

**Natchitoches Parish Tax Assessor**  
A Component Unit of the Natchitoches Parish Government  
Natchitoches, Louisiana

Annual Financial Statements  
with Independent Auditor's Report

As of and For the Year Ended  
December 31, 2018  
with Supplemental Information Schedules

**KENNETH D. FOLDEN & CO.**

CERTIFIED PUBLIC ACCOUNTANTS

302 EIGHTH STREET  
JONESBORO, LA 71251  
(318) 259-7316

FAX (318) 259-7315  
kfolden@foldencpa.com

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Contents

	Statement	Page
<b>Independent Auditor's Report</b>		4 - 5
<b>Basic Financial Statements</b>		
Government-Wide Financial Statements:		
Statement of Net Position	A	8
Statement of Activities	B	9
<b>Fund Financial Statements</b>		
<b>Governmental Funds</b>		
Balance Sheet	C	11
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	D	12
Statement of Revenues, Expenditures, and Changes in Fund Balance	E	13
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	F	14
Notes to the Financial Statements		16 - 37

Natchitoches Parish Tax Assessor  
Annual Financial Statements  
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As of and for the year ended December 31, 2018  
with Supplemental Information Schedules

	Schedule	Page
<b>Independent Auditor's Report on Internal Control and on Compliance and Other Matters</b>		
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		38 - 39
<b>Required Supplementary Information - Part II</b>		
Budgetary Comparison Schedule		
General Fund	1	41
Schedule of Employer's Share of Net Pension Liability	2a	42
Schedule of Employer Contributions	2b	43
Schedule of Changes in Total OPEB Liability and Related Ratios	3	44
<b>Supplemental Information Schedules</b>		
Schedule of Findings and Questioned Costs	4	46
Schedule of Compensation, Benefits, and Other Payments to Agency Head	5	47
<b>Statewide Agreed-Upon Procedures</b>		
Independent Accountant's Report on Applying Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures		48 - 55
Louisiana Agreed-Upon Procedures Representation Form		56 - 58

# Kenneth D. Folden & Co.

Kenneth D. Folden, CPA

Certified Public Accountants

Alayna C. Huckaby, CPA

Members  
Society of Louisiana  
Certified Public Accountants  
email: kfolden@foldencpa.com

302 Eighth Street  
Jonesboro, LA 71251  
(318) 259-7316  
FAX (318) 259-7315

Members  
American Institute of  
Certified Public Accountants  
email: ahuckaby@foldencpa.com

## Independent Auditor's Report

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Natchitoches Parish Tax Assessor, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Natchitoches Parish Tax Assessor's basic financial statements as listed in the table of contents.

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

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

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of the Natchitoches Parish Tax Assessor, as of December 31, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, the schedule of employer's share of net pension liability, the schedule of employer contributions, and the schedule of changes in total OPEB liability and related ratios, 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Natchitoches Parish Tax Assessor's basic financial statements. The Schedule of Compensation, Benefits, and Other Payments to Agency Head is presented for the purposes of additional analysis and is not a required part of the basic financial statements.

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

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

In accordance with Government Auditing Standards, we have also issued our report dated June 28, 2019 on our consideration of the Natchitoches Parish Tax Assessor's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Natchitoches Parish Tax Assessor's internal control over financial reporting and compliance.

*Kenneth D. Folden & Co., CPAs*

Jonesboro, Louisiana  
June 28, 2019

# **BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE  
FINANCIAL STATEMENTS**

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Statement of Net Position  
As of December 31, 2018

	Governmental Activities
<b>Assets</b>	
Cash and equivalents	\$ 51,995
Investments	4,892,511
Accounts receivable	1,214,780
Capital assets (net of accumulated depreciation)	<u>22,548</u>
<b>Total Assets</b>	<u>6,181,834</u>
<b>Deferred Outflows of Resources</b>	
Deferred Outflows of Resources - Pension	290,716
Deferred Outflows of Resources - OPEB	<u>151,435</u>
<b>Total Deferred Outflows of Resources</b>	<u>442,151</u>
<b>Liabilities</b>	
<b>Current Liabilities:</b>	
Accounts payable	5,722
Payroll liabilities	1,278
<b>Non-Current Liabilities:</b>	
Net other post employment benefits obligation	2,044,633
Net pension liability	<u>188,870</u>
<b>Total Liabilities</b>	<u>2,240,503</u>
<b>Deferred Inflows of Resources</b>	
Deferred Inflows of Resources - Pension	189,788
Deferred Inflows of Resources - OPEB	<u>708,228</u>
<b>Total Deferred Inflows of Resources</b>	<u>898,016</u>
<b>Net Position</b>	
Net investment in capital assets	22,548
Unrestricted	<u>3,462,918</u>
<b>Total Net Position</b>	<u>\$ 3,485,466</u>

The accompanying notes are an integral part of these financial statements.

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Statement of Activities  
For the Year Ended December 31, 2018

	Major Funds			Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<u>Functions/Programs</u>					
Primary government					
Governmental activities					
General government	\$ 966,991	\$ 21,096	\$ -	\$ -	(945,895)
Total governmental activities	<u>\$ 966,991</u>	<u>\$ 21,096</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(945,895)</u>
<u>General Revenues</u>					
Taxes:					
Property taxes, levied for general purposes					1,298,852
Intergovernmental					54,813
Investment earnings					23,887
Other revenue					131,224
Net increase (decrease) in the fair value of investments					40,215
Total general revenues					<u>1,548,991</u>
Change in net position					603,096
Prior period adjustment - OPEB obligation					(1,260,765)
Net position - December 31, 2017					<u>4,143,134</u>
Net position - December 31, 2018					<u>\$ 3,485,465</u>

The accompanying notes are an integral part of these financial statements.

# **FUND FINANCIAL STATEMENTS**

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Balance Sheet - Governmental Funds  
As of December 31, 2018

	Governmental Funds
<b>Assets</b>	
Cash and equivalents	\$ 51,995
Investments	4,892,511
Accounts receivable	1,214,780
<b>Total Assets</b>	<b>\$ 6,159,286</b>
<b>Liabilities &amp; Fund Balances</b>	
<b>Liabilities:</b>	
Accounts payable	\$ 5,722
Payroll liabilities	1,278
<b>Total Liabilities</b>	<b>7,000</b>
<b>Fund balances:</b>	
Unassigned	6,152,286
<b>Total Fund Balances</b>	<b>6,152,286</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 6,159,286</b>

The accompanying notes are an integral part of these financial statements.

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position  
As of December 31, 2018

Total Fund Balances at December 31, 2018 - Governmental Funds (Statement C)	\$	6,152,286
<p>Total Net Position reported for governmental activities in the Statement of Net Position (Statement A) are different because:</p>		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds, net of depreciation.		22,548
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Net other post employment benefits		(2,044,633)
Net pension liability		(188,870)
Deferred outflows of resources		442,151
Deferred inflows of resources		<u>(898,016)</u>
Net Position at December 31, 2018	\$	<u><u>3,485,466</u></u>

The accompanying notes are an integral part of these financial statements.

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds  
For the Year Ended December 31, 2018

		Governmental Funds
<b>Revenues</b>		
Taxes:		
Ad valorem tax	\$	1,298,852
Intergovernmental		54,813
Charges for services		21,096
<b>Total revenues</b>		1,374,761
<b>Expenditures</b>		
Current:		
General government		
Personnel services		742,324
Repairs and maintenance		17,920
Contractual services		34,316
Office		20,090
Training, education, and travel		33,328
<b>Total expenditures</b>		847,978
<b>Excess (deficiency) of revenues over (under) expenditures</b>		526,783
<b>Other financing sources (uses)</b>		
Investment earnings		23,887
Net increase (decrease) in fair value of investments		40,215
<b>Total other financing sources (uses)</b>		64,102
<b>Net changes in fund balances</b>		590,885
<b>Fund balances - December 31, 2017</b>		5,561,400
<b>Fund balances - December 31, 2018</b>	\$	6,152,285

The accompanying notes are an integral part of these financial statements.

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures,  
and Changes in Funds Balances to the Statement of Activities  
For the Year Ended December 31, 2018

Total net change in Fund Balances - Governmental Funds (Statement E)	\$	590,886
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Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets capitalized over their estimated useful lives as depreciation expense. This is the amount by which capital outlay differs from depreciation for the period.

Depreciation		(44,550)
Capital outlay		-

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

Net other post employment benefits		13,219
Net pension liability decrease (increase)		43,542
Change in net position of governmental activities (Statement B)	\$	603,097

The accompanying notes are an integral part of these financial statements.

**NOTES TO THE  
FINANCIAL STATEMENTS**

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Notes to the Financial Statements  
As of and for the year ended December 31, 2018

## INTRODUCTION

As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, Assessors are elected by the voters of each parish and serve terms of four years. The Assessors assess property, prepare tax rolls, and submit tax rolls to the Louisiana Tax Commission.

The Assessor's office is located in the Natchitoches Parish Courthouse in Natchitoches, Louisiana. The Assessor employs 5 deputies. In accordance with Louisiana law, the Assessor bases real and movable property assessments on conditions existing on January 1 of the tax year. The Assessor completes an assessment listing by May 1 of the tax year and submits the list to the parish governing authority and the Louisiana Tax Commission as prescribed by law. Once the assessment listing is approved, the Assessor submits the assessment roll to the parish tax collector who is responsible for collecting and distributing taxes to the various taxing bodies.

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Basis of Presentation

The accompanying financial statements of the Assessor have been prepared in conformity with accounting principles generally accepted in the United States of America (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 Assessor applies all relevant GASB pronouncements, and GAAP, as applicable to governmental entities. Also, the Assessor's financial statements are prepared in accordance with the requirements of Louisiana R.S. 24:513 and Audits of State and Local Government Units, published by the American Institute of Certified Public Accountants.

#### B. Reporting Entity

GASB Statement No. 14, The Financial Reporting Entity, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. As the governing authority of the parish, for reporting purposes, the Natchitoches Parish Government is the financial reporting entity for Natchitoches Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the 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.

GASB Statement No. 39, Determining Whether Certain Organizations are Component Units, establishes criteria for determining which, if any, component units should be considered part of the Natchitoches Parish Government for financial reporting purposes. GASB Statement No. 61 provides additional criteria for classifying entities as component units. The basic criterion for including a potential component unit within the reporting entity is financial accountability, which includes:

1. Appointing a voting majority of an organization's governing body, and:
  - i. The ability of the government to impose its will on that organization and/or
  - ii. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the government.

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Notes to the Financial Statements  
As of and for the year ended December 31, 2018

2. Organizations for which the government does not appoint a voting majority but are fiscally dependent on the government and there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the government regardless of whether the organization has a separately elected governing board, a governing board appointed by a higher level of government, or a jointly appointed board.

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.

Since the Assessor is fiscally dependent on the parish government, the Assessor has been determined to be a component unit of the Natchitoches Parish Government. The accompanying financial statements present information only on the funds maintained by the Assessor and do not present information on the parish government, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

### C. Government-Wide Financial Statements

The Assessor's government-wide financial statements include the Statement of Net Position and the Statement of Activities. These statements present summaries of the governmental activities for the Assessor. Fiduciary activities of the Assessor are not included in these statements.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the Assessor's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in Net Position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. 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.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Natchitoches Parish Tax Assessor's governmental activities.

Program Revenues - Program revenues included in the Statement of Activities (Statement B) derive directly from parties outside the Assessor's taxpayers or citizenry, including (a) fees and charges paid by the recipient for goods or services offered by the program, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program; program revenues reduce the cost of the function to be financed from the Assessor's general revenues.

Direct 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. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function.

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Notes to the Financial Statements  
As of and for the year ended December 31, 2018

Indirect Expenses - The Assessor reports all indirect expenses separately on the Statement of Activities (Statement B). Indirect expenses are those expenses that are not clearly identifiable with a function. Interest on long-term debt is considered an indirect expense.

General revenues are taxes and other items that are not properly included among program revenues.

**D. Fund Financial Statements**

The accounts of the Natchitoches Parish Tax Assessor are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, expenditures or expenses, as appropriate, additions, and deductions. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained is consistent with legal and managerial requirements. Funds of the Assessor are classified into one category: governmental.

**Governmental Funds**

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-Wide financial statements. The Assessor has presented all major funds.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources are included on the Balance Sheets. Amounts recorded as assets exclude capital assets and the acquisition of capital assets is treated as an expenditure. Long-term debts are reported as an other financing source, and repayment of long-term debt is reported as an expenditure. The Statement of Revenues, Expenditures and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balance.

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

"Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon thereafter to pay liabilities of the current period. Accordingly, revenues are recorded when received in cash and when collected within 60 days after year-end. Expenditures are recorded in the accounting period in which the related fund liability is incurred, except for principal and interest on general long-term debt, which are recognized when due.

The Natchitoches Parish Tax Assessor reports the following major governmental funds:

General Fund - The primary operating fund of the Assessor, the General Fund accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to Assessor policy.

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Notes to the Financial Statements  
As of and for the year ended December 31, 2018

*Revenues*

The governmental funds use the following practices in recording revenues:

Those revenues susceptible to accrual are property taxes and charges for services.

Entitlements and shared revenues are recorded as unrestricted grants-in-aid at the time of receipt or earlier if the susceptible-to-accrual criteria are met. Expenditure-driven grants are recognized when the qualifying expenditures have been incurred, all other grant requirements have been met, and the susceptible-to-accrual criteria have been met.

Interest earnings are recorded when the investments have matured and the interest is available.

*Expenditures*

The governmental funds use the following practices in recording expenditures:

Purchases of various operating supplies, etc. are recorded as expenditures when the related fund liability is incurred.

Principal and interest on long-term debt are recognized when due.

*Other Financing Sources (Uses)*

The governmental funds use the following practices in recording other financing sources (uses):

Sales of fixed assets and long-term debt proceeds and payments are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

**E. Equity Classifications**

The Natchitoches Parish Tax Assessor has implemented GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.

In the Government-Wide Financial Statements, the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources is classified as net position and reported in three components:

Net investment in capital assets: This classification consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of these assets.

Restricted net position: This classification consists of net position with constraints placed on its use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or law through constitutional provision or enabling legislation.

Unrestricted net position: Any other net position that does not meet the definition of "restricted" or "net investment in capital assets."

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Notes to the Financial Statements  
As of and for the year ended December 31, 2018

When an expense is incurred for the purposes for which both restricted and unrestricted net position are available, management applies unrestricted net position first, unless a determination is made to use restricted net position. 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.

The Governmental Fund Financial Statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Assessor is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

**Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The Assessor did not have any nonspendable funds for the year ended December 31, 2018.

**Restricted:** This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The Assessor did not have any restricted funds for the year ended December 31, 2018.

**Committed:** This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Assessor. These amounts cannot be used for any other purpose unless the Assessor removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Assessor typically establishes commitments through the adoption and amendment of the budget. The Assessor did not have any committed funds for the year ended December 31, 2018.

**Assigned:** This classification includes amounts that are constrained by the Assessor's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Assessor or through the Assessor for specific purposes. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund. The Assessor has no assigned funds for year ended December 31, 2018.

**Unassigned:** This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts. All funds of the Assessor are designated as unassigned.

The Assessor would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Notes to the Financial Statements  
As of and for the year ended December 31, 2018

**F. Budgets**

Prior to the beginning of each fiscal year, the Natchitoches Parish Tax Assessor adopts a budget for the next fiscal year. The budget can be amended before the end of the fiscal year under the same process used to adopt a budget. The budget is open for public inspection. All budgetary appropriations lapse at the end of the fiscal year. The budget is prepared on the modified accrual basis of accounting.

The 2018 General Fund budget was published in the official journal and made available for public inspection. The budget was adopted by the Assessor on December 13, 2017. The budget had no amendments.

**G. Cash and Cash Equivalents**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Natchitoches Parish Tax Assessor may deposit funds in demand deposits in stock-owned federally insured depository institutions organized under the laws of the state of Louisiana or of any other state of the United States, or under the laws of the United States. The Assessor may invest in certificates and time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

For the purposes of the statement of cash flows, cash equivalents include all highly liquid investments with a maturity date of 90 days or less when purchased.

Under state law, the Assessor may invest in United States bonds, treasury notes, or certificates. Those with maturities of 90 days or less would be classified as cash equivalents and all other reported as investments.

**H. Investments**

The Natchitoches Parish Tax Assessor's investments comply with Louisiana Revised Statute 33:2955. Under state law, the Assessor may deposit funds with a fiscal agent organized under the laws of Louisiana, the laws of any other state in the union, or the laws of the United States. The Assessor may invest in United States bonds, treasury notes and bills, or government-backed agency securities or certificates, and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. These deposits are classified as investments if their original maturities exceed 90 days. Investments are stated at fair value except for those which are permitted under GASB Statement No. 31 to use a different valuation measurement.

In accordance with paragraph 69 of GASB Statement No. 72, the Assessor reports at amortized cost money market investments and participating interest-bearing investment contracts that have a remaining maturity at the time of purchase of one year or less. Money market investments are short-term, highly liquid debt instruments that include U.S. Treasury obligations.

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Notes to the Financial Statements  
As of and for the year ended December 31, 2018

**I. Capital Assets**

Capital assets, which include property, plant, and equipment, are recorded in the governmental column of the government-wide financial statements, but are not reported in the governmental fund financial statements. Acquisitions of property and equipment 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.

The costs of normal maintenance and repairs that do not add to the value of that asset or materially extend the life of that asset are not capitalized.

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

Furniture, fixtures, equipment	5-10 years
Buildings, improvements	10-20 years

**J. Deferred Outflows of Resources**

The Assessor reports decreases in net position that relate to future periods as deferred outflows of resources in a separate section of its government-wide and proprietary funds statements of net position. The Assessor will not recognize the related expenses until a future event occurs. The Assessor reported deferred outflows of resources of \$442,151, but no deferred outflows of resources affect the governmental funds financial statements. Deferred outflows of resources of \$290,716 are related to the net pension liability, and deferred outflows of resources of \$151,435 are related to the net other post employment benefits obligation.

**K. Deferred Inflows of Resources**

The Assessor reports decreases in net position that relate to future periods as deferred inflows of resources in a separate section of its government-wide and proprietary funds statements of net position. The Assessor will not recognize the related revenues until a future event occurs. The Assessor reported deferred inflows of resources of \$898,016, but no deferred inflows of resources affect the governmental funds financial statements. Deferred inflows of resources of \$189,788 are related to the net pension liability, and deferred inflows of resources of \$708,228 are related to the net other post employment benefits obligation.

**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.

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Notes to the Financial Statements  
As of and for the year ended December 31, 2018

**2. Ad Valorem Tax**

The Assessor levies taxes on real and business personal property located within the boundaries of Natchitoches Parish. Property taxes are levied by the Assessor on property values assessed by the Assessor and approved by the State of Louisiana Tax Commission.

The Natchitoches Parish Sheriff's office bills and collects property taxes. The Assessor recognizes property tax revenues when levied.

Property Tax Calender

Assessment date	January 1
Levy date	June 30
Tax bills mailed	October 15
Total taxes are due	December 31
Penalties and interest added	January 31
Lien date	January 31
Tax sale	May 15

The Assessor is permitted to levy taxes up to 10% of the assessed property valuation for each specified purpose after the approval by the voters of the parish. Property taxes are recorded as receivables and revenues in the year assessed.

Assessed values are established by the Natchitoches Parish Tax Assessor each year on a uniform basis at the following ratios to fair market value:

10% land	15% machinery
10% residential	15% commercial improvements
15% industrial improvements	25% public services properties, excluding land

**3. Cash and Cash Equivalents**

At December 31, 2018, the Assessor had cash and cash equivalents (book balances) totaling \$51,995, details shown below. 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 times equal the amount on deposit with the fiscal agent.

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Notes to the Financial Statements  
As of and for the year ended December 31, 2018

At December 31, 2018, the Assessor had \$79,464 in deposits (collected bank balances). These deposits are secured from risk by \$250,000 federal deposit insurance. Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement No. 40, Louisiana Revised Statute 30:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified that the fiscal agent has failed to pay deposited funds upon demand. Louisiana R.S. 39:1224 requires bonds, or other such instruments furnished as security, to be deposited with the depositing authority or with an unaffiliated bank or trust company, Federal Reserve Bank, or any Federal Home Loan Bank or its successor. This security is deemed to be under the control and in the possession of the public entity and deemed to be held in its name. The Natchitoches Parish Tax Assessor has complied with these requirements of state law.

Cash and investments are categorized to give an indication of the level of risk assumed by the Assessor at December 31, 2018. Deposits are considered to be exposed to custodial credit risk if they are not covered by depository insurance and the deposits are (a) uncollateralized, (b) collateralized with securities held by the pledging financial institution, or (c) collateralized with securities held by the the pledging financial institution's trust department or agent but not in the depositor-government's name. The Natchitoches Parish Tax Assessor has cash and cash equivalents that are covered by \$250,000 of federal depository insurance. The Assessor does not have a custodial credit risk policy.

	Amount
Cash on hand	\$ 50
Interest-bearing demand deposits	51,945
Total	\$ 51,995

#### 4. Investments

The Natchitoches Parish Tax Assessor maintains investment accounts as authorized by the Louisiana Revised Statutes. Under state law, the Assessor may invest in obligations of the U.S. Treasury and U.S. Agencies, or certificates of deposit. Investments are carried at fair market value as of the balance sheet date.

There are three fair valuation techniques that are prescribed in GASB Statement No. 72: the market approach, the cost approach, or the income approach. The Assessor values all investments using the market approach which uses prices and other relevant information generated by market transactions involving similar assets or groups of assets.

The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels. Level 1 inputs are quoted prices (unadjusted) for identical assets in active markets that a government can access at the measurement date. Level 2 inputs are inputs-other than quoted prices included within Level 1-that are observable for an asset, either directly or indirectly. Level 3 inputs are unobservable inputs for an asset, and the government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. Below are the fair value measurements of the investments held by the Natchitoches Parish Tax Assessor at December 31, 2018.

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Notes to the Financial Statements  
As of and for the year ended December 31, 2018

Type of Investment	Level 1	Level 2	Level 3	Other	Total
Money market accounts	\$ 9,039	\$ -	\$ -	\$ -	9,039
U.S. Government securities	4,683,871	-	-	-	4,683,871
LAMP Investments	-	-	-	199,601	199,601
<b>Total</b>	<b>\$ 4,692,910</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 199,601</b>	<b>\$ 4,892,511</b>

Investment earnings at December 31, 2018, are as follows:

	Amount
Unrealized gains (losses)	40,215
<b>Total</b>	<b>\$ 40,215</b>

At December 31, 2018, the Assessor had funds (book balances) totaling \$199,601 on deposit at LAMP, which are stated at cost. The Assessor maintains accounts in the Louisiana Asset Management Pool (LAMP). LAMP was established and is administered by LAMP, Inc., a nonprofit corporation organized under the laws of the State of Louisiana. LAMP accepts deposits from public entities. Upon making an investment, a public entity becomes a member of LAMP, Inc., similar to a corporate shareholder, and maintains certain rights with respect to the governance of the corporation.

The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality vehicles for investment. The LAMP portfolio includes only securities and obligations in which local governments in Louisiana are authorized to invest. LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, U.S. government, or one of its agencies. The dollar weighted average portfolio 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 balances.

#### 5. Receivables

The receivables of \$1,214,780 at December 31, 2018, are as follows:

	Amount
Taxes	\$ 1,213,765
Accrued interest on investments	1,015
<b>Total</b>	<b>\$ 1,214,780</b>

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Notes to the Financial Statements  
As of and for the year ended December 31, 2018

**6. Capital Assets**

A summary of changes in capital assets for the year ended December 31, 2018, is as follows:

	Balance, January 01, 2018	Additions	Deletions	Balance, December 31, 2018
Capital assets being depreciated				
Equipment, furniture, and fixtures	\$ 230,654	\$ -	\$ -	\$ 230,654
Vehicles	19,897	-	-	19,897
<b>Total capital assets depreciated</b>	<b>250,551</b>	<b>-</b>	<b>-</b>	<b>250,551</b>
Less accumulated depreciation				
Equipment, furniture, and fixtures	163,556	44,550	-	208,106
Vehicles	19,897	-	-	19,897
<b>Total capital assets depreciated</b>	<b>183,453</b>	<b>44,550</b>	<b>-</b>	<b>228,003</b>
<b>Net capital assets</b>	<b>67,098</b>	<b>(44,550)</b>	<b>-</b>	<b>22,548</b>
<b>Governmental Capital Assets, Net</b>	<b>\$ 67,098</b>	<b>\$ (44,550)</b>	<b>\$ -</b>	<b>\$ 22,548</b>

Depreciation expense of \$44,550 was charged to the general government function.

**7. Payables**

The payables of \$7,000 at December 31, 2018, are as follows:

	Amount
Accounts	\$ 5,722
Payroll liabilities	1,278
<b>Total</b>	<b>\$ 7,000</b>

**8. Retirement Systems - Louisiana Assessors' Retirement Fund**

*Plan Description*

The Natchitoches Parish Tax Assessor contributes to the Louisiana Assessors' Retirement Fund which is a cost-sharing, multiple-employer, defined benefit pension plan. Substantially, all employees participate in the Plan. The Fund was created by Act 91 Section 1 of the 1950 regular Legislative Session, and it functions under the provisions of Louisiana Revised Statutes 11:1401 through 1494. Membership in the Fund is a condition of employment for Assessors and their full-time employees.

Any member of the Fund who was hired prior to October 1, 2013, can retire providing he/she meets one of the following criteria:

1. Any age with 30 years of creditable service.
2. Age 55 with a minimum of 12 years of creditable service.

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Notes to the Financial Statements  
As of and for the year ended December 31, 2018

Eligibility for retirement for members hired on or after October 1, 2013, is as follows:

1. Age 60 after 12 years of creditable service.
2. Age 55 after 30 years of creditable service.

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

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

For the year ended December 31, 2018, the Natchitoches Parish Tax Assessor's total payroll for all employees was \$430,576. Total covered payroll was \$430,576. Covered payroll refers to all compensation paid by the Natchitoches Parish Tax Assessor to active employees covered by the Plan.

The Fund issues an annual publicly available financial report that includes financial statements and required supplementary information for the Fund. The report may be obtained by writing to the Louisiana Assessors' Retirement Fund, Post Office Box 14699, Baton Rouge, Louisiana 70898.

*Contributions*

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ended December 31, 2018, the actual employer contribution rate was 8.00%, 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, with an additional amount to finance any unfunded accrued liability. In accordance with state statute, the Fund receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations.

Members are required by state statute to contribute 8.00% of their annual covered salary. The contributions are deducted from the employee's wages or salary and remitted by the Natchitoches Parish Tax Assessor to the Plan monthly. The Natchitoches Parish Tax Assessor's contributions to the Plan for the year ending December 31, 2018 were \$34,446.

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

At December 31, 2018, the Assessor reported a liability of \$188,870 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of September 30, 2018 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Natchitoches Parish Tax Assessor's proportion of the Net Pension Liability was based on a projection of the Natchitoches Parish Tax Assessor's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2018, the Assessor's proportion was 0.971561%, which was an increase of 0.036068% from its proportion measured as of September 30, 2017.

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Notes to the Financial Statements  
As of and for the year ended December 31, 2018

For the year ended December 31, 2018, the Natchitoches Parish Tax Assessor recognized pension expense of \$116,232 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, which was (\$28,550). Total pension expense for the Natchitoches Parish Tax Assessor for the year ended December 31, 2018 was \$87,682.

At December 31, 2018, the Natchitoches Parish Tax 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	\$ 14,251	\$ 86,472
Changes in assumptions	242,369	-
Net difference between projected and actual earnings on pension plan	-	96,163
Changes in employer's proportion of beginning net pension liability	24,490	6,357
Differences between employer and proportionate share of contributions	1,001	795
Contributions after the measurement period	8,612	-
Total	<u>\$ 290,723</u>	<u>\$ 189,787</u>

Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

<u>Year Ended December 31:</u>	
2019	\$ 50,060
2020	(9,998)
2021	(1,547)
2022	29,456
2023	24,351

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Notes to the Financial Statements  
As of and for the year ended December 31, 2018

*Actuarial Assumptions*

A summary of the actuarial methods and assumptions used in determining the total pension liability as of September 30, 2018, are as follows:

Valuation Date	September 30, 2018
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return	6.25%, net of pension plan investment expense, including inflation
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 for active members
Active members mortality	RP-2000 Employee Table set back four years for males and three years for females
Disabled lives mortality	RP-2000 Disabled Lives Mortality Tables set back five years for males and three years for females

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2018, are summarized in the following table.

Asset Class	Long-Term Expected Real Rate of Return
Domestic equity	7.50%
International equity	8.50%
Domestic bonds	2.50%
International Bonds	3.50%
Real Estate	4.50%
Alternative Assets	6.24%

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Notes to the Financial Statements  
As of and for the year ended December 31, 2018

*Discount Rate*

The long-term expected rate of return selected for this report by the Fund was 6.25%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from the participating employers and non-employer contributing entities will be made at actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on these assumptions and the other assumptions and methods as specified in this report, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. Thus, the discount rate used to measure the total pension liability was 6.25%.

The effects of certain other changes in the net pension liability are required to be included in pension expense over the current and future periods. The effects on the total pension liability of (1) changes of economic and demographic assumptions or of other inputs and (2) differences between expected and actual experience are required to be included in pension expense in a systematic and rational manner over a closed period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees), determined as of the beginning of the measurement period. The effect on net pension liability of differences between the projected earnings on pension plan investments and actual experience with regard to those earnings is required to be included in pension expense in a systematic and rational manner over a closed period of five years, beginning with the current period. The Expected Remaining Service Lives (ERSL) for 2018 is 6 years.

*Sensitivity of the Natchitoches Parish Tax Assessor's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate*

The following presents the Natchitoches Parish Tax Assessor's proportionate share of the net pension liability calculated using the discount rate of 6.25%, as well as what the Assessor's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (5.25%) or one percentage-point higher (7.25%) than the current rate.

	1.0% Decrease	Current Discount Rate	1.0% Increase
Employer's proportionate share of net pension liability	\$ 635,269	\$ 164,152	\$ (193,555)

*Fund Fiduciary Net Position*

Detailed information about the Fund's fiduciary net position is available in the separately issued Louisiana Assessors' Retirement Fund Audit Report.

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Notes to the Financial Statements  
As of and for the year ended December 31, 2018

**9. Other Post-Employment Benefits**

On January 1, 2018, the Natchitoches Parish Tax Assessor implemented Governmental Accounting Standards Board Statement No. 75 entitled "Accounting and Financial Reporting for Postemployment Benefit Other Than Pensions (GASB 75). The most notable change under GASB 75 is that the Annual Required Contribution (ARC) has been eliminated and the Net OPEB Liability will be an item on the employer's financial statement rather than a footnote entry. GASB 75 governs the specifics of accounting for public OPEB plan obligations for participating employers and is required to be implemented for employer fiscal years beginning after June 15, 2017. GASB 75 requires a liability for OPEB obligations, known as the Net OPEB Liability (Total OPEB Liability for unfunded plans), to be recognized on the balance sheets of participating employers. Changes in the Net OPEB Liability (Total OPEB Liability for unfunded plans) will be immediately recognized as OPEB Expense on the income statement or reported as deferred inflows/outflows of resources depending on the nature of the change.

*Funding Policy and Participant Data*

The Louisiana Assessors' Insurance Fund is a public entity risk pool. These benefits for the retirees are provided through an insurance company on a pay-as-you-go basis. The Assessor contributes 100% of the cost of the current-year premiums for seven active participants, four retirees, one beneficiary, and two spouses of retirees. Participant data is as of January 1, 2018. The Assessor recognizes the cost of providing these benefits (Assessor's cost of premiums) as an expenditure when the monthly premiums are paid.

*Plan Description*

The Assessor provides certain continuing health insurance benefits for its active participants, retired employees and their spouses or beneficiaries. Eligibility for medical coverage is based on the following:

1. 55 years old and 12 years of service, or
2. 30 years of service at any age

*Relationship Between Valuation Date, Measurement Date, and Reporting Date*

The Valuation Date is January 1, 2018. This is the date as of which the actuarial valuation is performed. The Measurement Date is December 31, 2018. This is the date as of which the total OPEB liability is determined. The Reporting Date is December 31, 2018. This is the plan's and/or employer's fiscal year ending date.

*Significant Changes*

There have been no significant changes between the valuation date and the fiscal year end.

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Notes to the Financial Statements  
As of and for the year ended December 31, 2018

*Total OPEB Liability*

The total OPEB liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below, and was then projected forward to the measurement date. Any significant changes during this period have been reflected as prescribed by GASB 75.

Total OPEB Liability	\$	2,044,633
Covered Payroll		428,197
Total OPEB liability as a % of covered payroll		477.50%

*Discount Rate*

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

Discount rate	4.10%
20 Year Tax-Exempt Municipal Bond Yield	4.10%

*Other Key Actuarial Assumptions*

The plan has not had a formal actuarial experience study performed.

Valuation Date	January 1, 2018
Measurement Date	December 31, 2018
Actuarial Cost Method	Entry Age Normal
Inflation	2.30%
Salary increases including inflation	3.00%
Medical Trend Rate	See table below.

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Notes to the Financial Statements  
As of and for the year ended December 31, 2018

Year	Non-Medicare Medical Trend	Medicare Medical Trend	All Retirees Dental Trend
2018	4.00%	4.70%	3.41%
2019	4.30%	4.30%	3.41%
2020	4.60%	4.60%	3.41%
2021	5.00%	5.00%	3.41%
2022	4.90%	4.90%	3.41%
2023-2024	4.80%	4.80%	3.41%
2025-2026	4.70%	4.70%	3.41%
2027-2031	4.60%	4.60%	3.41%
2032-2037	5.20%	5.20%	3.41%
2038	5.30%	5.30%	3.41%
2039	5.60%	5.60%	3.41%
2040	5.70%	5.70%	3.41%
2041-2044	5.60%	5.60%	3.41%
2045	5.50%	5.50%	3.41%
2046	5.40%	5.40%	3.41%
2047-2048	5.30%	5.30%	3.41%
2049-2051	5.20%	5.20%	3.41%
2052-2055	5.10%	5.10%	3.41%
2056-2060	5.10%	5.10%	3.41%
2061-2064	4.90%	4.90%	3.41%
2065	4.80%	4.80%	3.41%
2066	4.70%	4.70%	3.41%
2067	4.60%	4.60%	3.41%
2068	4.50%	4.50%	3.41%
2069	4.40%	4.40%	3.41%
2070	4.30%	4.30%	3.41%
2071-2072	4.20%	4.20%	3.41%
2073	4.10%	4.10%	3.41%
2074-2095	4.00%	4.00%	3.41%
2096-2101	3.90%	3.90%	3.41%

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Notes to the Financial Statements  
As of and for the year ended December 31, 2018

*Changes in Total OPEB Liability*

	Increase (Decrease) Total OPEB Liability
Balance as of December 31, 2017	\$ 2,614,645
Changes for the year:	
Service cost	104,040
Interest on total OPEB liability	91,519
Effect of plan changes	-
Effect of economic/demographic gains or losses	176,260
Effect of assumptions changes or inputs	
Change due to Claims Costs update	(646,208)
Change due to Trend update	(115,084)
Change due to Mortality update	145,544
Change due to Discount Rate update	(208,583)
Total assumption changes	(824,331)
Benefit payments	(117,500)
Balance as of December 31, 2018	\$ 2,044,633

*Sensitivity Analysis*

The following presents the total OPEB liability of the Assessor, calculated using the discount rate of 4.10%, 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 rate.

	1.0% Decrease	Current Discount Rate	1.0% Increase
Total OPEB liability	\$ 2,433,281	\$ 2,044,633	\$ 1,737,231

The following presents the total OPEB liability of the Assessor, calculated using the current healthcare cost trend rates as well as what the Assessor's total OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates.

	1.0% Decrease	Current Discount Rate	1.0% Increase
Total OPEB liability	\$ 1,763,416	\$ 2,044,633	\$ 20,409,719

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Notes to the Financial Statements  
As of and for the year ended December 31, 2018

*OPEB Expense*

	January 01, 2018 to December 31, 2018
Service cost	\$ 104,040
Interest on total OPEB liability	91,519
Effect of plan changes	-
Recognition of Deferred Inflows/Outflows of Resources	
Recognition of economic/demographic gains or losses	24,825
Recognition of assumption changes or inputs	(116,106)
OPEB Expense	104,278

As of December 31, 2018, the deferred inflows and outflows of resources are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 151,435	\$ -
Changes in assumptions	-	708,228
Amounts paid subsequent to the measurement date	-	-
Total	\$ 151,435	\$ 708,228

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

Year Ended June 30:	
2019	\$ (91,278)
2020	(91,278)
2021	(91,278)
2022	(91,278)
2023	(91,278)
Thereafter*	(100,403)

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

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Notes to the Financial Statements  
As of and for the year ended December 31, 2018

*Schedule of Deferred Inflows and Outflows of Resources*

	Original Amount	Date Established	Original Rec. Period*	Amount Recognized in Expense for FYE 12/31/18	Amount Recognized in Expense through 12/31/18	Balance of Deferred Inflows 12/31/18	Balance of Deferred Inflows 12/31/18
Economic/demographic (gains) or losses	\$ 176,260	12/31/18	7.1	\$ 24,825	\$ 24,825	\$ -	\$ 151,435
Total				24,825	24,825	-	151,435
Assumption changes or inputs	(824,331)	12/31/18	7.1	(116,103)	(116,103)	(708,228)	-
Total				(116,103)	(116,103)	(708,228)	-
Amounts paid subsequent to the measurement date						-	-
Total deferred (inflows)/outflows						(708,228)	151,435
Total net deferrals						(556,793)	

\* Economic/demographic (gains)/losses and assumption changes or inputs are recognized over the average remaining service life for all active and inactive members.

*Prior Period Adjustment*

The following exhibit includes the prior period adjustment necessary to transition from GASB Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions", for the fiscal year ending December 31, 2017, to GASB 75.

Net OPEB obligation (asset) on December 31, 2017	\$ 1,353,880
Prior-period adjustment	<u>1,260,765</u>
Net OPEB liability on December 31, 2017	<u><u>\$ 2,614,645</u></u>

**10. Expenses Paid by the Natchitoches Parish Government**

The Natchitoches Parish Tax Assessor's office is located in the parish courthouse. Expenditures for the operations and maintenance of the parish courthouse, as required by state statute, are paid by the Natchitoches Parish Government and are not included in the accompanying financial statements.

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Notes to the Financial Statements  
As of and for the year ended December 31, 2018

**11. Leases**

The Natchitoches Parish Tax Assessor is a party to an operating lease of a 2016 Chevrolet Tahoe through Mears Motor Leasing. The terms of the lease call for payments of \$808.65 per month for 48 months with payments that began on January 29, 2016.

**12. Grants**

During the year ended December 31, 2018, the Natchitoches Parish Tax Assessor didn't receive any grant income.

**13. Risk Management**

The Assessor is exposed to various risk of loss related to torts, thefts 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 each of these risks of loss. The Assessor believes such coverage is sufficient to preclude any significant uninsured losses to the Assessor. No claims were paid on any of the policies during the past three years, which exceeded the policies' coverage amount.

**14. Litigation and Claims**

At December 31, 2018, the Assessor was not involved in any lawsuits nor is aware of any outstanding claims, which are not covered by insurance.

**15. Subsequent Events**

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 28, 2019, and determined that no events occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

# Kenneth D. Folden & Co.

Kenneth D. Folden, CPA

Certified Public Accountants

Alayna C. Huckaby, CPA

Members  
Society of Louisiana  
Certified Public Accountants  
email: kfolden@foldencpa.com

302 Eighth Street  
Jonesboro, LA 71251  
(318) 259-7316  
FAX (318) 259-7315

Members  
American Institute of  
Certified Public Accountants  
email: ahuckaby@foldencpa.com

## **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**

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

We have audited the financial statements of the governmental activities and each major fund of the Natchitoches Parish Tax Assessor, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Natchitoches Parish Tax Assessor's basic financial statements and have issued our report thereon dated June 28, 2019. 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 of the financial statements, we considered the Natchitoches Parish Tax Assessor's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Natchitoches Parish Tax Assessor's internal control. Accordingly, we do not express an opinion on the effectiveness of the Natchitoches Parish Tax Assessor's internal control.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Natchitoches Parish Tax 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 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 our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Natchitoches Parish Tax Assessor's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Kenneth D. Felden + Co., CPAs*

Jonesboro, Louisiana  
June 28, 2019

**REQUIRED SUPPLEMENTARY  
INFORMATION**

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Budgetary Comparison Schedule - General Fund  
For the Year Ended December 31, 2018

	Budget - Original	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Taxes:			
Ad valorem tax	\$ 1,225,000	\$ 1,298,852	\$ 73,852
Intergovernmental	40,000	54,813	14,813
Charges for services	10,000	21,096	11,096
<b>Total revenues</b>	<u>1,275,000</u>	<u>1,374,761</u>	<u>99,761</u>
<b>Expenditures</b>			
Current:			
General government			
Personnel services	745,000	742,324	2,676
Repairs and maintenance	20,000	17,920	2,080
Contractual services	82,000	34,316	47,684
Office	37,000	20,090	16,910
Training, education, and travel	46,000	33,328	12,672
Capital outlay	10,000	-	10,000
<b>Total expenditures</b>	<u>940,000</u>	<u>847,978</u>	<u>92,022</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>335,000</u>	<u>526,783</u>	<u>191,783</u>
<b>Other financing sources (uses)</b>			
Interest earnings	20,000	23,887	3,887
Net increase (decrease) in fair value of investments	-	40,215	40,215
<b>Total other financing sources (uses)</b>	<u>20,000</u>	<u>64,102</u>	<u>44,102</u>
<b>Net changes in fund balances</b>	355,000	590,885	235,885
<b>Fund balances - December 31, 2017</b>	<u>5,561,400</u>	<u>5,561,400</u>	-
<b>Fund balances - December 31, 2018</b>	<u>\$ 5,916,400</u>	<u>\$ 6,152,285</u>	<u>\$ 235,885</u>

The accompanying notes are an integral part of these financial statements.

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Schedule of Employer's Share of Net Pension Liability  
Louisiana Assessors' Retirement Fund  
For the year ended December 31, 2018

	2018	2017	2016	2015
Employer's proportion of the net pension liability (asset)	0.971561%	0.935493%	0.859678%	0.900453%
Employer's proportionate share of the net pension liability (asset)	\$ 188,875	\$ 164,152	\$ 303,338	\$ 471,228
Employer's covered employee payroll	\$ 428,251	\$ 410,701	\$ 374,282	\$ 382,700
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll	44.10 %	39.97 %	81.05 %	123.13 %
Employer's proportion of the net pension liability (asset)	95.46 %	95.61 %	90.68 %	85.57 %

The amounts presented have a measurement date of September 30.

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

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Schedule of Employer Contributions  
Louisiana Assessors' Retirement Fund  
For the year ended December 31, 2018

	2018	2017	2016	2015
Contractually required contribution	\$ 34,446	\$ 41,426	\$ 47,846	\$ 51,665
Contributions in relation to contractually required contribution	34,446	41,426	47,846	51,665
Contribution deficiency (excess)	-	-	-	-
Employer's covered payroll	\$ 430,576	\$ 421,276	\$ 378,976	\$ 382,700
Contributions as a percentage of covered employee payroll	8.00 %	9.83 %	12.63 %	13.50 %

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

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Schedule of Changes in Total OPEB Liability and Related Ratios  
For the year ended December 31, 2018

	2018
Service cost	\$ 104,040
Interest on total OPEB liability	91,519
Effect of plan changes	-
Effect of economic/demographic gains (losses)	176,260
Effect of assumption changes or inputs	(824,331)
Benefit payments	(117,500)
Net change in total OPEB liability	(570,012)
Total OPEB liability, beginning	2,614,645
Total OPEB liability, ending	2,044,633
Covered payroll	428,197
Total OPEB liability as a % of covered payroll	477.50%

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

# **SUPPLEMENTAL INFORMATION**

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Schedule of Findings and Questioned Costs  
For the year ended December 31, 2018

We have audited the basic financial statements of the Natchitoches Parish Tax Assessor as of and for the year ended December 31, 2018 and have issued our report thereon dated June 28, 2019. 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 Governmental Auditing Standards, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 2018 resulted in an unqualified opinion.

A. Summary of Auditor's Report

Report on Internal Control and Compliance Material to Financial Statements

Internal Control

Material Weakness       Yes     No      Significant Deficiencies       Yes     No

Compliance

Compliance Material to Financial Statements       Yes     No

B. Findings - Financial Statements Audit

Current Year

**No current year findings.**

Prior Year

**No prior year findings.**

Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana

Schedule of Compensation, Benefits and Other Payments to Agency Head  
For the year ended December 31, 2018

Dollie Mahoney Tax Assessor	
Salary	\$ 144,976
Deferred compensation	12,000
Benefits - Retirement	11,598
Benefits - Insurance	23,610
Travel	450
Conference	160
Telephone	863
	<u>\$ 193,657</u>

# Kenneth D. Folden & Co.

Kenneth D. Folden, CPA

Certified Public Accountants

Alayna C. Huckaby, CPA

Members  
Society of Louisiana  
Certified Public Accountants  
email: kfolden@foldencpa.com

302 Eighth Street  
Jonesboro, LA 71251  
(318) 259-7316  
FAX (318) 259-7315

Members  
American Institute of  
Certified Public Accountants  
email: ahuckaby@foldencpa.com

## Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Board of Commissioners of Natchitoches Parish Tax Assessor  
Natchitoches, Louisiana  
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Natchitoches Parish Tax Assessor and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 01, 2018 through December 31, 2018. The Assessor's management is responsible for those C/C areas identified in the SAUPs.

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

The procedures and associated findings are as follows:

### Written Policies and Procedures

1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
  - a. Budgeting, including preparing, adopting, monitoring, and amending the budget,
  - 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. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions.
  - 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, and

j. Debt Service, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Exception: There are no exceptions in relation to written policies and procedures.

Management's Response: None.

## **Board**

2. Obtain and review the board/committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

a. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

b. For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds.

c. For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.

Exception: This is an elected official, so there is no Board or meetings.

Management's Response: None.

## **Bank Reconciliations**

3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:

Response: Management provided us with a list of bank accounts and representation that the list is complete.

a. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

Response: There was no indication that the bank reconciliations were completed within two months of the statement closing date.

b. Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

Response: There was no indication that the bank reconciliation reviewed was reviewed by a member of management, but starting in June bank statements were reviewed by the Assessor for the remaining months of the year.

c. Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Response: There was no indication that management has researched reconciling items that have been outstanding for more than 12 months.

Exception: See above responses.

Management's Response: The Assessor will research outstanding items older than 12 months..

## Collections

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

Response: Management provided us with a list of deposit sites and representation that the list is complete.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

Response: Collection location is the Assessor's office in the Natchitoches Parish Courthouse.

a. Employees that are responsible for cash collections do not share cash drawers/registers.

Response: No cash is collected by the Assessor.

b. Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

Response: No cash is collected by the Assessor, and the Assessor prepares the bank deposit.

c. Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

Response: The Assessor prepares and makes deposits; the deposits are recorded in the general ledger by the contract accountant.

d. The employee(s) responsible for reconciling cash collection(s) to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

Response: The contract accountant is responsible for reconciling collections to the general ledger. The Assessor does not collect cash, only checks or electronic deposit.

6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

Response: No cash is collected.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Obtain supporting documentation for each of the 10 deposits and:

a. Observe that receipts are sequentially pre-numbered.

- b. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
- c. Trace the deposit slip total to the actual deposit per the bank statement.
- d. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
- e. Trace the actual deposit per the bank statement to the general ledger.

Response: The Assessor does not use receipts. The collections reviewed did not have any receipts, reports, or other collection documentation to trace to the deposit slip. Deposit slips were traced to the bank statement and to the general ledger. The deposits reviewed were made within one business day.

Exception: See above responses.

Management's Response: The Assessor will insure that deposits are able to be traced to some form of documentation.

### **Disbursements - General**

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Response: Management provided a listing of locations that process payments and representation that the listing is complete.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- a. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

Response: The Assessor is an elected office who does not have a board. All purchases are initiated and approved by the Assessor.

- b. At least two employees are involved in processing and approving payments to vendors.

Response: The Assessor approves payments to vendors and the contract accountant processes payments to the vendors.

- c. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

Response: The contract accountant can modify and add vendors, but the Assessor reviews vendors monthly.

- d. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

Response: The Assessor signs and mails the checks but does not process the checks.

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

Response: Management provided the disbursement transaction population and representation that the population is complete.

- a. Observe that the disbursement matched the related original invoice/billing statement.

Response: All invoices reviewed matched the disbursement. Two disbursements did not have a matching invoice.

- b. Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Response: Of the 31 disbursements selected, two invoices did not indicate that they were approved by the Assessor.

Exception: See above responses.

Management's Response: None.

### Credit Cards

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

Response: Management provided a listing of credit cards, bank debit cards, fuel cards, and P-cards and representation that the listing is completed.

12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- a. Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder.

Response: Two cards were tested and the statement was approved by someone other than the authorized card holder.

- b. Observe that finance charges and late fees were not assessed on the selected statements.

Response: There were no finance charges or late fees on any of the selected statements.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing).

- a. For each transaction, observe that it is supported by:

- i. An original itemized receipt that identifies precisely what was purchased,

Response: For each of the statements, all invoices were available and identified precisely what was purchased.

- ii. Written documentation of the business/public purpose, and

Response: One statement had a documented business/public purpose.

- iii. Documentation of the individuals participating in meals (for meal charges only).

Response: No transactions were for meal charges.

Exception: See above responses.

Management's Response: The Assessor will document business/public purposes on each statement or receipt.

## Travel and Expense Reimbursement

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

Response: Management provided a listing of travel and related expense reimbursements and representation that the listing is complete.

a. If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).

Response: There were no per diem reimbursements.

b. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

Response: Reimbursements were not for actual costs.

c. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

Response: All reimbursements listed the business/public purpose. No other documentation is required.

d. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Response: Eight out of twelve reimbursements were reviewed and approved, in writing, by someone other than the person receiving the reimbursement.

Exception: See above responses.

Management's Response: The Assessor will review the travel and expense reimbursement policy to include review of reimbursements by someone other than the person receiving the reimbursement. The other four were for the Assessor.

## Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Alternately, the practitioner may use an equivalent selection source, such as an active vendor list. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

Response: Management provided representation that no new contracts products or services paid were initiated or renewed during the fiscal period.

a. Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

b. Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

c. If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.

d. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Exception: None.

Management's Response: None.

### **Payroll and Personnel**

16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Response: Management provided a listing of employees/elected officials and representation that the listing is complete.

17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

a. Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).

Response: All employees documented their daily attendance and leave.

b. Observe that supervisors approved the attendance and leave of the selected employees/officials.

Response: The timesheets reviewed showed the supervisor's approval.

c. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

Response: The timesheets reviewed showed that leave accrued and taken during the pay period was reflected by the entity's cumulative leave records.

18. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulative leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.

Response: No employees were terminated during the audit year.

19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Response: Management provided representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed by required deadlines.

Exception: See above responses.

Management's Response: None.

### **Ethics**

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:

a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

Response: Ethics training was completed by all employees and the Assessor.

b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

Response: There is no documentation that the employee has read the entity's ethics policy during the fiscal period.

Exception: See above responses.

Management's Response: The Assessor will document annually that all employees have read the ethics policy and verify by signature. These documents will be kept in the personnel files for all employees.

### Debt Service

21. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.

Response: Not applicable.

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.

Response: Not applicable.

### Other

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Response: Management has provided representation that there were no misappropriations of public funds and assets during the fiscal period.

24. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Response: We observed the notice posted in the Assessor's office in the Natchitoches Parish Courthouse.

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

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the 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.

*Kenneth D. Falden & Co., CPAs*

Jonesboro, Louisiana  
June 24, 2019



***Dollie C. Mahoney, CLA***  
**ASSESSOR**  
**NATCHITOCHES PARISH**

P.O. Box 201 • Natchitoches, Louisiana 71458-0201 • Office (318) 352-2377 • Fax (318) 352-9309  
Email: [ntassessor@cp-tel.net](mailto:ntassessor@cp-tel.net) • [www.natchitochesassessor.org](http://www.natchitochesassessor.org)

June 28, 2019

Kenneth D. Folden & Co., CPAs  
302 Eighth Street  
Jonesboro, Louisiana

In connection with your engagement to apply agreed-upon procedures to certain control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures (SAUPs), for the fiscal period January 1, 2018 through December 31, 2018, we confirm to the best of our knowledge and belief, the following representations made to you during your engagement.

1. We are responsible for the C/C areas identified in the SAUPs, including written policies and procedures; board or finance committee; bank reconciliations; collections; disbursements; credit/debit/fuel/purchasing cards; travel and expense reimbursement; contracts; payroll and personnel; ethics; debt service; and other areas as applicable.

Yes  No

2. For the fiscal period January 1, 2018 through December 31, 2018, the C/C areas were administered in accordance with the best practice criteria presented in the SAUPs.

Yes  No

3. We are responsible for selecting the criteria and procedures and for determining that such criteria and procedures are appropriate for our purposes.

Yes  No

4. We have disclosed to you all known matters contradicting the results of the procedures performed in C/C areas.

Yes  No

5. We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others affecting the C/C areas, including communications received between December 31, 2018, and June 28, 2019.
- Yes  No
6. We have provided you with access to all records that we believe are relevant to the C/C areas and the agreed-upon procedures.
- Yes  No
7. We represent that the listing of bank accounts provided to you is complete.
- Yes  No
8. We represent that the listing of cash/check/money order (cash) collection locations provided to you is complete.
- Yes  No
9. We represent that the listing of entity disbursements or the general ledger population of entity disbursements provided to you is complete.
- Yes  No
10. We represent that the listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), including the card numbers and the names of the persons who maintained possession of the cards, provided to you is complete.
- Yes  No
11. We represent that the listing of all travel and related expense reimbursements, by person, during the fiscal period or the general ledger population of travel and related expense reimbursements provided to you is complete.
- Yes  No
12. We represent that the listing of all contracts in effect during the fiscal period or the general ledger population of contract payments provided to you is complete.
- Yes  No
13. We represent that the listing of employees (and elected officials, if applicable) with their related salaries provided to you is complete.
- Yes  No

14. We represent that the listing of employees (and elected officials, if applicable) that terminated during the fiscal period provided to you is complete.

Yes  No

15. We have disclosed to you other data you deemed necessary to complete SAUPs.

Yes  No

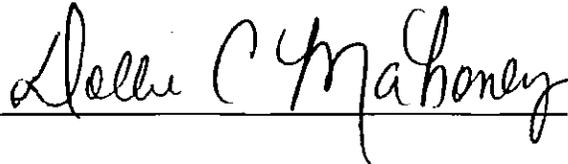
16. We have responded fully to all inquiries made by you during the engagement.

Yes  No

17. We are not aware of any events that have occurred subsequent to December 31, 2018, that would require adjustment to or modification of the results of the agreed-upon procedures.

Yes  No

**The previous responses have been made to the best of our belief and knowledge.**

Signature  Date June 28, 2019

Title Assessor