is not involved in any litigation at December 31, 2019, nor is he aware of any unasserted claims.

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

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

**REQUIRED SUPPLEMENTARY INFORMATION**

**PART II**

FRANKLIN PARISH ASSESSOR  
Winnsboro, Louisiana

BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
For the Year Ended December 31, 2019

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>				
Taxes - ad valorem	\$750,000	\$748,000	\$732,905	(\$15,095)
Intergovernmental-state funds:				
State revenue sharing	35,160	37,795	35,248	(2,547)
Use of money and property - interest earnings	27,250	29,964	29,932	(32)
Intergovernmental revenue				
Other	1,500	1,434	1,953	519
Total revenues	<u>813,910</u>	<u>817,193</u>	<u>800,038</u>	<u>(17,155)</u>
<b>EXPENDITURES</b>				
Current:				
General government - taxation:				
Personal services and related benefits	590,818	592,608	592,719	(111)
Operating services	50,362	49,422	47,736	1,686
Materials and supplies	7,900	11,928	11,247	681
Travel and other charges	17,530	16,694	16,786	(92)
Capital outlay	6,000		1,963	(1,963)
Total expenditures	<u>672,610</u>	<u>670,652</u>	<u>670,451</u>	<u>201</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	141,300	146,541	129,587	(16,954)
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>2,646,294</u>	<u>2,759,108</u>	<u>2,759,108</u>	<u>NONE</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$2,787,594</u>	<u>\$2,905,649</u>	<u>\$2,888,695</u>	<u>(\$16,954)</u>

See accompanying note to budgetary comparison schedule.

Franklin Parish Assessor  
Winnsboro, Louisiana

NOTE TO BUDGETARY COMPARISON SCHEDULE

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

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying financial statement include the original adopted budget amounts. There was one budget amendment for the year ended December 31, 2019.

**Schedule 2**

Franklin Parish Assessor  
Schedule of Changes in Net OPEB Liability and Related Ratios  
FYE December 31, 2019

Schedule of Funding Progress

<b>Total OPEB Liability</b>	<u>2018</u>	<u>2019</u>
Service cost	\$29,707	\$24,777
Interest	43,783	48,312
Changes of benefits terms	NONE	NONE
Differences between expected and actual experience	(4,680)	54,325
Changes of assumptions	(97,487)	216,060
Benefit payments	<u>(63,272)</u>	<u>(66,752)</u>
Net change in total OPEB liability	(91,949)	276,722
Total OPEB liability - beginning	<u>1,257,903</u>	<u>1,165,954</u>
Total OPEB liability - ending	<u><u>\$1,165,954</u></u>	<u><u>\$1,442,676</u></u>
Covered employee payroll	\$331,338	\$341,278
Net OPEB liability as a percentage of covered-employee payroll	351.89%	422.73%
<i>Benefit Changes</i>	None	None
<i>Changes in Assumptions</i>	None	None
<i>Discount Rate</i>	4.10%	2.74%

Note:

*Benefit Changes.* There were no changes of benefit terms for the year ended December 31, 2019

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

**Franklin Parish Assessor**  
**Schedule of Employer's Share of Net Pension Liability**  
**December 31, 2019**

<u>Fiscal Year*</u>	<u>Employer Proportion of the Net Pension Liability (Asset)</u>	<u>Employer Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
2014	0.748520%	\$261,680	\$345,825	75.67%	89.98%
2015	0.723198%	\$378,466	\$303,885	124.54%	85.57%
2016	0.753273%	\$265,807	\$327,953	81.05%	90.68%
2017	0.773768%	\$135,774	\$339,704	39.97%	95.61%
2018	0.748298%	\$145,472	\$329,839	44.10%	95.46%
2019	0.763308%	\$201,347	\$339,589	59.29%	94.12%

\* - Amounts presented were determined as of the measurement date (9/30/19).

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

**Franklin Parish Assessor  
Schedule of Employer Contributions  
December 31, 2019**

<u>Fiscal Year*</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relations to Contractual Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
2014	\$46,686	\$46,686	\$0	\$345,825	13.50%
2015	\$41,025	\$41,025	\$0	\$303,885	13.50%
2016	\$44,274	\$44,274	\$0	\$327,953	13.50%
2017	\$33,970	\$33,970	\$0	\$339,704	10.00%
2018	\$26,387	\$26,387	\$0	\$329,839	8.00%
2019	\$27,167	\$27,167	\$0	\$339,589	8.00%

\* - Amounts presented were determined as of the end of the measurement date (9/30/19).

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

**OTHER SUPPLEMENTARY INFORMATION**

**PART III**

FRANKLIN PARISH ASSESSOR  
Winnsboro, Louisiana

Schedule of Compensation, Benefits and Other Payments to Agency Head  
For the Year Ended December 31, 2019

RODNEY ELROD, ASSESSOR

PURPOSE	AMOUNT
Salary	\$131,796
Expense allowance	13,180
Benefits-insurance	23,996
Benefits-retirement	23,196
Benefits-deferred compensation	4,248
Vehicle Provided by Government (W-2)	610
Cellphone	1,609
Registration fees	475
Housing and lodging	1,142
Surety bond	100
Membership dues	295
Association dues	3,417

**REPORTS REQUIRED BY  
GOVERNMENT AUDITING STANDARDS  
PART III**

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

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

Member:  
American Institute of  
Certified Public Accountants  
Society of Louisiana Certified  
Public Accountants

**MARY JO FINLEY, CPA, INC.**  
*A PROFESSIONAL ACCOUNTING CORPORATION*  
116 Professional Drive - West Monroe, LA 71291  
Phone (318) 329-8880 - Fax (318) 239-8883

Practice Limited to  
Governmental Accounting,  
Auditing and  
Financial Reporting

**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***

FRANKLIN PARISH ASSESSOR  
Winnsboro, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the Franklin Parish Assessor, a component unit of the Franklin Parish Police Jury, as of and for the year ended December 31, 2019 and the related notes to the financial statements, which collectively comprise the Franklin Parish Assessor's basic financial statements, and have issued my report thereon dated February 28, 2020.

**Internal Control Over Financial Reporting**

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

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

My consideration of internal control 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 have not been identified. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

FRANKLIN PARISH ASSESSOR

Winnsboro, Louisiana

Independent Auditor's Report on Compliance

And Internal Control Over Financial Reporting, etc.

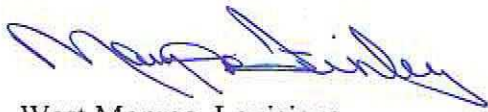
December 31, 2019

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Franklin Parish Assessor's financial statements are free from material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Franklin Parish Assessor's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Franklin Parish Assessor'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.



West Monroe, Louisiana

February 28, 2020

FRANKLIN PARISH ASSESSOR  
Winnsboro, Louisiana

Schedule of Findings and Responses  
For the Year Ended December 31, 2019

**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unmodified opinion on the annual financial statements of the Franklin Parish Assessor.
2. No instances of noncompliance material to the financial statements of the Franklin Parish Assessor were disclosed during the audit.
3. No significant deficiencies relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control.

**B. FINDINGS - FINANCIAL STATEMENTS AUDIT**

None

**FRANKLIN PARISH ASSESSOR  
Winnsboro, Louisiana**

**Summary Schedule of Prior Audit Findings  
For the Year Ended December 31, 2019**

There were no findings reported in the audit report for the year ended December 31, 2018.

Independent Accountant's Report  
on Applying Agreed-Upon Procedures

Franklin Parish Assessor  
6552 Main Street  
Winnsboro, LA 71295

To the Franklin Parish Assessor's Office

I have performed the procedures enumerated below, which were agreed to by the management of the Franklin Parish Assessor's Office and the Louisiana Legislative Auditor, State of Louisiana, on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2019 through December 31, 2019. Management of Franklin Parish Assessor's Office is responsible for those C/C areas identified in the SAUPs.

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

The procedures and associated findings are as follows:

**AGREED-UPON PROCEDURES**

**WRITTEN POLICIES AND PROCEDURES**

1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
  - A. Budgeting, including preparing, adopting, monitoring, and amending the budget.
  - B. Purchasing, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
  - C. Disbursements, including processing, reviewing, and approving

- D. Receipts, including receiving, recording, and preparing deposits
- E. Payroll/Personnel, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- F. Contracting, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process
- G. Credit Cards (and debit cards, fuel cards, P-Cards, if applicable), including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage.
- H. Travel and expense reimbursement, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- I. Ethics, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.
- J. Debt Service, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- K. Disaster Recovery/Business Continuity, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification personnel, processes, and tools needed to recover operations after a critical event.

The Franklin Parish Assessor had policies and procedures in the prior year AUP, therefore this section was excluded from testing for the current period. The Disaster Recovery/Business Continuity policy and procedures was added as required.

#### **BOARD (OR FINANCE COMMITTEE, IF APPLICABLE)**

- 2. The Franklin Parish Assessor's office does not have a board or a finance committee therefore this procedure is not applicable.

#### **BANK RECONCILIATIONS**

- 3. The Franklin Parish Assessor had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

## **COLLECTIONS**

4. The Franklin Parish Assessor had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.
5. The Franklin Parish Assessor had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.
6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

The assessor has surety bond coverage on himself, but none of the other employees are covered by theft insurance.

7. The Franklin Parish Assessor had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

## **NON-PAYROLL DISBURSEMENTS (EXCLUDING CARD PURCHASES/PAYMENTS, TRAVEL REIMBURSEMENTS, AND PETTY CASH PURCHASES)**

8. The Franklin Parish Assessor had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.
9. The Franklin Parish Assessor had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.
10. The Franklin Parish Assessor had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

## **CREDIT CARDS/DEBIT CARDS/FUEL CARDS/P-CARDS**

11. The Franklin Parish Assessor had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.
12. The Franklin Parish Assessor had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.
13. The Franklin Parish Assessor had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

## **TRAVEL AND EXPENSE REIMBURSEMENT**

14. The Franklin Parish Assessor had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

## **CONTRACTS**

15. The Franklin Parish Assessor had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

## **PAYROLL AND PERSONNEL**

16. The Franklin Parish Assessor had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.
17. The Franklin Parish Assessor had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.
18. The Franklin Parish Assessor had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.
19. The Franklin Parish Assessor had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

## **ETHICS (EXCLUDING NONPROFITS)**

20. The Franklin Parish Assessor had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

## **DEBT SERVICE**

21. The Franklin Parish Assessor had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.
22. The Franklin Parish Assessor had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

## **OTHER**

23. The Franklin Parish Assessor had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

24. The Franklin Parish Assessor had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

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

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



Mary Jo Finley, CPA  
February 28, 2020

6552 MAIN STREET

TELEPHONE (318) 435-5390

FAX (318) 435-5302



**ROD ELROD**  
FRANKLIN PARISH ASSESSOR  
WINNSBORO, LOUISIANA 71295

AUP—No. 6

The Assessor is covered by a surety bond. We will research the options to obtain surety bond coverage for all employees who collect funds.

A handwritten signature in black ink that reads "Rod Elrod". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.