

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, 2017
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

Natchitoches Parish Tax Assessor
Annual Financial Statements
with Independent Auditor's Report

As of and for the year ended December 31, 2017
with Supplemental Information Schedules

Contents

	Statement	Page
Independent Auditor's Report		4 - 5
Required Supplementary Information - Part I		
Management's Discussion and Analysis		7 - 11
Basic Financial Statements		
Government-Wide Financial Statements:		
Statement of Net Position	A	14
Statement of Activities	B	15
Fund Financial Statements		
Governmental Funds		
Balance Sheet	C	17
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	D	18
Statement of Revenues, Expenditures, and Changes in Fund Balance	E	19
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	F	20
Notes to the Financial Statements		22 - 40

Natchitoches Parish Tax Assessor
Annual Financial Statements
with Independent Auditor's Report

As of and for the year ended December 31, 2017
with Supplemental Information Schedules

	Schedule	Page
Independent Auditor's Report on Internal Control and on Compliance and Other Matters		
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		41 - 42
Required Supplementary Information - Part II		
Budgetary Comparison Schedule		
General Fund	1	44
Schedule of Employer's Share of Net Pension Liability	2	45
Schedule of Employer Contributions	3	46
Supplemental Information Schedules		
Schedule of Findings and Questioned Costs	4	48
Schedule of Compensation, Benefits, and Other Payments to Agency Head	5	49
Statewide Agreed-Upon Procedures		
Independent Accountant's Report on Applying Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures		50 - 59
Louisiana Agreed-Upon Procedures Representation Form		60 - 62

Kenneth D. Folden & Co.

Kenneth D. Folden, CPA

Certified Public Accountants

Ted W. Sanderlin, 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: tsanderlin@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, 2017, 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, 2017, 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 management's discussion and analysis and budgetary comparison information on pages 7-11 and page 44 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.

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 11, 2018 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. Felden & Co., CPAs

Jonesboro, Louisiana
June 11, 2018

**REQUIRED SUPPLEMENTARY
INFORMATION**

PART I

Natchitoches Parish Tax Assessor
Natchitoches, Louisiana

Management's Discussion and Analysis
As of and for the year ended December 31, 2017

As Management of the Natchitoches Parish Tax Assessor, we offer readers of the Natchitoches Parish Tax Assessor's financial statements this narrative overview and analysis of the financial activities of the Natchitoches Parish Tax Assessor as of and for the fiscal year ended December 31, 2017. We encourage readers to consider the information presented here in conjunction with the Assessor's basic financial statements and supplementary information provided in this report in assessing the efficiency and effectiveness of our stewardship of public resources.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Natchitoches Parish Tax Assessor's basic financial statements. The Assessor's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves.

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

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

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

The government-wide financial statements can be found on pages 14 - 15 of this report.

Fund financial statements. The fund financial statements focus on current available resources and are organized and operated on the basis of funds, each of which is defined as a fiscal and accounting entity with a self-balancing set of accounts established for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. All of the funds of the Assessor are governmental funds.

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

Natchitoches Parish Tax Assessor
Natchitoches, Louisiana

Management's Discussion and Analysis
As of and for the year ended December 31, 2017

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

The Natchitoches Parish Tax Assessor maintains one individual governmental fund. Information as of and for the year ended December 31, 2017, is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, which is considered to be a major fund.

The Natchitoches Parish Tax Assessor adopts an annual appropriated budget for the General Fund. A budgetary comparison statement is provided for the major funds to demonstrate compliance with this budget.

The governmental fund financial statements can be found on pages 17 - 20 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 22 - 40 of this report.

Supplemental information. In addition to the basic financial statements and accompanying notes, this report also presents required supplemental information concerning the Natchitoches Parish Tax Assessor's compliance with budgets for its major funds. Also, other supplemental information schedules are included in the report.

FINANCIAL HIGHLIGHTS

- The assets Natchitoches Parish Tax Assessor of the exceeded its liabilities at December 31, 2017 by \$4,143,134.
- The Assessor's net position increased by \$434,224.
- At December 31, 2017, the Assessor's governmental funds reported total ending fund balances of \$5,561,400, an increase of \$595,862 from December 31, 2016. The entire balance is available for spending at the Assessor's discretion (unassigned fund balance).

Natchitoches Parish Tax Assessor
Natchitoches, Louisiana

Management's Discussion and Analysis
As of and for the year ended December 31, 2017

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Summary of Net Position

	Governmental Activities	
	2017	2016
Assets		
Cash and equivalents	\$ 221,039	\$ 77,211
Investments	4,179,527	3,719,934
Accounts receivable	1,166,192	1,172,336
Capital assets (net of accumulated depreciation)	67,098	112,560
Total Assets	<u>5,633,856</u>	<u>5,082,041</u>
Deferred Outflows of Resources		
Pension	156,195	167,232
Total Deferred Outflows of Resources	<u>156,195</u>	<u>167,232</u>
Liabilities		
Accounts payable	4,220	2,856
Payroll liabilities	1,139	1,087
Non-current liabilities	1,518,027	1,505,127
Total Liabilities	<u>1,523,386</u>	<u>1,509,070</u>
Deferred Inflows of Resources		
Pension	123,532	31,292
Total Deferred Inflows of Resources	<u>123,532</u>	<u>31,292</u>
Net Position		
Net investment in capital assets	67,098	125,852
Unrestricted	4,076,036	3,583,058
Total Net Position	<u>\$ 4,143,134</u>	<u>\$ 3,708,910</u>

Natchitoches Parish Tax Assessor
Natchitoches, Louisiana

Management's Discussion and Analysis
As of and for the year ended December 31, 2017

Summary of Change in Net Position

	Governmental Activities	
	2017	2016
Revenues		
Charges for services	\$ 19,077	\$ 28,034
Taxes:		
Ad valorem tax	1,258,690	1,250,838
Intergovernmental	54,362	53,036
Interest earnings	14,290	16,113
Miscellaneous	123,791	157,087
Total revenues	<u>1,470,210</u>	<u>1,505,108</u>
Expenses		
Current:		
General government	1,082,016	1,079,958
Total expenditures	<u>1,082,016</u>	<u>1,079,958</u>
Excess (deficiency) of revenues over (under) expenses	<u>388,194</u>	<u>425,150</u>
Other financing sources (uses)		
Net increase (decrease) in fair value of investments	46,029	24,347
Total other financing sources (uses)	<u>46,029</u>	<u>24,347</u>
Change in net position	434,223	449,497
Net position - December 31, 2016	<u>3,708,911</u>	<u>3,259,413</u>
Net position - December 31, 2017	<u>\$ 4,143,134</u>	<u>\$ 3,708,910</u>

Governmental activities. The most significant revenues of the governmental activities are ad valorem taxes (86%).

Governmental activities revenues decreased by \$34,898 in the current year as compared to the prior year. The decrease was primarily attributable to a decrease in miscellaneous income (pension non-employer contribution) of \$33,296.

Governmental activities expenses increased by \$2,058 in the current year as compared to the prior year. The increase was primarily attributable to an increase in personnel services.

FINANCIAL ANALYSIS OF THE ASSESSOR'S FUNDS

As noted earlier, the Assessor uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Governmental funds. As of December 31, 2017, the combined governmental fund balances of \$5,561,400 reflect an increase of \$595,862 from December 31, 2016. The entire fund balance is unassigned, which is considered available for appropriation.

Natchitoches Parish Tax Assessor
Natchitoches, Louisiana

Management's Discussion and Analysis
As of and for the year ended December 31, 2017

The increases in the revenues and expenses of the governmental funds were described in the above Government-Wide Financial Analysis section.

GENERAL FUND BUDGETARY HIGHLIGHTS

General Fund final actual revenues exceeded budgeted revenue by \$72,129. General Fund actual expenditures were less than budgeted expenditures by \$133,414. The budget was not amended during the year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets. As of December 31, 2017, the Natchitoches Parish Tax Assessor's investment in capital assets for its governmental activities totals \$67,098 (net of accumulated depreciation). This investment includes equipment and vehicles. During the year ended December 31, 2017, the Assessor had no purchases of fixed assets.

Debt administration. At year ended December 31, 2017, the Assessor had \$1,518,027 of long-term debt. The long-term debt consists of net pension liability (\$164,147) and other post employment benefits (\$1,353,880).

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The fiscal year 2018 budget is forecast to provide \$1,295,000 in revenues and \$5,454,827 in estimated surplus to fund costs of \$940,000.

Capital outlay is budgeted in the amount of \$10,000.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Natchitoches Parish Tax Assessor's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to Assessor Dollie Mahoney, Post Office Box 201, Natchitoches, LA 71458.

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS**

Natchitoches Parish Tax Assessor
Natchitoches, Louisiana

Statement of Net Position
As of December 31, 2017

		Governmental Activities
Assets		
Cash and equivalents	\$	221,039
Investments		4,179,527
Accounts receivable		1,166,192
Capital assets (net of accumulated depreciation)		67,098
Total Assets		5,633,856
Deferred Outflows of Resources		
Pension		156,195
Total Deferred Outflows of Resources		156,195
Liabilities		
Current Liabilities:		
Accounts payable		4,220
Payroll liabilities		1,139
Non-Current Liabilities:		
Net other post employment benefits obligation		1,353,880
Net pension liability		164,147
Total Liabilities		1,523,386
Deferred Inflows of Resources		
Pension		123,532
Total Deferred Inflows of Resources		123,532
Net Position		
Net investment in capital assets		67,098
Unrestricted		4,076,036
Total Net Position	\$	4,143,134

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, 2017

	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	\$ 1,082,016	\$ 19,077	\$ -	\$ -	(1,062,939)
Total governmental activities	<u>\$ 1,082,016</u>	<u>\$ 19,077</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(1,062,939)</u>
<u>General Revenues</u>					
Taxes:					
Property taxes, levied for general purposes					1,258,690
Intergovernmental					54,362
Investment earnings					14,290
Other revenue					123,791
Net increase (decrease) in the fair value of investments					46,029
Total general revenues					<u>1,497,162</u>
Change in net position					434,223
Net position - December 31, 2016					<u>3,708,911</u>
Net position - December 31, 2017					<u>\$ 4,143,134</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, 2017

		Governmental Funds
Assets		
Cash and equivalents	\$	221,039
Investments		4,179,527
Accounts receivable		1,166,192
Total Assets	\$	<u>5,566,758</u>
Liabilities & Fund Balances		
Liabilities:		
Accounts payable	\$	4,220
Payroll liabilities		1,139
Total Liabilities		<u>5,359</u>
Fund balances:		
Unassigned		5,561,400
Total Fund Balances		<u>5,561,400</u>
Total Liabilities and Fund Balances	\$	<u>5,566,759</u>

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, 2017

Total Fund Balances at December 31, 2017 - Governmental Funds (Statement C)	\$	5,561,400
Total Net Position reported for governmental activities in the Statement of Net Position (Statement A) are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds, net of depreciation.		67,098
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		(1,353,880)
Net pension liability		(164,147)
Deferred outflows of resources		156,195
Deferred inflows of resources		<u>(123,532)</u>
Net Position at December 31, 2017	\$	<u><u>4,143,134</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, 2017

	Governmental Funds
Revenues	
Taxes:	
Ad valorem tax	\$ 1,258,690
Intergovernmental	54,362
Charges for services	19,077
Total revenues	1,332,129
Expenditures	
Current:	
General government	
Personnel services	705,718
Repairs and maintenance	16,430
Contractural services	30,538
Office	20,293
Training, education, and travel	23,607
Total expenditures	796,586
Excess (deficiency) of revenues over (under) expenditures	535,543
Other financing sources (uses)	
Investment earnings	14,290
Net increase (decrease) in fair value of investments	46,029
Total other financing sources (uses)	60,319
Net changes in fund balances	595,862
Fund balances - December 31, 2016	4,965,538
Fund balances - December 31, 2017	\$ 5,561,400

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, 2017

Total net change in Fund Balances - Governmental Funds (Statement E)	\$	595,863
--	----	---------

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		(45,462)
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		(152,091)
Net pension liability decrease (increase)		35,914
Change in net position of governmental activities (Statement B)	\$	434,224

**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, 2017

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, 2017

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, 2017

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, 2017

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, 2017

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, 2017.

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, 2017.

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, 2017.

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, 2017.

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, 2017

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 2017 General Fund budget was published in the official journal and made available for public inspection. The budget was adopted by the Assessor on November 10, 2016. 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, 2017

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 reported deferred outflows of resources of \$167,232 in relation to the net pension liability, but no deferred outflows of resources affect the governmental funds financial statements.

K. Deferred Inflows of Resources

The Assessor reports increases 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 in the government-wide statements of \$31,292 in relation to the net pension liability, but no deferred inflows of resources affect the governmental funds financial statements.

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, 2017

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, 2017, the Assessor had cash and cash equivalents (book balances) totaling \$221,039, 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, 2017

At December 31, 2017, the Assessor had \$238,883 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, 2017. 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.

	Amount
Cash on hand	\$ 50
Interest-bearing demand deposits	220,989
Total	\$ 221,039

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, 2017.

Natchitoches Parish Tax Assessor
Natchitoches, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2017

Type of Investment	Level 1	Level 2	Level 3	Other	Total
Money market accounts	\$ 267,941	\$ -	\$ -	\$ -	267,941
U.S. Government securities	3,867,345	-	-	-	3,867,345
LAMP Investments	-	-	-	44,241	44,241
Total	\$ 4,135,286	\$ -	\$ -	\$ 44,241	\$ 4,179,527

Investment earnings at December 31, 2017, are as follows:

	Amount
Unrealized gains (losses)	46,029
Total	\$ 46,029

At December 31, 2017, the Assessor had funds (book balances) totaling \$44,241 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 \$1,166,192 at December 31, 2017, are as follows:

	Amount
Taxes	\$ 1,164,804
Accrued interest on investments	1,388
Total	\$ 1,166,192

Natchitoches Parish Tax Assessor
Natchitoches, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2017

6. Capital Assets

A summary of changes in capital assets for the year ended December 31, 2017, is as follows:

	Balance, January 01, 2017	Additions	Deletions	Balance, December 31, 2017
Capital assets being depreciated				
Equipment, furniture, and fixtures	\$ 230,654	\$ -	\$ -	\$ 230,654
Vehicles	19,897	-	-	19,897
Total capital assets depreciated	250,551	-	-	250,551
Less accumulated depreciation				
Equipment, furniture, and fixtures	118,093	45,462	-	163,556
Improvements	19,897	-	-	19,897
Total capital assets depreciated	137,990	45,462	-	183,453
Net capital assets	112,561	(45,462)	-	67,098
Governmental Capital Assets, Net	\$ 112,561	\$ (45,462)	\$ -	\$ 67,098

Depreciation expense of \$45,462 was charged to the general government function.

7. Payables

The payables of \$5,359 at December 31, 2017, are as follows:

	Amount
Accounts	\$ 4,220
Payroll liabilities	1,139
Total	\$ 5,359

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, 2017

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, 2017, the Natchitoches Parish Tax Assessor's total payroll for all employees was \$417,276. Total covered payroll was \$421,276. 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, 2017, the actual employer contribution rate was 10.00% for January through September and 8.00% for October through December, 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, 2017 were \$41,426.

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

At December 31, 2017, the Assessor reported a liability of \$164,152 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of September 30, 2017 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The 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, 2017, the Assessor's proportion was 0.935493%, which was an increase of 0.075815% from its proportion measured as of September 30, 2016.

Natchitoches Parish Tax Assessor
Natchitoches, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2017

For the year ended December 31, 2017, the Natchitoches Parish Tax Assessor recognized pension expense of \$124,169 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, which was (\$36,292). Total pension expense for the Natchitoches Parish Tax Assessor for the year ended December 31, 2017 was \$87,877.

At December 31, 2017, 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	\$ 18,297	\$ 51,536
Changes in assumptions	102,668	-
Net difference between projected and actual earnings on pension plan	-	63,520
Changes in employer's proportion of beginning net pension liability	26,701	8,476
Differences between employer and proportionate share of contributions	(1,295)	-
Contributions after the measurement period	9,830	-
Total	<u>\$ 156,201</u>	<u>\$ 123,532</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>	
2018	\$ 5,445
2019	5,445
2020	5,445
2021	5,445
2022	5,445
2023	5,445

Natchitoches Parish Tax Assessor
Natchitoches, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2017

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of September 30, 2017, are as follows:

Valuation Date	September 30, 2016
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation
Inflation Rate	2.50%
Salary increases	5.75%
Annuitant and beneficiary mortality	RP-2000 Healthy Annuitant Table set forward one year and projected to 2030 for males and females 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, 2017, 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, 2017

Discount Rate

The long-term expected rate of return selected for this report by the Fund was 6.75%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from the participating employers and non-employer contributing entities will be made at actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on these assumptions and the other assumptions and methods as specified in this report, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. Thus, the discount rate used to measure the total pension liability was 6.75%.

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

Sensitivity 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 6.75%, 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 (5.75%) or one percentage-point higher (7.75%) than the current rate.

	1.0% Decrease (5.75%)	Current Discount Rate (6.75%)	1.0% Increase (7.75%)
Employer's proportionate share of net pension liability	\$ 519,697	\$ 153,256	\$ (160,880)

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, 2017

9. Other Post-Employment Benefits

On January 1, 2010, the Natchitoches Parish Tax Assessor implemented Governmental Accounting Standards Board Statement No. 45 entitled "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions" (GASB 45). The major change under GASB 45 is to attribute the cost of postretirement benefits (medical, dental and life insurance) to the time which the employee is working for the employer. This standard does not require the funding of these benefits, but it does require recognizing the liability and expense in the financial statements. The Assessor recognized a noncurrent liability of \$1,353,880 for December 31, 2017 in the Statement of Net Position. A \$152,091 expense is included in personnel services and related benefits expense in the Statement of Activities.

Plan Description

The Assessor provides certain continuing health insurance benefits for its retired employees and their spouses. 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

Funding Policy

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 six retirees. The Assessor recognizes the cost of providing these benefits (Assessor's cost of premiums) as an expenditure when the monthly premiums are paid.

Annual OPEB Cost and Net OPEB Obligation

The Assessor's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC). The Assessor has elected to calculate the ARC and related information using the Unit Credit Actuarial Cost Method. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (of funding excess) over a period not to exceed thirty years.

Natchitoches Parish Tax Assessor
Natchitoches, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2017

The following table shows the components of the Assessor's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Assessor's net OPEB obligation to the Retiree Health Plan for year ended December 31, 2017 :

		Medical
Determination of Annual Required Contribution		
Normal Cost at Fiscal Year End	\$	101,386
Amortization of UAAL		179,742
Annual Required Contribution (ARC)		281,128
Net OPEB Obligation - Beginning of Year	\$	1,201,789
Determination of Net OPEB Obligation		
Annual Required Contribution		281,128
Interest on Prior Year Net OPEB Obligation		48,072
Adjustment to ARC		(78,822)
Annual OPEB Cost		250,378
Assumed Contributions Made		(98,287)
Estimated Increase in Net OPEB Obligation	\$	152,091
Estimated Net OPEB Obligation - End of Year	\$	1,353,880

The Natchitoches Parish Tax Assessor estimated annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net obligation for year ended December 31, 2017 and the two preceding fiscal years assuming the plan is not prefunded (4% discount rate):

Fiscal Year Ended	Discount Rate	Annual OPEB Cost	Cost Contributed	Net OPEB Obligation
12/31/2015	4.00%	259,000	32.40%	1,040,006
12/31/2016	4.00%	254,517	36.40%	1,201,789
12/31/2017	4.00%	250,378	39.30%	1,353,880

Funded Status and Funding Progress

The Assessor's actuarial accrued liability for benefits was \$2,740,522, all of which was unfunded for the year ended December 31, 2017. The covered payroll (annual payroll of active employees covered by the plan) was \$421,276, and the ratio of the unfunded actuarial accrued liability (UAAL) to the covered payroll was 651 percent.

Natchitoches Parish Tax Assessor
Natchitoches, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2017

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about rates of interest, future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The unit credit actuarial cost method was used with the estimates based to an important degree on the assumptions made relative to various occurrences, such as rate of expected investment earnings by the fund, rates of mortality among active and retired employees, rates of termination from employment, and retirement rates. In the current valuation, the actuarial assumptions used for the calculation of costs and liabilities are:

MEASUREMENT DATE

Benefit liabilities are valued as of January 1, 2015

DISCOUNT RATE FOR VALUING LIABILITIES

Without prefunding - 4.0% per annum, compounded annually

MORTALITY RATES

Pre-retirement: Sex Distinct RP 2000 Combined Healthy Mortality Table,
projected to 2017 using Scale AA
Post-retirement: Sex Distinct RP 2000 Combined Healthy Mortality Table,
projected to 2017 using Scale AA

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.

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.

Natchitoches Parish Tax Assessor
Natchitoches, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2017

12. Grants

During the year ended December 31, 2017, 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, 2017, 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, DATE, 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

Ted W. Sanderlin, 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: tsanderlin@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, 2017, 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 11, 2018. 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 11, 2018

**REQUIRED SUPPLEMENTARY
INFORMATION**

PART II

Natchitoches Parish Tax Assessor
Natchitoches, Louisiana

Budgetary Comparison Schedule - General Fund
For the Year Ended December 31, 2017

	Budget - Original	Actual	Variance Favorable (Unfavorable)
Revenues			
Taxes:			
Ad valorem tax	\$ 1,215,000	\$ 1,258,690	\$ 43,690
Intergovernmental	30,000	54,362	24,362
Charges for services	15,000	19,077	4,077
Total revenues	<u>1,260,000</u>	<u>1,332,129</u>	<u>72,129</u>
Expenditures			
Current:			
General government			
Personnel services	730,000	705,718	24,282
Repairs and maintenance	45,000	16,430	28,570
Contractual services	80,000	30,538	49,462
Office	25,000	20,293	4,707
Training, education, and travel	40,000	23,607	16,393
Capital outlay	10,000	-	10,000
Total expenditures	<u>930,000</u>	<u>796,586</u>	<u>133,414</u>
Excess (deficiency) of revenues over (under) expenditures	<u>330,000</u>	<u>535,543</u>	<u>205,543</u>
Other financing sources (uses)			
Interest earnings	20,000	14,290	(5,710)
Net increase (decrease) in fair value of investments	-	46,029	46,029
Total other financing sources (uses)	<u>20,000</u>	<u>60,319</u>	<u>40,319</u>
Net changes in fund balances	350,000	595,862	245,862
Fund balances - December 31, 2016	<u>4,965,538</u>	<u>4,965,538</u>	-
Fund balances - December 31, 2017	<u>\$ 5,315,538</u>	<u>\$ 5,561,400</u>	<u>\$ 245,862</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, 2017

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

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

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

SUPPLEMENTAL INFORMATION

Natchitoches Parish Tax Assessor
Natchitoches, Louisiana

Schedule of Findings and Questioned Costs
For the year ended December 31, 2017

We have audited the basic financial statements of the Natchitoches Parish Tax Assessor as of and for the year ended December 31, 2017 and have issued our report thereon dated June 11, 2018. 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, 2017 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, 2017

Dollie Mahoney Tax Assessor		
Salary	\$	132,976
Deferred compensation		12,000
Benefits - Retirement		16,189
Benefits - Insurance		21,763
Travel		2,370
Telephone		1,570
Dues, fees		465
	\$	<u>187,333</u>

Kenneth D. Folden & Co.

Kenneth D. Folden, CPA

Certified Public Accountants

Ted W. Sanderlin, 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: tsanderlin@foldencpa.com

Independent Accountant's Report on Applying Agreed-Upon Procedures

To the 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, 2017 through December 31, 2017. 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,
 - 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) 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, and

a. Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.

b. Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).

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

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 from management and management's representation that the listing is complete.

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

4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:

a. Bank reconciliations have been prepared;

Response: We reviewed the only checking account, and a reconciliation was completed for all 12 months.

b. Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and

Response: There is no indication that a member of management has reviewed the reconciliation.

c. If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than six months as of the end of the fiscal period.

Response: There is one outstanding check older than 6 months; there is no documentation that it has been researched.

Exception: See above responses.

Management's Response: The Assessor will review all reconciliations indicated by initials and a date of review. The Assessor will research the transactions over six months old, and the Assessor will monitor the reconciliation each month for any items that become more than six months old.

Collections

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

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

6. Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis (if more than 5 locations). For each cash collection location selected:

a. Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.

Response: No cash is collected by the Assessor.

b. Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.

Response: There is no formal process for reconciling cash collections to the general ledger.

c. Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:

i. Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.

Response: There were five deposits for the week of January 9, 2017. The Assessor indicated that deposits were made within one day of collections; however, there is only one receipt showing that the collections were deposited within one day.

ii. Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

Response: There was one of the five deposits that was supported by a check stub; all other deposits had no supporting documentation.

7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation) by a person who is not responsible for collections.

Response: There is no written policy or procedure to determine completeness of all collections.

Exception: See above responses.

Management's Response: The Assessor will develop a written policy and procedures for reconciling cash collections to the general ledger and for determining the completeness of all collections. The Assessor will also develop a written policy and procedures to insure that all deposits are able to be traced to some form of documentation (i.e. sequentially numbered receipts, system report, or reconciliation worksheets).

Disbursements - General

8. Obtain a listing of entity disbursements from management or, alternately, obtain the general ledger and sort/filter for entity disbursements. Obtain management's representation that the listing or general ledger population is complete.

Response: Management provided a listing of disbursements.

9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:

a. Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.

Response: The Assessor does not use a purchase order system. The Assessor makes purchases based on the budget that is adopted before the end of the prior year. All purchases/disbursements are supported by an invoice that is approved (documented by initials of the Assessor).

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

Response: Not applicable.

c. Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.

Response: All transactions tested were paid from an approved invoice; however, there were no requisitions or purchase orders.

10. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system.

Response: The policy states that the Assessor is the only person allowed to add vendors. A contract accountant processes payments and could add vendors without the knowledge of the Assessor. However, the Assessor signs/approves all payments after the checks have been written, so the Assessor would not approve a check to a new vendor.

11. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.

Response: The Assessor has signatory authority and makes all requests for disbursements. The Assessor does not record purchases in the accounting system.

12. Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those persons that do not have signatory authority, and report any exceptions. Alternately, if the checks are electronically printed on blank check stock, review entity documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks.

Response: Supply of unused checks are maintained under lock at the contract accountant and only accessed by authorized personnel.

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

Response: No signature stamp or machine is used.

Exception: See above responses.

Management's Response: None.

Credit Cards

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

Response: Management provided a listing of credit cards, bank debit cards, fuel cards, and P-cards.

15. Using the listing prepared by management, randomly select 10 cards (or at least one-third of the cards if the entity has less than 10 cards) that were used during the fiscal period, rotating cards each year. Obtain the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Select the monthly statement or combined statement with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

a. Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder.

Response: All monthly statements were reviewed and approved in writing by the Assessor who is the cardholder.

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

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

16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e. each of the 10 cards should have one month of transactions subject to testing).

a. For each transaction, report whether the transaction is supported by:

i. An original itemized receipt (i.e., identifies precisely what was purchased)

Response: Of the two cards tested, one card included all itemized receipts and one card did not include any itemized receipts.

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

Response: Neither of the two statements included documentation of the business purpose.

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

Response: No other documentation is required.

b. For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing/disbursement policies and the Louisiana Public Bid Law (i.e. transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.

Response: No exceptions to the policy or the Louisiana Public Bid Law.

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

Response: No payments were made that would violate Article 7, Section 14 of the Louisiana Constitution.

Exception: See above responses.

Management's Response: The Assessor will insure that documentation for all credit card purchases include the business purposes.

Travel and Expense Reimbursement

17. Obtain from management a listing of all travel and related expense reimbursements, by person, during the fiscal period or, alternately, obtain the general ledger and sort/filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete.

Response: Management provided a listing of travel and related expense reimbursements.

18. Obtain the entity's written policies related to travel and expense reimbursements. Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration (www.gsa.gov) and report any amounts that exceed GSA rates.

Response: There is a written policy and procedures on travel and expense reimbursement. No amounts exceed GSA rates.

19. Using the listing or general ledger from #17 above, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expenses selected:

a. Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.

Response: There were eight travel advances that were tested. None of the eight advances included a Travel Advance Request Form or a Travel Expense Form in accordance with the written policy.

b. Report whether each expense is supported by:

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

Response: All eight transactions were for travel advance and did not include an itemized receipt.

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

Response: There was documentation of the business/public purpose for six of the eight transactions.

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

Response: No other documentation is required.

c. Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

Response: There was no indication of a violation of Article 7, Section 14 of the Louisiana Constitution.

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

Response: Six of the eight transactions were for the Assessor, so there was no approval for those transactions. The other two transactions were approved by the Assessor.

Exception: See above responses.

Management's Response: The Assessor will follow the written policy for advances by requiring the Travel Advance Request Form and the Travel Expense Form be completed.

Contracts

20. Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management's representation that the listing or general ledger is complete.

Response: Management provided a listing of contracts.

21. Using the listing above, select the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:

a. Report whether there is a formal/written contract that supports the services arrangement and the amount paid.

Response: The Assessor had one contract.

b. Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:

Response: The Assessor had no contracts that were subject to public bid law or procurement code.

i. If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder)

Response: Not applicable.

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

Response: There was no documentation showing the Assessor solicited quotes for contracts.

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

Response: There were no amendments to the contract.

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

Response: The invoice and related payments complied with the terms and conditions of the contract.

e. Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).

Response: Not applicable.

Exception: See above responses.

Management's Response: The Assessor will follow the written policy in regards to insuring a competitive atmosphere by obtaining quotes and following the bid process.

Payroll and Personnel

22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:

a. Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.

Response: The Assessor provided a list of employees and related pay rates. There is no formal pay structure or employment contracts.

b. Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.

Response: Pay rate changes are made before the beginning of the calendar year based on performance evaluated by the Assessor.

23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:

Response: The Assessor has a daily timesheet that documents hours worked and documents leave records showing sick time, vacation time, and holidays used and the balance. The Assessor reviews and approves these documents.

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

Response: We reviewed timesheets for all employees. All documented their daily attendance and leave.

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

Response: We reviewed timesheets for all employees. All were approved by the Assessor.

c. Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

Response: The leave records indicate hours used and hours available, but the document did not document the hours earned. The Assessor provided documentation showing the hours earned by each employee at the beginning of each year.

24. Obtain from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtain the personnel files for the two employees/officials. Report whether the termination payments were made in strict accordance with policy and/or contract and approved by management.

Response: Per discussion with management and review of payroll records, there were no termination payments.

25. Obtain supporting documentation (e.g. cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether the employee and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.

Response: All payroll taxes and retirement contributions and reporting forms were submitted to the applicable agencies in a timely manner.

Exception: See above responses.

Management's Response: None.

Ethics

26. Using the five randomly selected employees/officials from procedure #22 under "Payroll and Personnel" above, obtain ethics compliance documentation from management and report whether the entity maintained documentation to demonstrate that required ethics training was completed.

Response: Ethics training was completed by each employee and the Assessor.

27. Inquire of management whether any alleged ethics violations were reported to the entity during the fiscal period. If applicable, review documentation that demonstrates whether management investigated alleged ethics violations, the corrective actions taken, and whether management's actions complied with the entity's ethics policy. Report whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.

Response: Per discussion with management, there were no alleged ethics violations reported.

Exception: None.

Management's Response: None.

Debt Service

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

Response: Not applicable.

29. If the entity had outstanding debt during the fiscal period, obtain supporting documentation from the entity and report whether the entity made scheduled debt service payments and maintained debt reserves, as required by debt covenants.

Response: Not applicable.

30. If the entity had tax millages relating to debt service, obtain supporting documentation and report whether millage collections exceed debt service payments by more than 10% during the fiscal period. Also, report any millages that continue to be received for debt that has been paid off.

Response: Not applicable.

Other

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

Response: Per discussion with management, there were no misappropriations of public funds or assets.

32. Observe and report whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at www.la.gov/hotline) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

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

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

Response: We did not observe any other exceptions regarding management's representations in the procedures above.

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. Felden & Co., CPAs

Jonesboro, Louisiana
June 11, 2018



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 • www.natchitochesassessor.org

June 11, 2018

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, 2017 through December 31, 2017, 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, 2017 through December 31, 2017, 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, 2017, and June 11, 2018.

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

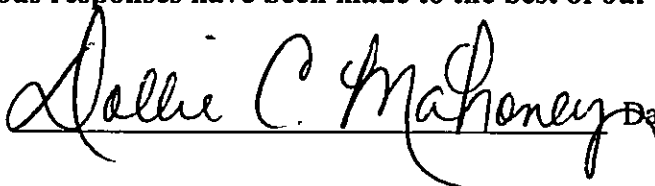
16. We have responded fully to all inquiries made by you during the engagement.

Yes No

17. We are not aware of any events that have occurred subsequent to December 31, 2017, 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 11, 2018

Title Assessor