

**NATCHITOCHE PARISH GOVERNMENT
ANNUAL FINANCIAL REPORT**

DECEMBER 31, 2015

NATCHITOCHE PARISH GOVERNMENT
ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2015

T A B L E O F C O N T E N T S

	<u>Exhibit</u>	<u>Page</u>
Required Supplementary Information		
Management’s Discussion and Analysis	-	1-5
Independent Auditor’s Report	-	6-8
<u>Basic Financial Statements</u>		
Government-Wide Financial Statements		
Statement of Net Position	A	11
Statement of Activities	B	12
Fund Financial Statements		
Governmental Funds:		
Balance Sheet-Governmental Funds	C	14
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	D	15
Statement of Revenues, Expenditures and Changes in Fund Balance-Governmental Funds	E	16
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	F	17
Notes to Financial Statements	-	19-59
<u>Required Supplemental Information</u>		
Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget (GAAP Basis) and Actual-		
General Fund	G-1	61
Road Maintenance Fund	G-2	62
Sales Tax Fund	G-3	63
Parish Library Fund	G-4	64
Disposal Solid Waste	G-5	65
Government Building	G-6	66
Head Start Fund	G-7	67

NATCHITOCHE PARISH GOVERNMENT
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YEAR ENDED DECEMBER 31, 2015

T A B L E O F C O N T E N T S

	<u>Exhibit</u>	<u>Page</u>
Schedule of Employer's Share of Net Pension Liability	H	68
Schedule of Employer Contributions	I	69
Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer	J	70
<u>Other Supplemental Schedules</u>		
Non-Major Governmental Funds:		
Combining Balance Sheet	K-1	72-74
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	K-2	75-77
Supplementary Schedule of Expenditures of Federal Awards	K-3	78-79
Notes to the Schedule of Expenditures of Federal Awards	K-4	80
Reporting Fraud and Misappropriations	K-5	81-82
<u>Other Reports</u>		
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 <i>Government Auditing Standards</i>	-	84-85
Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133	-	86-88
Schedule of Findings and Questioned Costs	L	89-91

Natchitoches Parish Government

Natchitoches, Louisiana

Management's Discussion and Analysis (MD&A)

Our discussion and analysis of the Natchitoches Parish Government's financial performance provides an overview of the Parish Government's financial activities for the year ended December 31, 2015.

Financial Highlights

- The Parish Government's assets exceeded its liabilities by \$22,667,498 (net position) for the fiscal year reported. This compares to the previous year when assets exceeded liabilities by \$22,156,629.
- Total net position is comprised of the following:
 1. Net investment in capital assets, of \$10,781,636 includes property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
 2. Unrestricted net position of \$11,885,862 represents the portion available to maintain the Parish Government's continuing obligations to citizens and creditors.
- The Parish Government's governmental funds report a total fund balance of \$12,793,610 this year. This compares to the prior year ending fund balance of \$11,945,649 showing an increase of \$847,961 during the current year.

Using This Annual Report

The Parish Government's annual report consists of a series of financial statements that show information for the Parish Government as a whole, and its funds. The Statement of Net Position and the Statement of Activities provide information about the activities of the Parish Government as a whole and present a longer-term view of the Parish Government's finances. For our governmental activities, these statements tell how we financed our services in the short-term as well as what remains for future spending. The fund financial statements, the Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance, report the Parish Government's operations in more detail than the government-wide statements by providing information about the Parish Government's most financially significant funds.

Reporting the Parish Government as a Whole

The Statement of Net Position and the Statement of Activities

One of the most important questions asked about the Parish Government's finances is "Is the Parish Government as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the Parish Government as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Parish Government's net position – the difference between assets and liabilities, as reported in the Statement of Net Position – as one way to measure the Parish Government's financial position. Over time, increases or decreases in the Parish Government's net position – as reported in the Statement of Activities – is one indicator of whether its financial health is improving or deteriorating. You must consider other non-financial factors, such as the condition of roads and bridges to assess the overall health of the Parish Government.

The Statement of Net Position and Statement of Activities report the following activity for the Parish Government:

Governmental Activities – All of the Parish Government's services are reported here, including public works and health and welfare services. Property taxes, sales taxes, and state and federal grants finance most of these activities.

Reporting the Parish Government's Most Significant Funds

Fund Financial Statements

The Parish Government's fund financial statements provide detailed information about the most significant funds – not the Parish Government as a whole. Some funds are required to be established by State law and by bond covenants. However, the Parish Government establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other monies (like grants the Parish Government receives for Head Start). The Parish Government's governmental funds use the following accounting approach:

Governmental Funds – All of the Parish Government's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year-end that are available for spending. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted into cash. The governmental fund statements provide a detailed short-term view of the Parish Government's operations and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Parish Government's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation after the fund financial statements.

The Parish Government as a Whole

Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the Parish Government's governmental activities:

Table 1
Net Position
December 31, 2015

	Governmental Activities	
	<u>2015</u>	<u>2014</u>
Assets:		
Cash & Other Assets	\$14,339,320	\$13,430,152
Noncurrent Assets	<u>10,781,636</u>	<u>10,548,209</u>
Total Assets	<u>\$25,120,956</u>	<u>\$23,978,361</u>
Deferred Outflows	\$ <u>961,781</u>	\$ <u>0</u>
Liabilities:		
Current and Other Liabilities	\$ 1,545,710	\$ 1,484,503
Long-term Liabilities	<u>1,706,907</u>	<u>787,745</u>
Total Liabilities	<u>\$ 3,252,617</u>	<u>\$ 2,272,248</u>
Deferred Inflows	\$ <u>162,622</u>	\$ <u>0</u>
Net Position:		
Net Investment in Capital Assets	\$10,781,636	\$10,548,209
Unrestricted	<u>11,885,862</u>	<u>11,157,904</u>
Total Net Position	<u>\$22,667,498*</u>	<u>\$21,706,113*</u>

*Natchitoches Parish Government adopted GASB 68 in 2015. The above amounts for 2014 have not been restated to include GASB 68 amounts. As a result, the amounts reported above do not articulate to the amounts reported on page 12, which have been restated.

Table 2
Changes in Net Position
Year Ended December 31, 2015

	<u>Primary Government</u>	
	<u>2015</u>	<u>2014</u>
Program Revenues:		
Charges for Services	\$ 296,684	\$ 166,932
Operating Grants & Contributions	5,270,231	4,620,102
Capital Grants & Contributions	0	168,425
General Revenues:		
Ad Valorem Taxes	6,213,409	6,071,458
Sales Taxes	2,389,404	2,268,292
Licenses & Permits	458,878	396,358
Interest	12,073	13,789
Miscellaneous	<u>236,535</u>	<u>1,387,422</u>
Total Revenues	<u>\$14,877,214</u>	<u>\$15,092,778</u>
Functional/Program Expenses:		
Governmental Activities-		
General Government	\$ 2,037,283	\$ 1,644,326
Public Safety	2,031,309	2,155,560
Public Works	4,711,890	4,689,987
Health & Welfare	3,580,390	4,867,676
Recreation & Culture	1,922,752	1,902,369
Economic Development	<u>82,721</u>	<u>16,405</u>
Total Expenses	<u>\$14,366,345</u>	<u>\$15,276,323</u>
Change in Net Position	<u>\$ 510,869</u>	<u>\$ (183,545)</u>

Economic Factors and Next Year's Budgets and Rates

In 2016, the general fund is expected to have little or no change. For the past several years the Natchitoches Parish Government has incurred financial difficulties due to rising costs specifically in the Criminal Court Fund and the various Office of Community Services funds. At the same time, revenues are not rising and several attempts to pass additional sales taxes have failed. The Parish Government is required to cover the cost of housing and feeding pre-trial inmates in the Natchitoches Parish Detention Center as well as other costs necessary for the operation of the Criminal Court. The Parish Government has established the Public Safety Fund to account for the costs of pre-trial inmates, however, the General Fund is fully responsible for the expenditures of this fund. In addition, the Office of Community Services, a component unit of the Parish Government, has overspent program revenues causing cash overdrafts and fund deficits that the Parish Government must fund.

The financial stability of the Parish Government is improving, but is still not stable. Management of the Parish Government is aware of the financial difficulties caused by this situation and is monitoring these transactions closely.

Contacting the Parish Government

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Parish Government's finances and to show the Parish Government's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Debra Miley, Treasurer at 318-352-2714.

Johnson, Thomas & Cunningham

Certified Public Accountants

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation
Roger M. Cunningham, CPA – A Professional Corporation
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INDEPENDENT AUDITOR'S REPORT

To the President and Council Members
of the Natchitoches Parish Government

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Natchitoches Parish Government (Parish Government) as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Parish Government'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 and the *Louisiana Governmental Audit Guide*. 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.

Basis for Adverse Opinion on Aggregate Discretely Presented Component Units

The financial statements referred to above do not include financial data for the Parish Government's legally separate component units. Accounting principles generally accepted in the United States of America require financial data for those component units to be reported with the financial data of the Parish Government's primary government unless the Parish Government also issues financial statements for the financial reporting entity that include the financial data for its component units. The Parish Government has not issued such reporting entity financial statements. Because of this departure from accounting principles generally accepted in the United States of America, the assets, deferred outflows, liabilities, deferred inflows, net position, revenues and expenses of the aggregate discretely presented component units that would have been reported is unknown.

Adverse Opinion on Aggregate Discretely Presented Component Units – The Reporting Entity

In our opinion, because of the significance of the matter described in the "Basis for Adverse Opinion on Aggregate Discretely Component Units" paragraph, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the Natchitoches Parish Government, the reporting entity, as of December 31, 2015, or the changes in financial position thereof for the year then ended.

Unmodified Opinion – The Primary Government

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Natchitoches Parish Government, the primary government, as of December 31, 2015, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 1 to the financial statements, the Parish Government has adopted the provisions of GASB Statement 68 *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Budgetary Comparison Schedules, Schedule of Employer's Share of Net Pension Liability, Schedule of Employer Contributions, and the Schedule of Expenditures of Federal Awards as listed in the Table of Contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is presented for purposes of additional analysis and 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.

The Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer, Combining Nonmajor Fund Statements, and Reporting Fraud and Misappropriations listed as required supplementary information in the Table of Contents are presented for purposes of additional analysis and is not a required part of the basic financial statements.

We have applied certain limited procedures to the Management's Discussion and Analysis 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 introductory section because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Parish Government's basic financial statements.

The Budgetary Comparison Schedules, Schedule of Employer's Share of Net Pension Liability, Schedule of Employer Contributions, Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer, Combining Statement of Nonmajor Funds, and Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 information is fairly stated in all material respects in relation to the 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 22, 2016, on our consideration of the Parish Government'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 Government's internal control over financial reporting and compliance.

Johnson, Thomas & Cunningham, CPA's
Johnson, Thomas & Cunningham, CPA's

June 22, 2016
Natchitoches, Louisiana

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS

Natchitoches Parish Government
Statement of Net Position
December 31, 2015

	<u>Governmental Activities</u>
Assets-	
Current Assets-	
Cash & Cash Equivalents	\$ 8,323,481
Revenue Receivables	<u>6,015,839</u>
Total Current Assets	\$14,339,320
Noncurrent Assets-	
Capital Assets (net of accumulated depreciation)	<u>10,781,636</u>
Total Assets	<u>\$25,120,956</u>
Deferred Outflows of Resources	<u>\$ 961,781</u>
Liabilities-	
Current Liabilities-	
Cash Overdraft	\$ 5,846
Accounts Payable	731,262
Accrued Payroll	34,379
Due to Other Governments	<u>774,223</u>
Total Current Liabilities	<u>\$ 1,545,710</u>
Long-term Liabilities-	
Accrued Compensated Absences	\$ 143,222
OPEB Payable	1,311,775
Net Pension Liability	<u>251,910</u>
Total Long-term Liabilities	<u>\$ 1,706,907</u>
Total Liabilities	<u>\$ 3,252,617</u>
Deferred Inflows of Resources	<u>\$ 162,622</u>
Net Position-	
Net Investment in Capital Assets	\$10,781,636
Unrestricted	<u>11,885,862</u>
Total Net Position	<u>\$22,667,498</u>

See notes to financial statements.

Natchitoches Parish Government
Statement of Activities
Year Ended December 31, 2015

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position Governmental Activities</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Primary Government:					
Governmental Activities-					
General Government	\$ (2,037,283)	\$ 0	\$ 664,288	\$0	\$ (1,372,995)
Public Safety	(2,031,309)	180,537	480,439	0	(1,370,333)
Public Works	(4,711,890)	93,219	798,237	0	(3,820,434)
Health & Welfare	(3,783,880)	0	3,527,394	0	(256,486)
Recreation & Culture	(1,922,752)	22,928	3,363	0	(1,896,461)
Economic Development	<u>(82,721)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(82,721)</u>
Total Governmental Activities	<u>\$(14,569,835)</u>	<u>\$296,684</u>	<u>\$5,473,721</u>	<u>\$0</u>	<u>\$ (8,799,430)</u>
General Revenues:					
Taxes-					
Ad Valorem					\$ 6,213,409
Sales & Use					2,389,404
Licenses & Permits					458,878
Interest					12,073
Miscellaneous					<u>236,535</u>
Total General Revenues					<u>\$ 9,310,299</u>
Change in Net Position					\$ 510,869
Net Position January 1, 2015 (Restated, See Note 1.L)					<u>22,156,629</u>
Net Position December 31, 2015					<u>\$22,667,498</u>

FUND FINANCIAL STATEMENTS

Natchitoches Parish Government
Governmental Funds-Balance Sheet
December 31, 2015

	Major Funds							Nonmajor Funds	Total Governmental Funds
	General Fund	Road Maintenance Fund	Sales Tax Fund	Parish Library Fund	Disposal Solid Waste	Government Building Fund	Head Start Fund		
<u>Assets</u>									
Cash & Cash Equivalents	\$ 822,299	\$ 896,589	\$1,503,822	\$1,601,596	\$363,265	\$1,457,572	\$113,419	\$1,564,919	\$ 8,323,481
Revenue Receivables	948,256	1,157,580	286,173	1,923,182	3,668	783,418	0	913,562	6,015,839
Due from Other Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,595</u>	<u>5,595</u>
Total Assets	<u>\$1,770,555</u>	<u>\$2,054,169</u>	<u>\$1,789,995</u>	<u>\$3,524,778</u>	<u>\$366,933</u>	<u>\$2,240,990</u>	<u>\$113,419</u>	<u>\$2,484,076</u>	<u>\$14,344,915</u>
<u>Liabilities</u>									
Cash Overdraft	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,846	\$ 5,846
Accounts Payable	342,905	98,496	0	119,223	124,430	12,271	0	33,937	731,262
Accrued Payroll	0	7,761	0	2,263	7,164	1,507	4,441	11,243	34,379
Due to Other Governments	0	0	0	0	0	0	0	774,223	774,223
Due to Other Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,595</u>	<u>5,595</u>
Total Liabilities	<u>\$ 342,905</u>	<u>\$ 106,257</u>	<u>\$ 0</u>	<u>\$ 121,486</u>	<u>\$131,594</u>	<u>\$ 13,778</u>	<u>\$ 4,441</u>	<u>\$ 830,844</u>	<u>\$ 1,551,305</u>
<u>Fund Balance</u>									
Fund Balances-									
Restricted	\$ 0	\$1,947,912	\$1,789,995	\$3,403,292	\$235,339	\$2,227,212	\$108,978	\$2,310,225	\$12,022,953
Unassigned	<u>1,427,650</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(656,993)</u>	<u>770,657</u>
Total Fund Balance	<u>\$1,427,650</u>	<u>\$1,947,912</u>	<u>\$1,789,995</u>	<u>\$3,403,292</u>	<u>\$235,339</u>	<u>\$2,227,212</u>	<u>\$108,978</u>	<u>\$1,653,232</u>	<u>\$12,793,610</u>
Total Liabilities & Fund Balance	<u>\$1,770,555</u>	<u>\$2,054,169</u>	<u>\$1,789,995</u>	<u>\$3,524,778</u>	<u>\$366,933</u>	<u>\$2,240,990</u>	<u>\$113,419</u>	<u>\$2,484,076</u>	<u>\$14,344,915</u>

See notes to financial statements.

Natchitoches Parish Government
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2015

Total Governmental Fund Balances	\$ 12,793,610
Amounts reported for Governmental Activities in the Statement of Net Position are different because:	
Capital Assets used in Governmental Activities are not financial resources and, therefore, are not reported in the funds-	
Capital Assets	35,189,509
Less, Accumulated Depreciation	(24,407,873)
Deferred Outflows of Resources used in Governmental Activities are not financial resources and, therefore, are not reported in the Governmental Fund Balance Sheet	961,781
Long-term Liabilities are not due and payable in the current period and are not reported in the funds-	
Accrued Compensated Absences	(143,222)
Other Post-Employment Benefit Obligation	(1,311,775)
Net Pension Liability	(251,910)
Deferred Inflows of Resources are not due and payable in the current period and, therefore, are not reported in the Governmental Fund Balance Sheet	<u>(162,622)</u>
Total Net Position of Governmental Activities at December 31, 2015	<u>\$ 22,667,498</u>

See notes to financial statements.

Natchitoches Parish Government
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended December 31, 2015

	Major Funds							Nonmajor Funds	Total Governmental Funds
	General Fund	Road Maintenance Fund	Sales Tax Fund	Parish Library Fund	Disposal Solid Waste Fund	Government Building Fund	Head Start Fund		
Revenues:									
Taxes-									
Ad Valorem	\$ 1,114,384	\$1,036,094	\$ 0	\$2,230,362	\$ 0	\$ 904,613	\$ 0	\$ 927,956	\$ 6,213,409
Sales & Use	0	0	2,389,404	0	0	0	0	0	2,389,404
License & Permits	283,249	0	0	0	0	0	0	175,629	458,878
Intergovernmental-									
Federal Grants	0	170,502	0	0	0	0	2,282,279	908,578	3,361,359
State Grants	733,981	527,953	0	0	0	0	0	14,112	1,276,046
Other Grants	0	0	0	3,363	0	0	366,628	466,327	836,318
Charges for Services	0	0	0	12,312	93,218	0	0	0	105,530
Fines & Forfeits	0	0	0	10,613	0	0	0	180,537	191,150
Miscellaneous	99,885	38,062	1,773	5,585	0	1,678	0	39,696	186,679
Total Revenues	\$ 2,231,499	\$1,772,611	\$ 2,391,177	\$2,262,235	\$ 93,218	\$ 906,291	\$2,648,907	\$2,712,835	\$15,018,773
Expenditures:									
Current-									
General Government	\$ 572,790	\$ 16,793	\$ 55,429	\$ 0	\$ 0	\$ 486,269	\$ 0	\$ 267,684	\$ 1,398,965
Public Safety	180,531	0	0	0	0	0	0	1,813,202	1,993,733
Public Works	0	2,472,300	0	0	1,949,495	0	0	3,949	4,425,744
Health & Welfare	2,808	0	0	0	0	0	2,508,514	1,289,655	3,800,977
Recreation & Culture	0	0	0	2,468,671	0	0	0	0	2,468,671
Economic Development	82,722	0	0	0	0	0	0	0	82,722
Total Expenditures	\$ 838,851	\$2,489,093	\$ 55,429	\$2,468,671	\$1,949,495	\$ 486,269	\$2,508,514	\$3,374,490	\$14,170,812
Excess (Deficiency) of Revenues over Expenditures	\$ 1,392,648	\$ (716,482)	\$ 2,335,748	\$ (206,436)	\$(1,856,277)	\$ 420,022	\$ 140,393	\$ (661,655)	\$ 847,961
Other Financing Sources (Uses):									
Operating Transfers In	\$ 308,075	\$ 785,125	\$ 0	\$ 0	\$ 2,100,000	\$ 0	\$ 39,378	\$1,595,356	\$ 4,827,934
Operating Transfers Out	(1,538,886)	(26,503)	(2,700,000)	0	0	0	(53,512)	(509,033)	(4,827,934)
Total Other Financing	\$(1,230,811)	\$ 758,622	\$(2,700,000)	\$ 0	\$ 2,100,000	\$ 0	\$ (14,134)	\$1,086,323	\$ 0
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	\$ 161,837	\$ 42,140	\$ (364,252)	\$ (206,436)	\$ 243,723	\$ 420,022	\$ 126,259	\$ 424,668	\$ 847,961
Fund Balances-Beginning of Year	1,265,813	1,905,772	2,154,247	3,609,728	(8,384)	1,807,190	(17,281)	1,228,564	11,945,649
Fund Balances-End of Year	\$ 1,427,650	\$1,947,912	\$ 1,789,995	\$3,403,292	\$ 235,339	\$2,227,212	\$ 108,978	\$1,653,232	\$12,793,610

See notes to financial statements.

Natchitoches Parish Government
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2015

Net Change in Fund Balances-Total Governmental Funds	\$ 847,961
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Amounts reported for Governmental Activities
in the Statement of Activities are different because:

Governmental Funds report Capital Outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. The current year amounts for these items were-

Capital Expenditures	935,631
Depreciation Expense	(687,023)

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

Accrued Compensated Absences	(8,583)
Other Post-Employment Benefit Obligation	(658,669)
Non-employer Pension Revenue	77,108
Pension Expense	19,624

The net effect of the disposition of capital assets
is to decrease net position:

Decrease in Capital Assets	(260,458)
Decrease in Accumulated Depreciation	<u>245,278</u>

Change in Net Position of Governmental Activities	\$ <u>510,869</u>
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See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

Introduction

The Natchitoches Parish Government is the governing authority for Natchitoches Parish, and is a political subdivision of the State of Louisiana. The Parish Government, under the provisions of Louisiana Revised Statutes 33:1236-1344, enacts ordinances, sets policy and establishes programs in such fields as criminal and juvenile justice, highways and streets, sanitation, planning and zoning, public health, libraries, recreational facilities and general administrative services. The Parish Government operates as a President-Council form of government, with the president elected parish-wide and the five council members elected from the various districts of Natchitoches Parish.

1. Summary of Significant Accounting Policies

A. 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 (Parish Government), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

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

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

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

Based on the previous criteria, the Parish Government has determined that the following component units are part of the reporting entity:

<u>Component Unit</u>	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Fire District No. 1	12-31	1 and 3
Fire District No. 2	12-31	1 and 3
Fire District No. 3	12-31	1 and 3
Fire District No. 4	12-31	1 and 3
Fire District No. 5	12-31	1 and 3
Fire District No. 6	12-31	1 and 3
Fire District No. 7	12-31	1 and 3
Fire District No. 8	12-31	1 and 3
Fire District No. 9	6-30	1 and 3
Fire District No. 10	6-30	1 and 3
Waterworks District No. 2	12-31	1 and 3
Parish Assessor's Office	12-31	2 and 3
Parish Clerk of Court	6-30	2 and 3
District Attorney	12-31	2 and 3
Communications District	12-31	1 and 3
Sheriff	6-30	2 and 3
Hospital Service District	6-30	1 and 3
Northwest LA Fish and Game Preserve	12-31	1 and 3

The Parish Government has chosen to issue financial statements of the primary government (Parish Government), which exclude the above listed component units. For information to obtain financial statements for any of the above component units, contact the treasurer of the Parish Government at 318-352-2714.

These primary government (Parish Government) financial statements include all funds and organizations for which the Parish Government maintains the accounting records. All the blended component units are included as funds within the reporting entity and include the Parish Library, Tenth Judicial District Criminal Court Fund, Civil Defense Fund, and Natchitoches Parish Office of Community Services.

GASB Statement 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (Parish Government) financial statements are not a substitute for the reporting entity's financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

These financial statements are not intended to and do not report on the reporting entity but rather are intended to reflect only the financial statements of the primary government (Parish Government).

B. Government-Wide and Fund Financial Statements

The Government-Wide Financial Statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The Government-Wide Financial Statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

Property taxes, franchise taxes, intergovernmental revenues, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Parish Government reports the following major governmental funds:

General Fund-The General Fund is the Parish Government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Special Revenue Funds-Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

The Parish Government's major special revenue funds are-

Road Maintenance Fund-Used to account for the Parish Government's road, bridge, and drainage projects.

Sales Tax Fund-Used to account for the collection of a 1% sales and use tax used to finance the Solid Waste Fund, with any remaining balance used for the Road Maintenance Fund.

Parish Library Fund-Used to account for the operations of the parish library.

Disposal Solid Waste-Used to account for the operations of the Parish's solid waste disposal.

Government Building Fund-Used to account for monies provided by a property tax levy to be used in the maintenance and operation of the Natchitoches Parish Courthouse, and other Parish Government properties.

Head Start Fund-Used to account for the Parish Government's Head Start programs.

D. Deposits and Investments

The Parish Government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of twelve months or less from the date of acquisition. State law and the Parish Government's investment policy allow the Parish Government to invest in collateralized certificates of deposit, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

E. Interfund Transactions

There are several types of transactions that are reported in the financial statements as interfund items. Interfund transactions, which constitute reimbursements of a fund for expenditures initially made from that fund, which are properly applicable to another fund, are recorded as expenditures in the reimbursing fund, and as reductions of the expenditure in the fund that is being reimbursed. Nonrecurring or nonroutine transfers of equity between funds are treated as residual transfers and are reported as additions to or deductions from fund balance. All other transfers are treated as operating transfers and are included in the results of operations of the funds.

The Criminal Court Fund includes revenues and expenditures of the Tenth Judicial District Court. The monies in the fund are not available for use by the Parish Government. However, state law requires that the Parish Government fund all deficits of the fund and entitles the Parish Government to one-half of any surplus of the fund. These transactions are accounted for as operating transfers of the Criminal Court Fund and the General Fund as applicable.

The following are summaries of interfund receivables and payables, and interfund operating transfers:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 308,075	\$1,521,729
Special Revenue Funds-		
Road Maintenance Fund	785,125	26,503
Disposal Solid Waste	2,100,000	0
Health Unit Fund	0	300,000
Sales Tax Fund	0	2,700,000
Criminal Court	240,000	0
OCS-CSBG	7,934	17,997
OCS-Food Bank	785	0
OCS-OCS Family Day Care	55	0
OCS Reimb. For HS	372	0
OCS-RSVP	0	0
OCS-Head Start	39,379	53,512
OCS-CACFP	29,126	15,014
OCS-CHC	0	0
OCS-TTA/CDA	0	0
OCS-Senior Companion	9,223	8,054
Coco Bed Road	5,000	0
Title III Kisatchie Search & Rescue	21,503	0
FEMA	0	185,125
Public Safety	1,250,000	0
CJ/Criminal Waiver/Juror	15,000	0
Coroner	<u>16,357</u>	<u>0</u>
Totals	<u>\$4,827,934</u>	<u>\$4,827,934</u>

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

Transfers are primarily used to move funds:

- From Health Unit Maintenance Fund to the General Fund to help fund inmate medical costs.
- From General Fund to Criminal Court and Public Safety Funds as mandated by Louisiana law to fund criminal court cost and prisoner maintenance.
- From Sales Tax Fund to Solid Waste Disposal and Road Funds to fund waste disposal and road maintenance.
- From General Fund to OCS Funds to clear fund deficits.
- From Head Start to CACFP to fund cost of food.
- Other miscellaneous transfers to move operation monies to and from various funds.

F. Capital Assets

Capital Assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Parish Government maintains a threshold level of \$1,000 or more for capitalizing capital assets.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Roads, bridges, & infrastructure	50 years
Buildings & building improvements	40 years
Furniture & fixtures	5-7 years
Vehicles	5-7 years
Equipment	5-7 years

G. Inventories

Inventories are considered expenditures when purchased; therefore, physical inventories are not taken. Inventories on hand at December 31, 2015, are immaterial and are approximately the same as at December 31, 2014. Inventories consist of gravel, road building and general maintenance materials, and supplies.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

H. Compensated Absences

Full-time Parish Government employees may earn from five to twenty days of annual leave and five to twelve days of sick leave per year depending on length of service. Upon resigning, employees may be paid for annual leave up to fifty days. Retiring employees are not paid for accrued annual leave in excess of fifty days, but are given credit toward retirement length of service. Similarly, employees are not paid for accrued sick leave upon resigning or retiring, but accrued sick leave may be applied against total employment years at retirement.

I. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position.

In the fund financial statements, governmental fund types recognize debt issued as other financing sources. Repayment of the principal and interest is shown as an expenditure.

J. Pensions

For purposes of measuring the Net Pension Liability, Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions, and pension expense, information about the fiduciary net position of the retirement systems and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the retirement systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. See note 8, for more information on the individual retirement systems.

K. Deferred Outflows/Inflows of Resources

The Statement of Net Position reports a separate section for deferred outflows and (or) deferred inflows of financial resources. Deferred outflows of resources represent a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until the applicable period. Deferred inflows of resources represent an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources until that time.

L. Impact of Recently Issued Accounting Principles

As of January 1, 2015, the Parish Government implemented Governmental Accounting Standards Board (GASB) Statement 68 *Accounting and Financial Reporting for Pensions – Amendment of GASB Statement 27*, which resulted in a cumulative change in accounting principle and also a restatement of net position. The net effect of the restatement was to increase the net position of the Parish Government's governmental funds by \$450,516.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

M. Fund Balance

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

- a. Nonspendable fund balance - amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;
- b. Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- c. Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- d. Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- e. Unassigned fund balance - amounts that are available for any purpose. Only the General Fund would report positive amounts in unassigned fund balance.

The Parish Government has restricted fund balances of \$12,022,953 and unassigned fund balances of \$770,657. If applicable, the Parish Government would typically use restricted fund balances first, followed by committed resources and assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

N. Net Position

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

- a. Net Investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted Net Position - Consists of net resources with constraints placed on their use either by (1) external groups such as creditors, grantors, contributions, or laws or regulations of other governments; or (2) law through constitutional provision or enabling legislation.
- c. Unrestricted Net Position - All other net resources that do not meet the definition of “restricted” or “invested in capital assets”.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

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

O. Estimates

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

2. Budgets and Budgetary Accounting

The Parish Government utilizes the following procedures in establishing the budgetary data reflected in the financial statements:

- (1) Prior to December 1, the Treasurer submits to the Parish Government a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- (2) A public hearing is then conducted, after proper official journal notification, to obtain public comments.
- (3) Prior to December 31, the budget is legally enacted through passage of an ordinance.
- (4) The budget ordinance is structured such that revenues are budgeted by source and appropriations are budgeted by department and by principal object of expenditure. Revisions to the budget as enacted require Parish Government action. Several such revisions were made during the year ended December 31, 2015.
- (5) The Parish Government utilizes formal budgetary integration as a management control device for the General Fund and Special Revenue Funds.
- (6) The basis of accounting applied to budgetary data presented is substantially consistent with the appropriate basis of accounting for each fund type for which an annual budget is prepared. Appropriations that are not expended lapse at year-end.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

3. Deficits in Individual Funds

At December 31, 2015, the following funds had a deficit balance in their fund balance:

<u>Fund</u>	<u>Amount</u>
Office of Community Services- CHC	\$ 48
Public Safety	651,642
Coroner	<u>5,303</u>
Total	<u>\$656,993</u>

The deficit balances in CHC and Public Safety will be funded by transfers from the General Fund and the deficit in the Coroner Fund will be funded by transfers from the Criminal Court in future years, if funding is available.

4. Cash and Cash Equivalents

At December 31, 2015, the Parish Government had cash and cash equivalents (book balances) totaling \$8,317,635 as follows:

Interest-bearing demand deposits	\$7,845,552
U.S. Government Securities	<u>472,083</u>
Total	<u>\$8,317,635</u>

The cash and cash equivalents of the Parish Government are subject to the following risks:

Custodial Credit Risk. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Parish Government will not be able to recover its deposits. 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 or exceed the amount on deposit with the fiscal bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Parish Government that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Parish Government's name.

At December 31, 2015, the Parish Government has \$7,944,317 in deposits (collected bank balances). These deposits are secured from risk by \$3,187,776 of federal deposit insurance and \$7,625,541 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3). The \$472,083 in securities is secured by the U.S. Government.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

Interest Rate Risk. This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity is its fair value to changes in market interest rates. The Parish Government does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, as a means of offsetting exposure to interest rate risk, the Parish Government diversifies its investments by security type and institution.

5. Receivables

The receivables of \$6,015,839 at December 31, 2015 are as follows:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>
Taxes-		
Ad Valorem	\$807,112	\$4,435,158
Other Taxes	120,898	286,173
Intergovernmental-		
State	0	39,535
Other	<u>20,246</u>	<u>306,717</u>
Totals	<u>\$948,256</u>	<u>\$5,067,583</u>

Substantially all receivables are considered to be fully collectible, and no allowance for uncollectibles is used.

6. Capital Assets

Capital assets and depreciation activity as of and for the year ended December 31, 2015, is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
General Fund:					
Capital Assets; not depreciated-					
Land	\$ 443,958	\$ 0	\$ 0	\$ 0	\$ 443,958
CIP	45,608	0	45,608	0	0
Capital Assets; depreciated-					
Building	5,180,471	655,759	0	(107,000)	5,729,230
Office Equipment	214,873	2,524	0	0	217,397
Other Equipment	58,155	0	0	0	58,155
Vehicles	<u>230,923</u>	<u>0</u>	<u>0</u>	<u>(25,571)</u>	<u>205,352</u>
Total Assets	<u>\$ 6,173,988</u>	<u>\$658,283</u>	<u>\$ 45,608</u>	<u>\$(132,571)</u>	<u>\$ 6,654,092</u>
Accumulated Depreciation-					
Building	\$ 3,434,850	\$ 74,523	\$ 0	\$ 0	\$ 3,509,373
Office Equipment	212,725	1,621	0	0	214,346
Other Equipment	49,194	1,994	0	0	51,188
Vehicles	<u>230,923</u>	<u>0</u>	<u>0</u>	<u>(25,571)</u>	<u>205,352</u>
Total Acc. Deprec.	<u>\$ 3,927,692</u>	<u>\$ 78,138</u>	<u>\$ 0</u>	<u>\$(25,571)</u>	<u>\$ 3,980,259</u>

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Civil Defense:					
Capital Assets; depreciated					
Office Equipment	\$ 38,504	\$ 0	\$ 0	\$ 0	\$ 38,504
Other Equipment	<u>18,265</u>	<u>0</u>	<u>18,265</u>	<u>0</u>	<u>0</u>
Total Assets	<u>\$ 56,769</u>	<u>\$ 0</u>	<u>\$ 18,265</u>	<u>\$ 0</u>	<u>\$ 38,504</u>
Accumulated Depreciation-					
Office Equipment	\$ 38,504	\$ 0	\$ 0	\$ 0	\$ 38,504
Other Equipment	<u>18,265</u>	<u>0</u>	<u>18,265</u>	<u>0</u>	<u>0</u>
Total Acc. Deprec.	<u>\$ 56,769</u>	<u>\$ 0</u>	<u>\$ 18,265</u>	<u>\$ 0</u>	<u>\$ 38,504</u>
Criminal Court/DA:					
Capital Assets; depreciated					
Office Equipment	\$ 38,580	\$ 0	\$ 0	\$ 0	\$ 38,580
Other Equipment	36,564	0	0	0	36,564
Vehicles	<u>0</u>	<u>45,272</u>	<u>0</u>	<u>0</u>	<u>45,272</u>
Total Assets	<u>\$ 75,144</u>	<u>\$ 45,272</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 120,416</u>
Accumulated Depreciation-					
Office Equipment	\$ 38,580	\$ 0	\$ 0	\$ 0	\$ 38,580
Other Equipment	36,564	0	0	0	36,564
Vehicles	<u>0</u>	<u>4,814</u>	<u>0</u>	<u>0</u>	<u>4,814</u>
Total Acc. Deprec.	<u>\$ 75,144</u>	<u>\$ 4,814</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 79,958</u>
Health Unit:					
Capital Assets; depreciated					
Building	\$ 846,415	\$ 2,195	\$ 0	\$ 0	\$ 848,610
Office Equipment	56,354	0	0	0	56,354
Other Equipment	66,853	26,503	21,245	0	72,111
Vehicles	<u>214,790</u>	<u>22,045</u>	<u>20,596</u>	<u>0</u>	<u>216,239</u>
Total Assets	<u>\$ 1,184,412</u>	<u>\$ 50,743</u>	<u>\$ 41,841</u>	<u>\$ 0</u>	<u>\$ 1,193,314</u>
Accumulated Depreciation-					
Building	\$ 570,220	\$ 21,307	\$ 0	\$ 0	\$ 591,527
Office Equipment	54,056	2,298	0	0	56,354
Other Equipment	62,339	2,332	18,745	0	45,926
Vehicles	<u>154,949</u>	<u>17,346</u>	<u>8,826</u>	<u>0</u>	<u>163,469</u>
Total Acc. Deprec.	<u>\$ 841,564</u>	<u>\$ 43,283</u>	<u>\$ 27,571</u>	<u>\$ 0</u>	<u>\$ 857,276</u>
Government Building:					
Capital Assets; depreciated					
Buildings	\$ 0	\$ 3,800	\$ 0	\$ 107,000	\$ 110,800
Other Equipment	40,482	12,091	0	0	52,573
Vehicles	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>\$ 40,482</u>	<u>\$ 15,891</u>	<u>\$ 0</u>	<u>\$ 107,000</u>	<u>\$ 163,373</u>

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

	Beginning <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	Ending <u>Balance</u>
Accumulated Depreciation-					
Building	\$ 0	\$ 4,438	\$ 0	\$ 0	\$ 4,438
Other Equipment	22,205	4,700	0	0	26,905
Vehicles	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Acc. Deprec.	<u>\$ 22,205</u>	<u>\$ 9,138</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 31,343</u>
Head Start:					
Capital Assets; depreciated					
Building	\$ 135,848	\$ 21,200	\$ 0	\$ 0	\$ 157,048
Office Equipment	155,209	8,051	1,499	0	161,761
Other Equipment	362,980	14,295	20,606	0	356,669
Vehicles	<u>168,351</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>168,351</u>
Total Assets	<u>\$ 822,388</u>	<u>\$ 43,546</u>	<u>\$ 22,105</u>	<u>\$ 0</u>	<u>\$ 843,829</u>
Accumulated Depreciation-					
Building	\$ 123,089	\$ 6,707	\$ 0	\$ 0	\$ 129,796
Office Equipment	153,359	2,031	1,499	0	153,891
Other Equipment	269,414	26,817	19,696	0	276,535
Vehicles	<u>168,351</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>168,351</u>
Total Acc. Deprec.	<u>\$ 714,213</u>	<u>\$ 35,555</u>	<u>\$ 21,195</u>	<u>\$ 0</u>	<u>\$ 728,573</u>
LIHEAP:					
Capital Assets; depreciated					
Office Equipment	<u>\$ 2,756</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,756</u>
Total Assets	<u>\$ 2,756</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,756</u>
Accumulated Depreciation-					
Office Equipment	<u>\$ 2,756</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,756</u>
Total Acc. Deprec.	<u>\$ 2,756</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,756</u>
Rural Transit:					
Capital Assets; depreciated					
Vehicles	<u>\$ 15,425</u>	<u>\$ 0</u>	<u>\$ 15,425</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Assets	<u>\$ 15,425</u>	<u>\$ 0</u>	<u>\$ 15,425</u>	<u>\$ 0</u>	<u>\$ 0</u>
Accumulated Depreciation-					
Vehicles	<u>\$ 15,425</u>	<u>\$ 0</u>	<u>\$ 15,425</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Acc. Deprec.	<u>\$ 15,425</u>	<u>\$ 0</u>	<u>\$ 15,425</u>	<u>\$ 0</u>	<u>\$ 0</u>

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

	Beginning <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	Ending <u>Balance</u>
Library:					
Capital Assets; depreciated					
Office Equipment	\$ 311,700	\$ 4,991	\$ 2,737	\$ 0	\$ 313,954
Vehicles	275,501	0	0	0	275,501
Books, Recordings, etc.	<u>1,938,020</u>	<u>124,363</u>	<u>159,043</u>	<u>0</u>	<u>1,903,340</u>
Total Assets	<u>\$ 2,525,221</u>	<u>\$129,354</u>	<u>\$161,780</u>	<u>\$ 0</u>	<u>\$ 2,492,795</u>
Accumulated Depreciation-					
Office Equipment	\$ 269,655	\$ 13,029	\$ 2,737	\$ 0	\$ 279,947
Vehicles	209,128	23,506	0	0	232,634
Books, Recordings, etc.	<u>1,601,005</u>	<u>161,384</u>	<u>159,043</u>	<u>0</u>	<u>1,603,346</u>
Total Acc. Deprec.	<u>\$ 2,079,788</u>	<u>\$197,919</u>	<u>\$161,780</u>	<u>\$ 0</u>	<u>\$ 2,115,927</u>
Road Maintenance:					
Capital Assets; not depreciated					
Land	\$ 48,112	\$ 0	\$ 0	\$ 0	\$ 48,112
Capital Assets; depreciated					
Building	511,216	1,407	0	0	512,623
Office Equipment	16,250	0	1,042	0	15,208
Other Equipment	986,892	36,743	0	0	1,023,635
Vehicles	964,915	0	0	25,571	990,486
Bridges	10,859,351	0	0	0	10,859,351
Roads	<u>10,231,014</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>10,231,014</u>
Total Assets	<u>\$23,617,750</u>	<u>\$ 38,150</u>	<u>\$ 1,042</u>	<u>\$ 25,571</u>	<u>\$23,680,429</u>
Accumulated Depreciation-					
Building	\$ 350,980	\$ 15,430	\$ 0	\$ 0	\$ 366,410
Office Equipment	16,250	0	1,042	0	15,208
Other Equipment	706,345	54,890	0	0	761,235
Vehicles	719,990	65,687	0	25,571	811,248
Bridges	4,331,791	177,166	0	0	4,336,794
Roads	<u>10,105,215</u>	<u>5,003</u>	<u>0</u>	<u>0</u>	<u>10,282,381</u>
Total Acc. Deprec.	<u>\$16,230,571</u>	<u>\$318,176</u>	<u>\$ 1,042</u>	<u>\$ 25,571</u>	<u>\$16,573,276</u>
Total Capital Assets	\$34,514,336	\$981,239	\$306,066	\$ 0	\$35,189,509
Total Accumulated Depreciation	<u>23,966,128</u>	<u>687,023</u>	<u>245,278</u>	<u>0</u>	<u>24,407,873</u>
Total Capital Assets, Net	<u>\$10,548,208</u>	<u>\$294,216</u>	<u>\$ 60,788</u>	<u>\$ 0</u>	<u>\$10,781,636</u>

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

Depreciation expense of \$687,023 for the year ended December 31, 2015, was charged to the following governmental funds:

General Government	\$ 87,276
Public Safety	4,814
Public Works	318,176
Health & Welfare	78,838
Recreation & Culture	<u>197,919</u>
Total	<u>\$687,023</u>

7. Long-Term Debt

The following is a summary of changes in long-term debt for the year ended December 31, 2015:

	<u>Balance</u> <u>1-1-15</u>	<u>Additions</u>	<u>Reduction</u>	<u>Balance</u> <u>12-31-15</u>
Compensated Absences	<u>\$134,639</u>	<u>\$8,583</u>	<u>\$0</u>	<u>\$143,222</u>

8. Pension Plans

Parochial Retirement

Plan Description

The Parish Government contributes to PERS, under Plan A, which is a cost-sharing multiple employer defined benefit pension plan. All permanent employees working at least 28 hours per week are eligible to participate in the System. As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join PERS. Sections 1901 through 2025 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:1901-2025) and other general laws of the State of Louisiana govern PERS. The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System, which can be obtained at www.persla.org.

Benefits Provided

The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

Retirement

Any member of Plan A can retire providing he/she meets one of the following criteria:

For employees hired prior to January 1, 2007:

- At any age after 30 years of creditable service
- At age 55 after 25 years of creditable service
- At age 60 after 10 years of creditable service
- At age 65 after 7 years of creditable service

For employees hired after January 1, 2007:

- At age 55 after 30 years of creditable service
- At age 62 after 10 years of creditable service
- At age 67 after 7 years of creditable service

Any member of Plan B can retire providing he/she meets one of the following criteria:

For employees hired prior to January 1, 2007:

- At age 55 after 30 years of creditable service
- At age 60 after 10 years of creditable service
- At age 65 after 7 years of creditable service

For employees hired after January 1, 2007:

- At age 55 after 30 years of creditable service
- At age 62 after 10 years of creditable service
- At age 67 after 7 years of creditable service

Generally, the monthly amount of the retirement allowance of any member of Plan A shall consist of an amount equal to three percent of the member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

Generally, the monthly amount of the retirement allowance of any member of Plan B shall consist of an amount equal to two percent of the member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

Deferred Retirement Option Plan

Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for PERS. DROP is an option for that member who is eligible for normal retirement.

In lieu of terminating employment and accepting a service retirement, any member of Plan A or B who is eligible to retire may elect to participate in DROP in which they enrolled for three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his/her option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or roll over the fund to an Individual Retirement Account.

Interest is accrued on the DROP benefits for the period between the end of DROP participation and the member's retirement date.

For individuals who become eligible to participate in DROP on or after January 1, 2004, all amounts which remain credited to the individual's subaccount after termination in the Plan will be placed in liquid asset money market investments at the discretion of the board of trustees. These subaccounts may be credited with interest based on money market rates of return or, at the option of PERS, the funds may be credited to self-directed subaccounts. The participant in the self-directed portion of the Plan must agree that the benefits payable to the participant are not the obligations of the state or PERS, and that any returns and other rights of the Plan are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

Disability Benefits

For Plan A, a member shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007, and have at least five years of creditable service or if hired after January 1, 2007, have seven years of creditable service, and are not eligible for normal retirement and have been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan A shall be paid a disability benefit equal to the lesser of an amount equal to three percent of the member's final average compensation multiplied by his years of service, not to be less than fifteen, or three percent multiplied by years of service assuming continued service to age sixty.

For Plan B, a member shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007, and have at least five years of creditable service or if hired after January 1, 2007, have seven years of creditable service, and are not eligible for normal retirement and have been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan B shall be paid a disability benefit equal to the lesser of an amount equal to two percent of the member's final average compensation multiplied by his years of service, not to be less than fifteen, or an amount equal to what the member's normal benefit would be based on the member's current final compensation but assuming the member remained in continuous service until his earliest normal retirement age.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

Survivor's Benefits

Upon the death of any member of Plan A with five (5) or more years of creditable service who is not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children, as outlined in the statutes.

Any member of Plan A, who is eligible for normal retirement at time of death, the surviving spouse shall receive an automatic Option 2 benefit, as outlined in the statutes.

Plan B members need ten (10) years of service credit to be eligible for survivor benefits. Upon the death of any member of Plan B with twenty (20) or more years of creditable service who is not eligible for normal retirement, the plan provides for an automatic Option 2 benefit for the surviving spouse when he/she reaches age 50 and until remarriage, if the remarriage occurs before age 55.

A surviving spouse who is not eligible for Social Security survivorship or retirement benefits, and married no less than twelve (12) months immediately preceding death of the member, shall be paid an Option 2 benefit beginning at age 50.

Cost-of-Living Increases

The Board is authorized to provide a cost of living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age sixty-five equal to 2% of the member's benefit paid on October 1, 1977, (or the member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older. (LA R.S. 11:1937). Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55.

Contributions

According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2014, the actuarially determined contribution rate was 13.07% of member's compensation for Plan A and 8.60% of member's compensation for Plan B. However, the actual rate for the fiscal year ending December 31, 2014 was 16.00% for Plan A and 9.25% for Plan B.

According to state statute, PERS also receives $\frac{1}{4}$ of 1% of ad valorem taxes collected within the respective parishes, except for Orleans and East Baton Rouge parishes. PERS also receives revenue sharing funds each year as appropriated by the Legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in proportion to the member's compensation. 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.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

The Parish Government's contractually required composite contribution rate for the year ended December 31, 2015 was 16% of annual payroll, 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 Actuarial Accrued Liability. Contributions to the pension plan from the Parish Government were \$536,639 for the year ended December 31, 2015.

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

At December 31, 2015, the Parish Government reported a liability of \$5,985 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of December 31, 2014 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Parish Government's proportion of the Net Pension Liability was based on a projection of the Parish Government's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2014, the Parish Government's proportion was .722994%, which was an increase of .047041% from its proportion measured as of December 31, 2013.

For the year ended December 31, 2015, the Parish Government recognized pension expense of \$526,000 plus or minus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$(5,325).

At December 31, 2015, the Parish Government 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	\$ 0	\$87,873
Changes in assumption	0	0
Net difference between projected and actual earnings on pension plan investments	410,430	0
Changes in employer's proportion of beginning net pension liability	2,507	0
Differences between employer contributions and proportionate share of employer contributions	(18,483)	0
Subsequent Measurement Contributions	536,639	
Total	\$931,093	\$87,873

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

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

Year ended December 31:	
2016	\$210,805
2017	210,805
2018	210,805
2019	210,806
Total	\$843,221

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2014 is as follows:

Valuation Date	December 31, 2014
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	4 years.
Investment Rate of Return	7.25% per annum.
Inflation Rate	2.3% per annum.
Mortality	RP-2000 Employee Mortality Table was selected for active members. RP-2000 Healthy Annuitant Mortality Table was selected for healthy annuitants and beneficiaries. RP-2000 Disabled Lives Mortality Table was selected for disabled annuitants. Experience study performed on plan data for the period January 1, 2004 through December 31, 2009.
Salary Increases	Plan A – 5.75% (2.75% Merit/3.00% Inflation) Plan B – 5.75% (2.75% Merit/3.00% Inflation)
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

The discount rate used to measure the total pension liability was 7.25% for Plans A and B. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the 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 those assumptions, the System'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.

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates 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. The best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2014 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	34%	1.30%
Equity	51%	3.55%
Alternatives	12%	0.77%
Real Assets	3%	0.19%
Total	100%	5.81%
Inflation		2.30%
Expected Arithmetic Nominal Return		8.11%

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

The following presents the Parish Government's proportionate share of the Net Pension Liability using the discount rate of 7.25%, as well as what the Parish Government's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (6.25%) or one percentage-point higher (8.25%) than the current rate:

	1.0% Decrease (6.25%)	Current Discount Rate (7.25%)	1.0% Increase (8.25%)
Employer's proportionate share of net pension liability	\$2,857,648	\$197,341	\$(2,056,099)

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Parochial Employees' Retirement System of Louisiana Annual Financial Report at www.persla.org.

Payables to the Pension Plan

These financial statements include a payable to the pension plan of \$4,650, which is the legally required contribution due at December 31, 2015. This amount is recorded in accrued expenses.

District Attorney

Plan Description

The Parish Government contributes to the District Attorneys' Retirement System, State of Louisiana, which is a cost-sharing multiple employer defined benefit pension plan. The System was established on the first day of August, nineteen hundred and fifty-six and was placed under the management of the board of trustees for the purpose of providing retirement allowances and other benefits as stated under the provisions of R.S. 11, Chapter 3 for district attorneys and their assistants in each parish.

All persons who are district attorneys of the State of Louisiana, assistant district attorneys in any parish of the State of Louisiana, or employed by this retirement system and the Louisiana District Attorneys' Association except for elected or appointed officials who have retired from service under any publicly funded retirement system within the state and who are currently receiving benefits, shall become members as a condition of their employment; provided, however, that in the case of assistant district attorneys, they must be paid an amount not less than the minimum salary specified by the board for assistant district attorneys. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

Benefit Provided

The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Retirement

Members who joined the System before July 1, 1990, and who have elected not to be covered by the new provisions, are eligible to receive a normal retirement benefit if they have 10 or more years of creditable service and are at least age 62, or if they have 18 or more years of service and are at least age 60, or if they have 23 or more years of service and are at least age 55, or if they have 30 years of service regardless of age. The normal retirement benefit is equal to 3% of the member's average final compensation for each year of

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

creditable service. Members are eligible for early retirement at age 60 if they have at least 10 years of creditable service or at age 55 with at least 18 years of creditable service. Members who retire prior to age 60 with less than 23 years of service credit, receive a retirement benefit reduced 3% for each year of age below 60. Members who retire prior to age 62 who have less than 18 years of service receive a retirement benefit reduced 3% for each year of age below 62. Retirement benefits may not exceed 100% of final average compensation.

Members who joined the System after July 1, 1990, or who elected to be covered by the new provisions, are eligible to receive normal retirement benefits if they are age 60 and have 10 years of service credit, are age 55 and have 24 years of service credit, or have 30 years of service credit regardless of age. The normal retirement benefit is equal to 3.5% of the member's final average compensation multiplied by years of membership service. A member is eligible for an early retirement benefit if he is age 55 and has 18 years of service credit. The early retirement benefit is equal to the normal retirement benefit reduced 3% for each year the member retires in advance of normal retirement age. Benefits may not exceed 100% of average final compensation.

Upon withdrawal from service, members not entitled to a retirement allowance are paid a refund of accumulated contributions upon request. Receipt of such a refund cancels all accrued rights in the System.

Disability Benefits

Disability benefits are awarded to active contributing members with at least 10 years of service who are found to be totally disabled as a result of injuries incurred while in active service. The member receives a benefit equal to three percent (three and one-half percent for members covered under the new retirement benefit provisions) of his average final compensation multiplied by the lesser of his actual service (not to be less than fifteen years) or projected continued service to age sixty.

Survivor's Benefits

Upon the death of a member with less than 5 years of creditable service, his accumulated contributions and interest thereon are paid to his surviving spouse, if he is married, or to his designated beneficiary, if he is not married. Upon the death of any active, contributing member with 5 or more years of service or any member with 23 years of service who has not retired, automatic option 2 benefits are payable to the surviving spouse. These benefits are based on the retirement benefits accrued at the member's date of death with the option factors used as if the member had continued in service to earliest normal retirement age. If a member has no surviving spouse, the surviving minor children under 18 or disabled children are paid 80% of the member's accrued retirement benefit divided into equal shares. If a member has no surviving spouse or children, his accumulated contributions and interest are paid to his designated beneficiary. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions with interest.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

Cost-of-Living Increases

The Board of Trustees is authorized to grant retired members and widows of members who have retired an annual cost of living increase of 3% of their original benefit, (not to exceed sixty dollars per month) and all retired members and widows who are sixty-five years of age and older a 2% increase in their original benefit. In lieu of other cost of living increases the board may grant an increase to retirees in the form of "Xx(A&B)" where "A" is equal to the number of years of credited service accrued at retirement or death of the member or retiree and "B" is equal to the number of years since death of the member or retiree to June 30 of the initial year of increase and "X" is equal to any amount available for funding such increase up to a maximum of \$1.00. In order for the board to grant any of these increases, the System must meet certain criteria detailed in the statute related to funding status and interest earnings.

Deferred Retirement Option Plan

In lieu of receiving a service retirement allowance, any member who has more years of service than are required for a normal retirement may elect to receive a Back-Deferred Retirement Option Program (Back-DROP) benefit.

The Back-DROP benefit is based upon the Back-DROP period selected and the final average compensation prior to the period selected. The Back-DROP period is the lesser of three years or the service accrued between the time a member first becomes eligible for retirement and his actual date of retirement. At retirement, the member's maximum monthly retirement benefit is based upon his service, final average compensation, and plan provisions in effect on the last day of creditable service immediately prior to the commencement of the Back-DROP period. In addition to the monthly benefit at retirement, the member receives a lump-sum payment equal to the maximum monthly benefit as calculated above multiplied by the number of months in the Back-DROP period. In lieu of receiving the lump-sum payment, the member may leave the funds on deposit with the system in an interest bearing account.

Prior to January 1, 2009, eligible members could elect to participate in the Deferred Retirement Option Program (DROP) for up to three years in lieu of terminating employment and accepting a service benefit. During participation in the DROP, employer contributions were payable and employee contributions were reduced to ½ of one percent. The monthly retirement benefits that would have been payable to the member were paid into a DROP account, which did not earn interest while the member was participating in the DROP. Upon termination of participation, the participant in the plan received, at his option, a lump sum from the account equal to the payments into the account or systematic disbursements from his account in any manner approved by the board of trustees. The monthly benefits that were being paid into the DROP would then be paid to the retiree. All amounts which remain credited to the individual's sub-account after termination of participation in the plan were invested in liquid money market funds. Interest was credited thereon as actually earned.

Contributions

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending December 31, 2015, the actual employer contribution rate was 7.00%.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

In accordance with state statute, the System 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. Non-employer contributions were recognized as revenue during the year ended December 31, 2015 and excluded from pension expense.

The Parish Government's contractually required composite contribution rate for the year ended December 31, 2015 was 7% of annual payroll, 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 Actuarial Accrued Liability. Contributions to the pension plan from the Parish Government were \$5,449 for the year ended December 31, 2015.

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

At December 31, 2015, the Parish Government reported a liability of \$13,571 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2015 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Parish Government's proportion of the Net Pension Liability was based on a projection of the Parish Government's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2015, the Parish Government's proportion was .251955%, which was a decrease of .011726% from its proportion measured as of June 30, 2014.

For the year ended December 31, 2015, the Parish Government recognized pension expense of \$9,610 plus or minus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$(4,942).

At December 31, 2015, the Parish Government 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	\$ 0	\$19,863
Changes in assumption	12,128	13,367
Net difference between projected and actual earnings on pension plan investments	0	6,036
Changes in employer's proportion of beginning net pension liability	0	20,152
Differences between employer contributions and proportionate share of employer contributions	1,607	123
Subsequent Measurement Contributions	1,544	0
Total	\$15,279	\$59,541

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

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

Year ended December 31:	
2016	\$ (7,377)
2017	(7,377)
2018	(7,377)
2019	(7,377)
2020	(7,377)
2021	(7,377)
Total	\$(44,262)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2015 are as follows:

Valuation Date	June 30, 2015
Actuarial Cost Method	Entry Age Normal Cost
Actuarial Assumptions:	
Investment Rate of Return	7.00%, net of investment expense
Projected Salary Increases	5.50% (2.50% Inflation, 3.00% Merit)
Mortality Rates	The RP 2000 Combined Healthy with White Collar Adjustment Sex Distinct Tables (set back 1 year for females) projected to 2032 using Scale AA were selected for employee, annuitant, and beneficiary mortality. The RP 2000 Disabled Lives Mortality Table set back 5 years for males and set back 3 years for females was selected for disable annuitants. Setbacks in these tables were used to approximate mortality improvement.
Expected Remaining	
Service Lives	6 years
Cost of Living Adjustments	Only those previously granted

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

The mortality rate assumption used was set based upon an experience study performed on plan data for the period July 1, 2009 through June 30, 2014. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that the tables used would produce liability values approximating the appropriate generational mortality tables.

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 expense 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. The resulting long-term rate of return is 8.39% for the year ended June 30, 2015. The best estimates of arithmetic real rates of return for each major asset class based on the System's target asset allocation as of June 30, 2015 were as follows:

<u>Asset Class</u>	<u>Long-Term Target Asset Allocation</u>	<u>Expected Portfolio Real Rate of Return</u>
Equities	50.00%	6.30%
Fixed Income	40.00%	1.10%
Alternatives	5.00%	6.00%
Real Estate	<u>5.00%</u>	<u>4.50%</u>
Totals	<u>100.00%</u>	4.50%
Inflation		<u>3.00%</u>
Expected Real Rate of Return		<u>7.50%</u>

The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System'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.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

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

The following presents the Parish Government's proportionate share of the Net Pension Liability using the discount rate of 7%, as well as what the Parish Government's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (6%) or one percentage-point higher (8%) than the current rate:

	1.0% Decrease (6%)	Current Discount Rate (7%)	1.0% Increase (8%)
Employer's proportionate share of net pension liability	\$197,862	\$13,571	\$(128,089)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued District Attorneys' Retirement System of Louisiana Annual Financial Report at www.la.gov.

Payables to the Pension Plan

These financial statements include a payable to the pension plan of \$846, which is the legally required contribution due at December 31, 2015. This amount is recorded in accrued expenses.

Registrar of Voters

Plan Description

The Parish Government contributes to the Registrar of Voters Employees' Retirement System of Louisiana, which is a cost-sharing multiple-employer defined benefit pension plan. The System was established in accordance by Act 215 of 1954, under Revised Statute 11:2032 to provide retirement allowances and other benefits for registrars of voters, their deputies and their permanent employees in each parish of the State of Louisiana.

The System was established on January 1, 1955 for the purpose of providing retirement allowances and other benefits as stated under the provisions of R.S. Title 11:2032, as amended, for registrars of voters, their deputies and their permanent employees in each parish. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

Benefits Provided

The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

Retirement

Any member hired prior to January 1, 2013 is eligible for normal retirement after he has 20 years of creditable service and is age 55 or has 10 years of creditable service and is age 60. Any member with 30 years of creditable service regardless of age may retire. Regular retirement benefits for members hired prior to January 1, 2013 are calculated at 3.33% of the average annual earned compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation.

Any member hired on or after January 1, 2013 is eligible for normal retirement after he has attained 30 years of creditable service and is age 55; has attained 20 years of creditable service and is age 60; or has attained 10 years of creditable service and is age 62. Regular retirement benefits for members hired on or after January 1, 2013 are calculated at 3.00% of the average annual earned compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation. Retirement benefits for members hired on or after January 1, 2013 that have attained 30 years of creditable service with at least 20 years of creditable service in the System are calculated at 3.33% of the average annual compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation.

Any member whose withdrawal from service occurs prior to attaining the age of sixty years, who shall have completed ten or more years of creditable service and shall not have received a refund of his accumulated contributions, shall become eligible for a deferred allowance beginning upon his attaining the age of sixty years.

Disability Benefits

Disability benefits are provided to active contributing members with at least 10 years of service established in the System and who have been officially certified as disabled by the State Medical Disability Board. The disabled member who has attained the age of sixty years shall be entitled to a regular retirement allowance. The disabled member who has not yet attained age sixty shall be entitled to a disability benefit equal to the lesser of three percent of his average final compensation multiplied by the number of creditable years of service (not to be less than fifteen years) or three and one third percent of average final compensation multiplied by the years of service assuming continued service to age sixty. Disability benefits may not exceed two-thirds of earnable compensation.

Survivor's Benefits

If a member who has less than five years of credited service dies due to any cause other than injuries sustained in the performance of his official duties, his accumulated contributions are paid to his designated beneficiary. If the member has five or more years of credited service, and is not eligible to retire, automatic option 2 benefits are payable to the surviving spouse. These benefits are based on the retirement benefits accrued at

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

the member's date of death with option 2 factors used as if the member had continued in service to earliest normal retirement age. If a member has no surviving spouse and the member has five or more years of creditable service, the surviving minor children under 18 or disabled children shall be paid 80% of the accrued retirement benefit in equal shares until the age of majority or for the duration of the handicap for a handicapped child. Upon the death of any former member with 10 or more years of service, automatic option 2 benefits are payable to the surviving spouse. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions.

Deferred Retirement Option Plan

In lieu of terminating employment and accepting a service retirement allowance, any member with ten or more years of service at age sixty, twenty or more years of service at age fifty-five, or thirty or more years of service at any age may elect to participate in the Deferred Retirement Option Plan (DROP) for up to three years and defer the receipt of benefits. Upon commencement of participation in the plan, membership in the System terminates. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would have been payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP fund. This fund does not earn interest. In addition, no cost of living increases are payable to participants until employment which made them eligible to become members of the System has been terminated for at least one full year.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the plan may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or any other method of payment if approved by the Board of Trustees. The monthly benefits that were being paid into the Deferred Retirement Option Plan fund will begin to be paid to the retiree. If the participant dies during participation in the plan, a lump sum equal to his account balance in the plan fund shall be paid to his named beneficiary or, if none, to his estate. If employment is not terminated at the end of the three years, payments into the plan fund cease and the person resumes active contributing membership in the System.

Cost-of-Living Increases

Cost of living provisions for the System allows the board of trustees to provide an annual cost of living increase of 2.5% of the eligible retiree's original benefit if certain funding criteria are met. Members are eligible to receive a cost of living adjustment once they have reached the age of sixty and have been retired at least one year. Funding criteria for granting cost of living adjustments is dependent on the funded ratio.

Contributions

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending December 31, 2015, the actual employer contribution rate was 24.25%.

In accordance with state statute, the System also 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. Non-employer contributions are recognized as revenue and excluded from pension expense for the year ended December 31, 2015.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

The Parish Government's contractually required composite contribution rate for the year ended December 31, 2015 was 24.25% of annual payroll, 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 Actuarial Accrued Liability. Contributions to the pension plan from the Parish Government were \$5,744 for the year ended December 31, 2015.

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

At December 31, 2015, the Parish Government reported a liability of \$40,999 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2015 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Parish Government's proportion of the Net Pension Liability was based on a projection of the Parish Government's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2015, the Parish Government's proportion was .167409%, which was an increase of .021684% from its proportion measured as of June 30, 2014.

For the year ended December 31, 2015, the Parish Government recognized pension expense of \$5,668 plus or minus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$(2,804).

At December 31, 2015, the Parish Government 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	\$ 0	\$ 4,862
Changes in assumption	3,199	2,375
Net difference between projected and actual earnings on pension plan investments	3,904	0
Changes in employer's proportion of beginning net pension liability	4,720	7,957
Differences between employer contributions and proportionate share of employer contributions	600	14
Subsequent Measurement Contributions	2,986	0
Total	\$15,409	\$15,208

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

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

Year ended December 31:	
2016	\$ 50
2017	50
2018	50
2019	51
Total	\$201

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2015 are as follows:

Valuation Date	June 30, 2015
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return	7.0%, net of investment expense
Projected Salary Increases	6.0% (2.5% Inflation, 3.5% Merit)
Mortality Rates	RP-2000 Combined Healthy Mortality Table for active members, healthy annuitants and beneficiaries
Expected Remaining	RP-2000 Disabled Lives Mortality Table for disabled annuitants
Service Lives	2015 – 5 years 2014 – 4 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

The mortality rate assumption used was verified by combining data from this plan with three other statewide plans which have similar workforce composition in order to produce a credible experience. The aggregated data was collected over the period July 1, 2010 through June 30, 2014. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that these tables would produce liability values approximating the appropriate generational mortality tables used.

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 expense 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. The resulting long-term rate of return is 8.39% for the year ended June 30, 2015. The best estimates of arithmetic real rates of return for each major asset class based on the System's target asset allocation as of June 30, 2015 were as follows:

<u>Asset Class</u>	<u>Expected Rates of Return</u>		
	<u>Target Asset</u>	<u>Real Return Arithmetic Allocation</u>	<u>Long-term Expected Portfolio Real Rate Basis of Return</u>
Domestic Equities	43%	7.50%	3.23%
International Equities	17%	8.50%	1.44%
Domestic Fixed Income	23%	2.50%	0.57%
International Fixed Income	12%	3.50%	0.42%
Alternative Investments	5%	4.50%	0.23%
Cash and Cash Equivalents	0%	0%	0%
Totals	<u>100%</u>		<u>5.89%</u>
Inflation			<u>2.50%</u>
Expected Arithmetic Nominal Return			<u>8.39%</u>

The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System'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.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

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

The following presents the Parish Government's proportionate share of the Net Pension Liability using the discount rate of 7%, as well as what the Parish Government's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (6%) or one percentage-point higher (8%) than the current rate:

	1.0% Decrease (6%)	Current Discount Rate (7%)	1.0% Increase (8%)
Employer's proportionate share of net pension liability	\$59,027	\$40,999	\$25,472

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Registrar of Voters Employees' Retirement System of Louisiana Annual Financial Report at www.la.la.gov.

Payables to the Pension Plan

These financial statements include a payable to the pension plan of \$2,237, which is the legally required contribution due at December 31, 2015. This amount is recorded in accrued expenses.

9. Risk Management/Contingencies/Pending Litigation

- Beginning January 1, 2000, the Parish Government ceased carrying liability insurance except for buildings and vehicles. For suits occurring on liability issues not related to vehicles and buildings, the Parish Government has adopted a policy of not defending or paying such suits. At December 31, 2015, there are no known outstanding judgments or suits against the Parish Government for issues not related to vehicles and buildings.
- Financial Stability-For the past several years the Natchitoches Parish Government has incurred financial difficulties due to rising costs specifically in the Criminal Court Fund. At the same time, revenues are not rising and several attempts to pass additional sales taxes have failed. The Parish Government is required to cover the cost of housing and feeding pre-trial inmates in the Natchitoches Parish Detention Center as well as other costs necessary for the operation of the Criminal Court. The Parish Government has established the Public Safety Fund to account for the costs of pre-trial inmates, however, the General Fund is fully responsible for the expenditures of this fund.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

At December 31, 2015, the General Fund had a fund balance of \$1,427,650. As per note disclosure number 3, the fund deficits of the Office of Community Services-CHC, Public Safety, and Coroner funds are \$656,993. The financial stability of the Parish Government is improving, but is still not stable. Management of the Parish Government is aware of the financial difficulties caused by this situation and is monitoring these transactions closely.

10. Ad Valorem Taxes

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

The Natchitoches Parish Sheriff's Office bills and collects property taxes for the Parish Government. Collections are remitted to the Parish Government monthly.

Property Tax Calendar

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

The Parish Government is permitted to levy taxes up to 10% of the assessed property valuation for each specified purpose, or, in the aggregate for all purposes 25% of the assessed valuation for the payment of principal and interest on long-term debt 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 improvements	15% commercial improvements
15% industrial improvements	25% public service properties, excluding land

A revaluation of all property is required to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2012. Total assessed value was \$377,223,470 in 2015. Louisiana state law exempts the first \$7,500 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was a total of \$2,998,815 of the assessed value in 2015.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

The distribution of the Parish Government's levy (tax rate per \$1,000 assessed value) to its funds was as follows for 2015:

<u>Fund</u>	<u>Inside</u> <u>City of Natchitoches</u>	<u>Outside</u> <u>City of Natchitoches</u>
General Fund	1.73	3.47
Road Maintenance	0	4.87
Courthouse Maintenance	2.88	2.88
Parish Library	7.07	7.07
Health Unit Fund	2.88	2.88

Total ad valorem tax revenues recognized by the Parish Government were \$6,213,409 for the year ended December 31, 2015.

The following are the principal taxpayers for the Parish:

<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>Percentage of</u> <u>Total Assessed</u> <u>Valuation</u>
Acadian Gas Pipeline System	\$ 56,281,810	15%
International Paper Co.	29,689,620	8%
ENLINK-LIG	13,003,530	3%
Tennessee Gas Pipeline, Co.	11,164,800	3%
Martco Limited Partners	11,727,260	3%
Alliance Compressors	10,215,900	3%
Enable Midstream Partnership	6,086,190	2%
Weyerhaeuser Co.	5,677,180	2%
Cleco Corporation	4,974,880	1%
Southwestern Electric	<u>3,945,110</u>	<u>1%</u>
Total	<u>\$152,766,280</u>	<u>41%</u>

11. Lease Commitments

The Parish Government has commitments under several operating lease agreements for land use, voting precinct space, equipment, and miscellaneous. Generally, these lease agreements are cancelable by the Parish Government at any time. Parish Government management does feel, however, that such leases will generally be renewed or replaced each year. Total rental expense under operating leases was approximately \$13,000 during 2015.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

12. Dedication of Proceeds and Flow of Funds-Sales & Use Tax

Proceeds of the 1% Sales and Use Tax levied by the Natchitoches Parish Government (2015 collections \$2,389,404) are dedicated to the following purposes:

- A) To pay the normal operating expenses involved in collecting the tax;
- B) To fund the operations for waste disposal;
- C) To fund the operations of the Road Maintenance Fund with any remaining balance.

13. Criminal Court Fund

Louisiana Revised Statute 15:571.11 requires that one-half of any balance remaining in the Criminal Court Fund at year-end be transferred to the parish General Fund. Since the Parish Government's General Fund supports the Criminal Court Fund, no such transfer is made by the Natchitoches Parish Government.

14. Schedule of Compensation Paid to Council Members

<u>Member</u>	<u>Council</u>
Christopher Paige	\$ 6,000
John Salter	6,000
Rodney Bedgood	6,000
Rickey LaCour	6,000
Aaron Johnson	<u>6,000</u>
Total	<u>\$30,000</u>

15. Post-Employment Benefits

Plan Description. The Natchitoches Parish Government's medical benefits are provided through a comprehensive medical plan and are made available to employees upon actual retirement.

Most employees are covered by the Parochial Employees' Retirement System of Louisiana, whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; age 60 and 10 years of service; or, age 65 and 7 years of service. For employees hired on and after January 1, 2007 retirement eligibility (D.R.O.P. entry) provisions are as follows: age 55 and 30 years of service; age 62 and 10 years of service; or, age 67 and 7 years of service.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

Dental insurance coverage is provided to retirees. The employer pays 100% of the cost of the employee and 50% of the additional dependent coverage for the retiree and dependents dental coverage. We have used the unblended rates provided. All of the assumptions used for the valuation of the medical benefits have been used for dental insurance except for the trend assumption; zero trend was used for dental insurance. The dental actuarial costs and liabilities are included in the medical results.

Life insurance coverage is available to retirees based on a blended rate (active and retired). Since GASB Codification Section P50 requires the use of “unblended” rates, we have used the 94GAR mortality table described below to “unblend” the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance. Retiree insurance coverage amounts are reduced to 65% at age 65, 45% at age 70, 30% at age 75 and 20% at age 80.

Effective January 1, 2014, the Natchitoches Parish Government implemented Government Accounting Standards Board Codification Section P50, *Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions* (GASB Codification Section). This amount was applied toward the Net OPEB Benefit Obligation as shown in the following table.

Annual Required Contribution – The Natchitoches Parish Government’s Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB Codification Section P50. The ARC is the sum of the Normal Cost plus the contribution to amortize the Unfunded Actuarial Accrued Liability (UAAL). A level dollar, open amortization period of 30 years (the maximum amortization period allowed by GASB Codification Section P50) has been used for the post-employment benefits. The actuarially computed ARC is as follows:

	<u>2015</u>	<u>2014</u>
Normal cost	\$ 334,634	\$ 321,763
30-year UAL amortization amount	<u>576,425</u>	<u>554,255</u>
Annual required contribution (ARC)	<u>\$ 911,059</u>	<u>\$ 876,018</u>

Net Post-employment Benefit Obligation (Asset) – The table below shows the Natchitoches Parish Government’s Net Other Post-employment Benefit (OPEB) Obligation for fiscal years ending December 31:

	<u>2015</u>	<u>2014</u>
Beginning Net OPEB Obligation	\$ 653,106	\$ 0
Annual required contribution	911,059	876,018
Interest on Net OPEB Obligation	26,124	0
ARC Adjustment	<u>(37,769)</u>	<u>(0)</u>
OPEB Cost	899,414	876,018
Contribution to Irrevocable Trust	-	-
Current year retiree premium	<u>(240,745)</u>	<u>(222,912)</u>
Change in Net OPEB Obligation	<u>658,669</u>	<u>653,106</u>
Ending Net OPEB Obligation	<u>\$ 1,311,775</u>	<u>\$ 653,106</u>

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

The following table shows the Natchitoches Parish Government's annual post employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded post employment benefits (PEB) liability for last year and this year:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual Cost Contributed</u>	<u>Net OPEB Liability (Asset)</u>
December 31, 2015	\$ 899,414	26.77%	\$ 1,311,775
December 31, 2014	\$ 876,018	25.45%	\$ 653,106

Funded Status and Funding Progress – In 2015 and 2014, the Natchitoches Parish Government made no contributions to its post employment benefits plan. The plan is not funded, has no assets, and hence has a funded ratio of zero. Based on the January 1, 2014 actuarial valuation, the most recent valuation, the Actuarial Accrued Liability (AAL) at the end of the year December 31, 2015 was \$10,366,328 which is defined as that portion, as determined by a particular actuarial cost method (the Natchitoches Parish Government uses the Projected Unit Credit Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost.

	<u>2015</u>	<u>2014</u>
Actuarial Accrued Liability (AAL)	\$ 10,366,328	\$ 9,967,623
Actuarial Value of Plan Assets (AVP)	-	-
Unfunded Act. Accrued Liability (UAAL)	\$ 10,366,328	\$ 9,967,623
Funded Ratio (AVP/AAL)	0.00%	0.00%
Covered Payroll (active plan members)	\$ 3,833,514	\$ 4,213,654
UAAL as a percentage of covered payroll	270.41%	236.56%

Actuarial Methods and Assumptions – Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the Natchitoches Parish Government and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the Natchitoches Parish Government and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the Natchitoches Parish Government and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

Actuarial Cost Method – The ARC is determined using the Projected Unit Credit Cost Method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality and turnover.

Actuarial Value of Plan Assets – There are not any plan assets. It is anticipated that in future valuations, should funding take place, a smoothed market value consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Codification Section P50.

Turnover Rate – An age-related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce a composite average annual turnover of approximately 18%.

Post employment Benefit Plan Eligibility Requirements – Based on past experience, it has been assumed that entitlement to benefits will commence three years after eligibility to enter the D.R.O.P., as described above under "Plan Description". Medical benefits are provided to employees upon actual retirement.

Investment Return Assumption (Discount Rate) – GASB Codification Section P50 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC will not be funded, a 4% annual investment return has been used in this valuation.

Health Care Cost Trend Rate – The expected rate of increase in medical cost is based on a graded schedule beginning with 8% annually, down to an ultimate annual rate of 5.0% for ten years out and later.

Mortality Rate – The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rates and 50% of the unloaded female mortality rates, is used. This is a recently published mortality table which has been used in determining the value of accrued benefits in defined benefit pension plans. Projected future mortality improvement has not been used since it is our opinion that this table contains sufficiently conservative margin for the population involved in this valuation.

Method of Determining Value of Benefits – The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The employer pays 100% of the cost of the medical insurance for the retirees and 50% for dependents. The rates provided applicable before age 65 are "blended" rates. Since GASB Codification Section P50 mandates that "unblended" rates be used, we have estimated the "unblended" rates before Medicare eligibility to be 130% of the blended rates. The rates provided applicable after Medicare eligibility were unblended as required.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2015

Inflation Rate - Included in both the Investment Return Assumption and the Healthcare Cost Trend rates above is an implicit inflation assumption of 2.50% annually.

Projected Salary Increases - This assumption is not applicable since neither the benefit structure nor the valuation methodology involves salary.

Post-retirement Benefit Increases - The plan benefit provisions in effect for retirees as of the valuation date have been used and it has been assumed for valuation purposes that there will not be any changes in the future.

16. Subsequent Events

Management has evaluated events through June 22, 2016, the date which the financial statements were available for issue. There were no items to be reported as subsequent events.

OTHER REQUIRED SUPPLEMENTAL INFORMATION

Natchitoches Parish Government
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance-
Budget (GAAP Basis) and Actual
Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
Revenues:				
Taxes	\$ 952,200	\$ 1,118,200	\$ 1,114,384	\$ (3,816)
Licenses & Permits	289,000	286,900	283,249	(3,651)
Intergovernmental- State Grants	665,860	736,795	733,981	(2,814)
Charges for Services	10	0	0	0
Interest & Miscellaneous	<u>98,000</u>	<u>98,450</u>	<u>99,885</u>	<u>1,435</u>
Total Revenues	<u>\$ 2,005,070</u>	<u>\$ 2,240,345</u>	<u>\$ 2,231,499</u>	<u>\$ (8,846)</u>
Expenditures:				
General Government- Legislative	\$ 38,850	\$ 38,750	\$ 29,259	\$ 9,491
Elections	155,084	122,301	86,942	35,359
Finance & Administration	580,611	533,653	456,589	77,064
Public Safety	160,360	180,560	180,531	29
Health & Welfare	5,875	5,000	2,808	2,192
Economic Development	<u>42,950</u>	<u>89,550</u>	<u>82,722</u>	<u>6,828</u>
Total Expenditures	<u>\$ 983,730</u>	<u>\$ 969,814</u>	<u>\$ 838,851</u>	<u>\$130,963</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ 1,021,340</u>	<u>\$ 1,270,531</u>	<u>\$ 1,392,648</u>	<u>\$122,117</u>
Other Financing Sources (Uses):				
Operating Transfers In	\$ 300,000	\$ 308,054	\$ 308,075	\$ 21
Operating Transfers Out	<u>(1,611,000)</u>	<u>(1,646,695)</u>	<u>(1,538,886)</u>	<u>107,809</u>
Total Other Financing	<u>\$(1,311,000)</u>	<u>\$(1,338,641)</u>	<u>\$(1,230,811)</u>	<u>\$107,830</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ (289,660)</u>	<u>\$ (68,110)</u>	<u>\$ 161,837</u>	<u>\$229,947</u>
Fund Balance-Beginning of Year	<u>1,265,813</u>	<u>1,265,813</u>	<u>1,265,813</u>	<u>0</u>
Fund Balance-End of Year	<u>\$ 976,153</u>	<u>\$ 1,197,703</u>	<u>\$ 1,427,650</u>	<u>\$229,947</u>

See independent auditor's report and notes to financial statements.

Natchitoches Parish Government
Road Maintenance Fund
Statement of Revenues, Expenditures and Changes in Fund Balance-
Budget (GAAP Basis) and Actual
Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
Revenues:				
Taxes-				
Ad Valorem Taxes	\$ 1,047,703	\$1,047,703	\$1,036,094	\$ (11,609)
Intergovernmental-				
Federal Grants	298,748	259,281	170,502	(88,779)
State Grants	506,550	583,200	527,953	(55,247)
Miscellaneous-				
Interest	500	1,688	1,328	(360)
Miscellaneous	100	34,878	36,734	1,856
Total Revenues	<u>\$ 1,853,601</u>	<u>\$1,926,750</u>	<u>\$1,772,611</u>	<u>\$(154,139)</u>
Expenditures:				
General Government-				
Finance & Administration	\$ 18,600	\$ 19,050	\$ 16,793	\$ 2,257
Public Works-				
Personnel Cost	1,210,153	1,215,593	1,131,804	83,789
Equipment Maintenance	40,000	100,000	78,907	21,093
Insurance	70,000	45,829	45,805	24
Fuel & Oil	293,000	210,500	172,543	37,957
Road & Bridge Materials	627,000	712,000	639,037	72,963
Other Supplies	128,500	124,700	117,444	7,256
Miscellaneous	306,900	218,149	132,088	86,061
Equipment Rental	180,960	152,985	149,218	3,767
Repairs & Maintenance	0	1,800	1,465	335
Capital Expenditures	0	4,000	3,989	11
Total Expenditures	<u>\$ 2,875,113</u>	<u>\$2,804,606</u>	<u>\$2,489,093</u>	<u>\$ 315,513</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$(1,021,512)</u>	<u>\$ (877,856)</u>	<u>\$ (716,482)</u>	<u>\$ 161,374</u>
Other Financing Sources (Uses):				
Operating Transfer In	\$ 600,000	\$ 783,800	\$ 785,125	\$ 1,325
Operating Transfers Out	0	0	(26,503)	(26,503)
Total Other Financing Sources (Uses)	<u>\$ 600,000</u>	<u>\$ 783,800</u>	<u>\$ 758,622</u>	<u>\$ (25,178)</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ (421,512)</u>	<u>\$ (94,056)</u>	<u>\$ 42,140</u>	<u>\$ 136,196</u>
Fund Balance-Beginning of Year	<u>1,905,772</u>	<u>1,905,772</u>	<u>1,905,772</u>	<u>0</u>
Fund Balance-End of Year	<u>\$ 1,484,260</u>	<u>\$1,811,716</u>	<u>\$1,947,912</u>	<u>\$ 136,196</u>

See independent auditor's report and notes to financial statements.

Natchitoches Parish Government
Sales Tax Fund
Statement of Revenues, Expenditures and Changes in Fund Balance-
Budget (GAAP Basis) and Actual
Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
Revenues:				
Taxes-				
Sales & Use Tax	\$ 1,850,000	\$ 2,275,000	\$ 2,389,404	\$114,404
Miscellaneous-				
Interest	<u>1,000</u>	<u>1,750</u>	<u>1,773</u>	<u>23</u>
Total Revenues	\$ 1,851,000	\$ 2,276,750	\$ 2,391,177	\$114,427
Expenditures:				
General Government-				
Finance & Administration	<u>60,000</u>	<u>61,100</u>	<u>55,429</u>	<u>5,671</u>
Excess of Revenues over Expenditures	\$ <u>1,791,000</u>	\$ <u>2,215,650</u>	\$ <u>2,335,748</u>	\$ <u>120,098</u>
Other Financing Sources (Uses):				
Operating Transfers To-				
Road Maintenance	\$(2,100,000)	\$ (600,000)	\$ (600,000)	\$ 0
Solid Waste Disposal	<u>(600,000)</u>	<u>(2,100,000)</u>	<u>(2,100,000)</u>	<u>0</u>
Total Other Financing	\$(<u>2,700,000</u>)	\$(<u>2,700,000</u>)	\$(<u>2,700,000</u>)	\$ <u>0</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	\$ (909,000)	\$ (484,350)	\$ (364,252)	\$120,098
Fund Balance-Beginning of Year	<u>2,154,247</u>	<u>2,154,247</u>	<u>2,154,247</u>	<u>0</u>
Fund Balance-End of Year	\$ <u>1,245,247</u>	\$ <u>1,669,897</u>	\$ <u>1,789,995</u>	\$ <u>120,098</u>

See independent auditor's report and notes to financial statements.

Natchitoches Parish Government
Parish Library Fund
Statement of Revenues, Expenditures and Changes in Fund Balance-
Budget (GAAP Basis) and Actual
Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
Revenues:				
Taxes-				
Ad Valorem	\$2,211,432	\$2,286,432	\$2,230,362	\$ (56,070)
Intergovernmental-				
Local Grants	3,364	3,364	3,363	(1)
Charges for Services	8,000	12,400	12,312	(88)
Fines & Forfeits	8,500	10,500	10,613	113
Miscellaneous	<u>7,600</u>	<u>5,185</u>	<u>5,585</u>	<u>400</u>
Total Revenues	<u>\$2,238,896</u>	<u>\$2,317,881</u>	<u>\$2,262,235</u>	<u>\$ (55,646)</u>
Expenditures:				
Recreation & Culture-				
Personnel Cost	\$1,431,600	\$1,416,600	\$1,353,415	\$ 63,185
Travel	15,700	14,200	10,533	3,667
Utilities & Telephone	95,000	95,000	56,219	38,781
Building & Equip. Maint.	80,000	80,000	36,844	43,156
Books, Magazines, etc.	246,000	246,000	124,363	121,637
Insurance	17,500	17,500	14,311	3,189
Supplies	119,000	116,000	117,985	(1,985)
Professional Services	50,000	75,000	14,041	60,959
Processing	30,250	30,250	20,140	10,110
Equipment Rental	9,500	9,500	7,170	2,330
Miscellaneous	23,564	26,314	21,426	4,888
Capital Expenditures	<u>480,140</u>	<u>642,112</u>	<u>692,224</u>	<u>(50,112)</u>
Total Expenditures	<u>\$2,598,254</u>	<u>\$2,768,476</u>	<u>\$2,468,671</u>	<u>\$299,805</u>
Excess (Deficiency) of Revenues over Expenditures	\$ (359,358)	\$ (450,595)	\$ (206,436)	\$244,159
Fund Balance-Beginning of Year	<u>3,609,728</u>	<u>3,609,728</u>	<u>3,609,728</u>	<u>0</u>
Fund Balance-End of Year	<u>\$3,250,370</u>	<u>\$3,159,133</u>	<u>\$3,403,292</u>	<u>\$244,159</u>

See independent auditor's report and notes to financial statements.

Natchitoches Parish Government
Disposal Solid Waste
Statement of Revenues, Expenditures and Changes in Fund Balance-
Budget (GAAP Basis) and Actual
Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
Revenues:				
Charges for Services	\$ <u>93,218</u>	\$ <u>29,500</u>	\$ <u>93,218</u>	\$ <u>63,718</u>
Expenditures:				
Public Works-				
Personnel Cost	\$ 568,190	\$ 609,790	\$ 585,502	\$ 24,288
Insurance	12,625	13,250	9,473	3,777
Fuel & Oil	22,000	18,500	8,767	9,733
Other Supplies	26,700	20,200	5,442	14,758
Miscellaneous	30,000	32,510	27,211	5,299
Equipment Rental	1,500	1,500	735	765
Solid Waste Operations	1,155,480	1,331,980	1,251,920	80,060
Repairs & Maintenance	50,000	50,000	27,457	22,543
Capital Expenditures	<u>60,000</u>	<u>0</u>	<u>32,988</u>	<u>(32,988)</u>
Total Expenditures	\$ <u>1,926,495</u>	\$ <u>2,077,730</u>	\$ <u>1,949,495</u>	\$ <u>128,235</u>
Excess of Revenues over Expenditures	\$(1,833,277)	\$(2,048,230)	\$(1,856,277)	\$191,953
Other Financing Uses:				
Operating Transfers From- Sales Tax Fund	<u>2,100,000</u>	<u>2,100,000</u>	<u>2,100,000</u>	<u>0</u>
Excess (Deficiency) of Revenues over Expenditures and Other Uses	\$ 266,723	\$ 51,770	\$ 243,723	\$191,953
Fund Balance-Beginning of Year	<u>(8,384)</u>	<u>(8,384)</u>	<u>(8,384)</u>	<u>0</u>
Fund Balance-End of Year	\$ <u>258,339</u>	\$ <u>43,386</u>	\$ <u>235,339</u>	\$ <u>191,953</u>

See independent auditor's report and notes to financial statements.

Natchitoches Parish Government
Government Building Fund
Statement of Revenues, Expenditures and Changes in Fund Balance-
Budget (GAAP Basis) and Actual
Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
Revenues:				
Taxes-				
Ad Valorem	\$ 875,000	\$ 875,000	\$ 904,613	\$ 29,613
Miscellaneous	<u>1,400</u>	<u>1,700</u>	<u>1,678</u>	<u>(22)</u>
Total Revenues	<u>\$ 876,400</u>	<u>\$ 876,700</u>	<u>\$ 906,291</u>	<u>\$ 29,591</u>
Expenditures:				
General Government-				
Personnel Cost	\$ 68,060	\$ 99,402	\$ 252,067	\$(152,665)
Utilities & Telephone	190,000	190,000	114,557	75,443
Repairs & Maintenance	500,000	75,000	41,424	33,576
Insurance	35,000	35,000	27,806	7,194
Building & Grounds Supplies	88,700	48,700	24,416	24,284
Miscellaneous	11,875	11,875	5,934	5,941
Capital Expenditures	<u>85,000</u>	<u>50,000</u>	<u>20,065</u>	<u>29,935</u>
Total Expenditures	<u>\$ 978,635</u>	<u>\$ 509,977</u>	<u>\$ 486,269</u>	<u>\$ 23,708</u>
Excess of Revenues over Expenditures	\$ (102,235)	\$ 366,723	\$ 420,022	\$ 53,299
Fund Balance-Beginning of Year	<u>1,807,190</u>	<u>1,807,190</u>	<u>1,807,190</u>	<u>0</u>
Fund Balance-End of Year	<u>\$1,704,955</u>	<u>\$2,173,913</u>	<u>\$2,227,212</u>	<u>\$ 53,299</u>

See independent auditor's report and notes to financial statements.

Natchitoches Parish Government
Office of Community Services-Head Start Fund
Statement of Revenues, Expenditures and Changes in Fund Balance-
Budget (GAAP Basis) and Actual
Year Ended December 31, 2015

	Grant in Progress 7-1-14 to 2-28-15				
	Budget Program Year <u>2014-15</u>	Prior Year <u>Actual</u>	Current Year <u>Actual</u>	Total 2014-2015 <u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Revenues:					
Intergovernmental-					
Federal Grant – DHHS	\$2,264,069	\$ 883,463	\$508,219	\$1,391,683	\$ 872,386
Miscellaneous/In Kind	<u>0</u>	<u>252,925</u>	<u>163,138</u>	<u>416,062</u>	<u>(416,062)</u>
Total Revenues	<u>\$2,264,069</u>	<u>\$1,136,388</u>	<u>\$671,357</u>	<u>\$1,807,745</u>	<u>\$ 456,324</u>
Expenditures:					
Program Administration-					
Salaries	\$ 190,841	\$ 53,903	\$ 16,829	\$ 70,732	\$ 120,109
Fringe	76,510	17,915	5,288	23,203	53,307
Travel	300	0	0	0	300
Operating Services	29,551	2,085	5,527	7,612	21,939
Operating Supplies	3,218	0	69	69	3,149
Program Services-					
Salaries	1,001,230	494,888	163,664	658,552	342,678
Fringe	521,549	261,279	89,250	350,529	171,020
Travel	15,444	7,185	553	7,738	7,706
Operating Services-					
Utilities	50,362	41,483	15,154	56,637	(6,275)
Telephone	21,986	9,274	2,098	11,372	10,614
Maintenance & Repairs	0	15,152	3,854	19,006	(19,006)
Contract Payments	6,000	13,364	6,363	19,727	(13,727)
Other	0	15,036	76,171	91,207	(91,207)
Operating Supplies-					
Program Supplies	326,061	14,510	135,370	149,880	176,181
Office Supplies	10,648	10,704	291	10,995	(347)
Food	10,469	0	0	0	10,469
Capital Expenditures	0	3,732	0	3,732	(3,732)
In Kind Expenditures	<u>0</u>	<u>252,925</u>	<u>163,137</u>	<u>416,062</u>	<u>(416,062)</u>
Total Expenditures	<u>\$2,264,069</u>	<u>\$1,213,435</u>	<u>\$683,618</u>	<u>\$1,897,053</u>	<u>\$ 367,016</u>
Excess of Revenues over Expenditures	\$ 0	\$ (77,047)	\$ (12,261)	\$ (89,308)	\$ (89,308)
Other Financing Uses:					
Transfer (To)/From-					
Child Care Food Program	<u>0</u>	<u>63,975</u>	<u>39,378</u>	<u>103,353</u>	<u>103,353</u>
Excess (Deficiency) of Revenues over Expenditures and Other Uses	\$ 0	\$ (13,072)	\$ 27,117	\$ 14,045	\$ 14,045
Fund Balance-Beginning of Year	<u>0</u>	<u>0</u>	<u>(13,072)</u>	<u>0</u>	<u>0</u>
Fund Balance-End of Year	<u>\$ 0</u>	<u>\$ (13,072)</u>	<u>\$ 14,045</u>	<u>\$ 14,045</u>	<u>\$ 14,045</u>

See independent auditor's report and notes to financial statements.

<u>Grant in Progress 3-1-15 to 2-28-16</u>			
<u>Budget</u> Program Year <u>2015-16</u>	<u>Current</u> Year <u>Actual</u>	<u>Remaining</u> <u>Budget</u>	<u>Total</u> <u>Actual</u> <u>All Grants</u>
\$2,264,069	\$1,774,060	\$ (490,009)	\$2,282,280
<u>0</u>	<u>203,490</u>	<u>203,490</u>	<u>366,627</u>
<u>\$2,264,069</u>	<u>\$1,977,550</u>	<u>\$ (286,519)</u>	<u>\$2,648,907</u>
\$ 130,567	\$ 73,566	\$ 57,001	\$ 90,395
71,134	17,985	53,149	23,273
684	320	364	320
28,528	6,029	22,499	11,556
5,000	0	5,000	69
1,042,456	831,265	211,191	994,929
645,555	440,280	205,275	529,530
4,171	5,169	(998)	5,722
69,463	44,267	25,196	59,421
12,500	14,659	(2,159)	16,757
25,000	28,389	(3,389)	32,243
21,000	50,414	(29,414)	56,777
0	11,775	(11,775)	87,946
197,511	97,288	100,223	232,658
10,500	0	10,500	291
0	0	0	0
0	0	0	0
<u>0</u>	<u>203,490</u>	<u>(203,490)</u>	<u>366,627</u>
<u>\$2,264,069</u>	<u>\$1,824,896</u>	<u>\$ 439,173</u>	<u>\$2,508,514</u>
\$ 0	\$ 152,654	\$ (152,654)	\$ 140,393
<u>0</u>	<u>(53,512)</u>	<u>53,512</u>	<u>(14,134)</u>
\$ 0	\$ 99,142	\$ (99,142)	\$ 126,259
<u>0</u>	<u>0</u>	<u>0</u>	<u>(17,281)</u>
<u>\$ 0</u>	<u>\$ 99,142</u>	<u>\$ (99,142)</u>	<u>\$ 108,978</u>

Natchitoches Parish Government
Schedule of Employer's Share of Net Pension Liability
For the Year Ended December 31, 2015

	<u>PAROCHIAL</u>	<u>DA</u>	<u>ROVERS</u>
Employer's Proportion of the Net Pension Liability (Asset)	.722994%	.251955%	0.167409%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 197,341	\$ 13,571	\$40,999
Employer's Covered Employee Payroll	\$3,967,151	\$103,560	\$24,642
Employer's Proportionate Share of the Net Pension Liability (Asset) as a percentage of its Covered Employee Payroll	4.974%	13.104%	166.378%
Plan Fiduciary Net Pension as a Percentage of the Total Pension Liability	98.8906%	98.5614%	76.8567%

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

Natchitoches Parish Government
Schedule of Employer Contributions
For the Year Ended December 31, 2015

	<u>PAROCHIAL</u>	<u>DA</u>	<u>ROVERS</u>
Contractually Required Contributions	\$536,639	\$ 5,450	\$ 5,744
Contribution in Relation to Contractually Required Contribution	536,639	5,450	5,744
Contributions Deficiency (Excess)	0	0	0
Employer's Covered Payroll	3,967,151	103,560	24,642
Contributions as a Percentage of the Covered Employee Payroll	13.53%	5.26%	23.31%

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

Changes of Assumptions:

- There were no changes of benefit assumptions for the year ended December 31, 2015.

Natchitoches Parish Government
Schedule of Compensation, Benefits and Other Payments to
Agency Head or Chief Executive Officer
For the Year Ended December 31, 2015

Agency Head Name: Rick Nowlin, Parish President

<u>Purpose</u>	<u>Amount</u>
Salary	\$81,200
Benefits-Insurance	0
Benefits-Retirement	0
Deferred Compensation	0
Benefits-Other (Social Security/Medicare)	6,211
Car allowance	0
Vehicle provided by government	0
Cell phone	0
Dues	0
Vehicle rental	0
Per diem	0
Reimbursements (State & National Conferences)	0
Travel	1,332
Registration fees	400
Conference travel	404
Housing	0
Unvouchered expenses	0
Special meals	0
Other	<u>0</u>
Total	<u>\$89,547</u>

See independent auditor's report.

OTHER SUPPLEMENTAL SCHEDULES

Natchitoches Parish Government
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2015

	<u>Special Revenue Funds</u>				
	<u>Health Unit Maintenance</u>	<u>Criminal Court Fund</u>	<u>Civil Defense Fund</u>	<u>Natchitoches Parish Litter Court</u>	<u>Kisatchie Search & Rescue</u>
<u>Assets</u>					
Cash	\$ 714,154	\$112,605	\$35,005	\$461	\$21,480
Revenue Receivables	783,418	52,549	14,318	0	0
Due from Other Funds	<u>0</u>	<u>5,595</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>\$1,497,572</u>	<u>\$170,749</u>	<u>\$49,323</u>	<u>\$461</u>	<u>\$21,480</u>
<u>Liabilities</u>					
Cash Overdraft	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Accounts Payable	2,269	467	64	0	0
Accrued Payroll	3,217	2,378	561	0	0
Due to Other Governments	0	0	0	0	0
Due to Other Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>\$ 5,486</u>	<u>\$ 2,845</u>	<u>\$ 625</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>Fund Balance</u>					
Restricted	\$1,492,086	\$167,904	\$48,698	\$461	\$21,480
Unassigned	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balance	<u>\$1,492,086</u>	<u>\$167,904</u>	<u>\$48,698</u>	<u>\$461</u>	<u>\$21,480</u>
Total Liabilities & Fund Balance	<u>\$1,497,572</u>	<u>\$170,749</u>	<u>\$49,323</u>	<u>\$461</u>	<u>\$21,480</u>

See independent auditor's report and notes to financial statements.

Special Revenue Funds

Recreation & <u>Fitness</u>	<u>Planning</u>	Title III Kisatchie Search & Rescue	Public Safety	Criminal Law/ Juror Fees	Coroner	OCS Operating
\$772	\$116,589	\$ 85,693	\$ 145,598	\$16,963	\$ 1,154	\$977
0	0	30,089	6,157	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$772</u>	<u>\$116,589</u>	<u>\$115,782</u>	<u>\$ 151,755</u>	<u>\$16,963</u>	<u>\$ 1,154</u>	<u>\$977</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	302	0	22,551	1,772	6,457	0
0	0	0	1,028	0	0	0
0	0	0	774,223	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>5,595</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$ 0</u>	<u>\$ 302</u>	<u>\$ 0</u>	<u>\$ 803,397</u>	<u>\$ 1,772</u>	<u>\$ 6,457</u>	<u>\$ 0</u>
\$772	\$116,287	\$115,782	\$ 0	\$15,191	\$ 0	\$977
0	0	0	(651,642)	0	(5,303)	0
<u>\$772</u>	<u>\$116,287</u>	<u>\$115,782</u>	<u>\$(651,642)</u>	<u>\$15,191</u>	<u>\$(5,303)</u>	<u>\$977</u>
<u>\$772</u>	<u>\$116,589</u>	<u>\$115,782</u>	<u>\$ 151,755</u>	<u>\$16,963</u>	<u>\$ 1,154</u>	<u>\$977</u>

Natchitoches Parish Government
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2015

	Special Revenue Funds				
	OCS Family <u>Daycare</u>	OHD <u>LIHEAP</u>	DOL <u>CSBG</u>	OCS <u>RSVP</u>	CCIP <u>CACFP</u>
<u>Assets</u>					
Cash	\$55	\$67,740	\$14,895	\$3,050	\$39,155
Revenue Receivables	0	0	7,521	0	19,510
Due from Other Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>\$55</u>	<u>\$67,740</u>	<u>\$22,416</u>	<u>\$3,050</u>	<u>\$58,665</u>
<u>Liabilities</u>					
Cash Overdraft	\$ 0	\$ 0	\$ 1,289	\$ 650	\$ 0
Accounts Payable	0	0	0	0	0
Accrued Payroll	0	615	3,227	0	217
Due to Other Governments	0	0	0	0	0
Due to Other Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>\$ 0</u>	<u>\$ 615</u>	<u>\$ 4,516</u>	<u>\$ 650</u>	<u>\$ 217</u>
<u>Fund Balance</u>					
Restricted	\$55	\$67,125	\$17,900	\$2,400	\$58,448
Unassigned	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balance	<u>\$55</u>	<u>\$67,125</u>	<u>\$17,900</u>	<u>\$2,400</u>	<u>\$58,448</u>
Total Liabilities & Fund Balance	<u>\$55</u>	<u>\$67,740</u>	<u>\$22,416</u>	<u>\$3,050</u>	<u>\$58,665</u>

See independent auditor's report and notes to financial statements.

Special Revenue Funds						
CHC Head Start <u>Handicap</u>	TTA/ CDA	OCS Food <u>Bank</u>	Elderly <u>Entertainment</u>	Senior Companion <u>Program</u>	Summer Feeding <u>Program</u>	Wal-Mart <u>VAP Fund</u>
\$ 23	\$0	\$786	\$630	\$11,912	\$14,336	\$425
0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$ 23</u>	<u>\$0</u>	<u>\$786</u>	<u>\$630</u>	<u>\$11,912</u>	<u>\$14,336</u>	<u>\$425</u>
\$ 71	\$0	\$ 0	\$ 0	\$ 3,836	\$ 0	\$ 0
0	0	0	0	0	0	55
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$ 71</u>	<u>\$0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,836</u>	<u>\$ 0</u>	<u>\$ 55</u>
\$ 0	\$0	\$786	\$630	\$ 8,076	\$14,336	\$370
(48)	0	0	0	0	0	0
<u>\$(48)</u>	<u>\$0</u>	<u>\$786</u>	<u>\$630</u>	<u>\$ 8,076</u>	<u>\$14,336</u>	<u>\$370</u>
<u>\$ 23</u>	<u>\$0</u>	<u>\$786</u>	<u>\$630</u>	<u>\$11,912</u>	<u>\$14,336</u>	<u>\$425</u>

Natchitoches Parish Government
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2015

	Special Revenue Funds			Capital Projects Funds	
	International Paper Grant	O/S Reimb. for HD	Prime Time Reading Program	Old River Road	FEMA Grant
<u>Assets</u>					
Cash	\$421	\$0	\$183	\$65,000	\$68,774
Revenue Receivables	0	0	0	0	0
Due from Other Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>\$421</u>	<u>\$0</u>	<u>\$183</u>	<u>\$65,000</u>	<u>\$68,774</u>
<u>Liabilities</u>					
Cash Overdraft	\$ 0	\$0	\$ 0	\$ 0	\$ 0
Accounts Payable	0	0	0	0	0
Accrued Payroll	0	0	0	0	0
Due to Other Governments	0	0	0	0	0
Due to Other Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>\$ 0</u>	<u>\$0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>Fund Balance</u>					
Restricted	\$421	\$0	\$183	\$65,000	\$68,774
Unassigned	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balance	<u>\$421</u>	<u>\$0</u>	<u>\$183</u>	<u>\$65,000</u>	<u>\$68,774</u>
Total Liabilities & Fund Balance	<u>\$421</u>	<u>\$0</u>	<u>\$183</u>	<u>\$65,000</u>	<u>\$68,774</u>

See independent auditor's report and notes to financial statements.

Capital Projects Funds					
LCDBG LA Step Grant	LCDBG Grant	LCDBG Martco Grant	LA 480 State Grant Fund	Coco Bed Road	Total Nonmajor Governmental Funds
\$1	\$1	\$1	\$25,000	\$1,080	\$1,564,919
0	0	0	0	0	913,562
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,595</u>
<u>\$1</u>	<u>\$1</u>	<u>\$1</u>	<u>\$25,000</u>	<u>\$1,080</u>	<u>\$2,484,076</u>
\$0	\$0	\$0	\$ 0	\$ 0	\$ 5,846
0	0	0	0	0	33,937
0	0	0	0	0	11,243
0	0	0	0	0	774,223
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,595</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 830,844</u>
\$1	\$1	\$1	\$25,000	\$1,080	\$2,310,225
0	0	0	0	0	(656,993)
<u>\$1</u>	<u>\$1</u>	<u>\$1</u>	<u>\$25,000</u>	<u>\$1,080</u>	<u>\$1,653,232</u>
<u>\$1</u>	<u>\$1</u>	<u>\$1</u>	<u>\$25,000</u>	<u>\$1,080</u>	<u>\$2,484,076</u>

Natchitoches Parish Government
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
Year Ended December 31, 2015

	Special Revenue Funds				
	Health Unit <u>Maintenance</u>	Criminal Court <u>Fund</u>	Civil Defense <u>Fund</u>	Natchitoches Parish <u>Litter Court</u>	Kisatchie Search & <u>Rescue</u>
Revenues:					
Taxes-					
Ad Valorem	\$ 927,956	\$ 0	\$ 0	\$ 0	\$ 0
Licenses & Permits	0	0	0	0	0
Intergovernmental-					
Federal Grants	0	0	0	0	0
State Grants	0	14,112	0	0	0
Other Grants	0	304,870	56,457	0	0
Charges for Services	0	0	0	0	0
Fines & Forfeits	0	156,514	0	0	0
Interest & Miscellaneous	1,180	74	0	0	0
Total Revenues	<u>\$ 929,136</u>	<u>\$ 475,570</u>	<u>\$56,457</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:					
Current-					
General Government	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Public Safety	0	633,411	56,228	0	0
Public Works	0	0	0	0	29
Health & Welfare	483,796	0	0	0	0
Total Expenditures	<u>\$ 483,796</u>	<u>\$ 633,411</u>	<u>\$56,228</u>	<u>\$ 0</u>	<u>\$ 29</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ 445,340</u>	<u>\$(157,841)</u>	<u>\$ 229</u>	<u>\$ 0</u>	<u>\$ (29)</u>
Other Financing Sources (Uses):					
Operating Transfers In	\$ 0	\$ 240,000	\$ 0	\$ 0	\$ 0
Operating Transfers Out	(300,000)	0	0	0	0
Total Other Financing	<u>\$ (300,000)</u>	<u>\$ 240,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ 145,340</u>	<u>\$ 82,159</u>	<u>\$ 229</u>	<u>\$ 0</u>	<u>\$ (29)</u>
Fund Balances (Deficit)- Beginning of Year	<u>1,346,746</u>	<u>85,745</u>	<u>48,469</u>	<u>461</u>	<u>21,509</u>
Fund Balances (Deficit)- End of Year	<u>\$1,492,086</u>	<u>\$ 167,904</u>	<u>\$48,698</u>	<u>\$461</u>	<u>\$21,480</u>

See independent auditor's report and notes to financial statements.

Special Revenue Funds

Recreation & <u>Fitness</u>	<u>Planning</u>	Title III Kisatchie Search & Rescue	Public Safety	Criminal Law/ Juror Fees	Coroner	OCS Operating
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	175,629	0	0	0	0	0
0	0	30,089	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	105,000	0
0	0	0	0	0	0	0
0	0	0	0	24,023	0	0
<u>0</u>	<u>160</u>	<u>0</u>	<u>30,774</u>	<u>0</u>	<u>0</u>	<u>725</u>
<u>\$ 0</u>	<u>\$175,789</u>	<u>\$ 30,089</u>	<u>\$ 30,774</u>	<u>\$24,023</u>	<u>\$105,000</u>	<u>\$725</u>
\$ 0	\$129,256	\$ 0	\$ 138,359	\$ 0	\$ 0	\$ 69
0	0	0	967,296	29,607	126,660	0
0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$ 0</u>	<u>\$129,256</u>	<u>\$ 0</u>	<u>\$ 1,105,655</u>	<u>\$29,607</u>	<u>\$126,660</u>	<u>\$ 69</u>
<u>\$ 0</u>	<u>\$ 46,533</u>	<u>\$ 30,089</u>	<u>\$(1,074,881)</u>	<u>\$(5,584)</u>	<u>\$(21,660)</u>	<u>\$656</u>
\$ 0	\$ 0	\$ 21,503	\$ 1,250,000	\$15,000	\$ 16,357	\$ 0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 21,503</u>	<u>\$ 1,250,000</u>	<u>\$15,000</u>	<u>\$ 16,357</u>	<u>\$ 0</u>
\$ 0	\$ 46,533	\$ 51,592	\$ 175,119	\$ 9,416	\$ (5,303)	\$656
<u>772</u>	<u>69,754</u>	<u>64,190</u>	<u>(826,761)</u>	<u>5,775</u>	<u>0</u>	<u>321</u>
<u>\$772</u>	<u>\$116,287</u>	<u>\$115,782</u>	<u>\$(651,642)</u>	<u>\$15,191</u>	<u>\$(5,303)</u>	<u>\$977</u>

Continued next page.

Natchitoches Parish Government
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
Year Ended December 31, 2015

	Special Revenue Funds				
	OCS Family <u>Daycare</u>	OHD <u>LIHEAP</u>	DOL <u>CSBG</u>	OCS <u>RSVP</u>	CCIP <u>CACFP</u>
Revenues:					
Taxes-					
Ad Valorem	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Licenses & Permits	0	0	0	0	0
Intergovernmental-					
Federal Grants	0	35,663	101,825	0	235,897
State Grants	0	0	0	0	0
Other Grants	0	0	0	0	0
Charges for Services	0	0	0	0	0
Fines & Forfeits	0	0	0	0	0
Interest & Miscellaneous	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>\$ 0</u>	<u>\$ 35,663</u>	<u>\$101,825</u>	<u>\$ 0</u>	<u>\$235,897</u>
Expenditures:					
Current-					
General Government	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Public Safety	0	0	0	0	0
Public Works	0	0	0	0	0
Health & Welfare	<u>0</u>	<u>24,569</u>	<u>113,892</u>	<u>0</u>	<u>234,458</u>
Total Expenditures	<u>\$ 0</u>	<u>\$ 24,569</u>	<u>\$113,892</u>	<u>\$ 0</u>	<u>\$234,458</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ 0</u>	<u>\$ 11,094</u>	<u>\$ (12,067)</u>	<u>\$ 0</u>	<u>\$ 1,439</u>
Other Financing Sources (Uses):					
Operating Transfers In	\$55	\$ 0	\$ 7,934	\$ 0	\$ 29,126
Operating Transfers Out	<u>0</u>	<u>0</u>	<u>(840)</u>	<u>0</u>	<u>(15,014)</u>
Total Other Financing	<u>\$55</u>	<u>\$ 0</u>	<u>\$ 7,094</u>	<u>\$ 0</u>	<u>\$ 14,112</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	\$55	\$ 11,094	\$ (4,973)	\$ 0	\$ 15,551
Fund Balances (Deficit)-					
Beginning of Year	<u>0</u>	<u>56,031</u>	<u>22,873</u>	<u>2,400</u>	<u>42,897</u>
Fund Balances (Deficit)- End of Year	<u>\$55</u>	<u>\$ 67,125</u>	<u>\$ 17,900</u>	<u>\$2,400</u>	<u>\$ 58,448</u>

See independent auditor's report and notes to financial statements.

Special Revenue Funds						
CHC Head Start <u>Handicap</u>	TTA/ CDA	OCS Food <u>Bank</u>	Elderly <u>Entertainment</u>	Senior Companion <u>Program</u>	Summer Feeding <u>Program</u>	Wal-Mart <u>VAP Fund</u>
\$ 0 0	\$ 0 0	\$ 0 0	\$ 0 0	\$ 0 0	\$ 0 0	\$ 0 0
36,170 0 0 0 0 0	25,840 0 0 0 0 0	0 0 0 0 0 0	0 0 0 0 0 29	249,468 0 0 0 0 0	123,524 0 0 0 0 0	0 0 0 0 0 736
<u>\$36,170</u>	<u>\$25,840</u>	<u>\$ 0</u>	<u>\$ 29</u>	<u>\$249,468</u>	<u>\$123,524</u>	<u>\$ 736</u>
\$ 0 0 0	\$ 0 0 0	\$ 0 0 0	\$ 0 0 0	\$ 0 0 0	\$ 0 0 0	\$ 0 0 0
36,170 <u>\$36,170</u>	25,474 <u>\$25,474</u>	0 <u>\$ 0</u>	0 <u>\$ 0</u>	240,388 <u>\$240,388</u>	123,542 <u>\$123,542</u>	1,153 <u>\$1,153</u>
<u>\$ 0</u>	<u>\$ 366</u>	<u>\$ 0</u>	<u>\$ 29</u>	<u>\$ 9,080</u>	<u>\$ (18)</u>	<u>\$ (417)</u>
\$ 0 0 0	\$ 0 0 0	\$786 0 786	\$ 0 0 0	\$ 9,222 (8,054) 1,168	\$ 0 0 0	\$ 0 0 0
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$786</u>	<u>\$ 0</u>	<u>\$ 1,168</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 0 <u>(48)</u>	\$ 366 <u>(366)</u>	\$786 0	\$ 29 601	\$ 10,248 <u>(2,172)</u>	\$ (18) 14,354	\$ (417) 787
<u>\$ (48)</u>	<u>\$ 0</u>	<u>\$786</u>	<u>\$630</u>	<u>\$ 8,076</u>	<u>\$ 14,336</u>	<u>\$ 370</u>

Continued next page.

Natchitoches Parish Government
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
Year Ended December 31, 2015

	Special Revenue Funds			Capital Projects Funds	
	International Paper <u>Grant</u>	O/S Reimb. for HD	Prime Time Reading <u>Program</u>	Old River <u>Road</u>	FEMA <u>Grant</u>
Revenues:					
Taxes-					
Ad Valorem	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Licenses & Permits	0	0	0	0	0
Intergovernmental-					
Federal Grants	0	0	0	0	70,102
State Grants	0	0	0	0	0
Other Grants	0	0	0	0	0
Charges for Services	0	0	0	0	0
Fines & Forfeits	0	0	0	0	0
Interest & Miscellaneous	<u>0</u>	<u>5,557</u>	<u>461</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>\$ 0</u>	<u>\$5,557</u>	<u>\$461</u>	<u>\$ 0</u>	<u>\$ 70,102</u>
Expenditures:					
Current-					
General Government	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Public Safety	0	0	0	0	0
Public Works	0	0	0	0	0
Health & Welfare	<u>5</u>	<u>5,930</u>	<u>278</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>\$ 5</u>	<u>\$5,930</u>	<u>\$278</u>	<u>\$ 0</u>	<u>\$ 0</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (5)</u>	<u>\$ (373)</u>	<u>\$183</u>	<u>\$ 0</u>	<u>\$ 70,102</u>
Other Financing Sources (Uses):					
Operating Transfers In	\$ 0	\$ 373	\$ 0	\$ 0	\$ 0
Operating Transfers Out	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(185,125)</u>
Total Other Financing	<u>\$ 0</u>	<u>\$ 373</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$(185,125)</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ (5)</u>	<u>\$ 0</u>	<u>\$183</u>	<u>\$ 0</u>	<u>\$(115,023)</u>
Fund Balances (Deficit)- Beginning of Year	<u>426</u>	<u>0</u>	<u>0</u>	<u>65,000</u>	<u>183,797</u>
Fund Balances (Deficit)- End of Year	<u>\$421</u>	<u>\$ 0</u>	<u>\$183</u>	<u>\$65,000</u>	<u>\$ 68,774</u>

See independent auditor's report and notes to financial statements.

Capital Projects Funds					Total Nonmajor Governmental Funds
LCDBG LA Step Grant	LCDBG Grant	LCDBG Martco Grant	LA 480 State Grant Fund	Coco Bed Road	
\$0	\$0	\$0	\$ 0	\$ 0	\$ 927,956
0	0	0	0	0	175,629
0	0	0	0	0	908,578
0	0	0	0	0	14,112
0	0	0	0	0	466,327
0	0	0	0	0	0
0	0	0	0	0	180,537
0	0	0	0	0	39,696
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$2,712,835</u>
\$0	\$0	\$0	\$ 0	\$ 0	\$ 267,684
0	0	0	0	0	1,813,202
0	0	0	0	3,920	3,949
0	0	0	0	0	1,289,655
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$ 0</u>	<u>\$ 3,920</u>	<u>\$3,374,490</u>
\$0	\$0	\$0	\$ 0	\$(3,920)	\$ (661,655)
\$0	\$0	\$0	\$ 0	\$ 5,000	\$1,595,356
0	0	0	0	0	(509,033)
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$ 0</u>	<u>\$ 5,000</u>	<u>\$1,086,323</u>
\$0	\$0	\$0	\$ 0	\$ 1,080	\$ 424,668
1	1	1	25,000	0	1,228,564
<u>\$1</u>	<u>\$1</u>	<u>\$1</u>	<u>\$25,000</u>	<u>\$ 1,080</u>	<u>\$1,653,232</u>

Natchitoches Parish Government
Supplementary Schedule of Expenditures of Federal Awards
Year Ended December 31, 2015

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Total Current Year Expenditures</u>
DIRECT PROGRAMS:		
U. S. Department of Agriculture-		
Kisatchie National Forest	10.666	\$ 200,591
Federal Emergency Management Agency-		
Disaster Grants – Public Assistance	97.036	68,772
Department of Health & Human Services-		
Head Start Program		
Program Year	93.600	2,282,278
Head Start-Handicap Program		
Program Year	93.600	36,170
Head Start TTA/CDA		
Program Year	93.600	25,840
Senior Companion Program		
Program Year	94.016	248,442

Continued next page.

Natchitoches Parish Government
Supplementary Schedule of Expenditures of Federal Awards-continued
Year Ended December 31, 2015

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Total Current Year Expenditures</u>
PASS-THROUGH PROGRAMS:		
Louisiana Department of Labor-		
Community Services Block Grant-		
Program Year	93.569	101,824
Louisiana Housing Finance Agency-		
U.S. Department of Agriculture	93.568	24,570
Louisiana Department of Education-		
Child Care Food Program-		
Program Year	10.558	235,897
Summer Food Service Program	10.559	<u>123,524</u>
Totals		<u>\$3,347,908</u>

See independent auditor's report and notes to financial statements.

Natchitoches Parish Government
Notes to the Schedule of Expenditures of Federal Awards
Year Ended December 31, 2015

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Parish Government and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the *Uniform Guidance, Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the primary government financial statements.

Natchitoches Parish Government
Reporting Fraud and Misappropriations
Year Ended December 31, 2015

<u>Element of Finding</u>	<u>Response</u>
1. A general statement describing the fraud or misappropriation that occurred.	Accounts Payable Clerk issued checks to himself and did not make proper deposits of cash from the Planning Office and Solid Waste Disposal.
2. A description of the funds or assets that were the subject of the fraud or misappropriation (ex., utility receipts, petty cash, computer equipment).	The misappropriation involved checks written to himself from the General and Health Unit Funds and cash from the Planning Office and Solid Waste Disposal Facility.
3. The amount of funds or approximate value of assets involved.	At least \$6,000 (exact amount is unknown)
4. The department or office in which the fraud or misappropriation occurred.	Treasurer's Office, Accounts Payable
5. The period of time over which the fraud or misappropriation occurred.	The exact time frame is unknown, but most activity was from December 28, 2015 through February 11, 2016.
6. The title/agency affiliation of the person who committed or is believed to have committed the act of fraud or misappropriation.	Accounts Payable Clerk
7. The name of the person who committed or is believed to have committed the act of fraud or misappropriation, if formal charges have been brought against the person and/or the matter has been adjudicated.	Terrence Holden
8. Is the person who committed or is believed to have committed the act of fraud still employed by the agency?	No.
9. If the person who committed or is believed to have committed the act of fraud is still employed by the agency, do they have access to assets that may be subject to fraud or misappropriation?	N/A
10. Has the agency notified the appropriate law enforcement body about the fraud or misappropriation?	Natchitoches City Police
11. What is the status of the investigation at the date of the auditor's/accountant's report?	The investigation has been turned over to the City Police and a warrant has been issued.

Continued on next page.

Natchitoches Parish Government
Reporting Fraud and Misappropriations
Year Ended December 31, 2015

<u>Element of Finding</u>	<u>Response</u>
12. If the investigation is complete and the person believed to have committed the act or fraud or misappropriation has been identified, has the agency filed charges against that person?	Yes.
13. What is the status of any related adjudication at the date of the auditor's/accountant's report?	N/A
14. Has restitution been made or has an insurance claim been filed?	Yes.
15. Has the agency notified the Louisiana Legislative Auditor and the District Attorney in writing, as required by Louisiana Revised Statute 24:523 (Applicable to local governments only)	Yes.
16. Did the agency's internal controls allow the detection of the fraud or misappropriation in a timely manner?	No. See finding 2015-001
17. If the answer to the last questions is "no", described the control deficiency/significant deficiency/material weakness that allowed the fraud or misappropriation to occur and not be detected in a timely manner.	Daily deposits not made, petty cash not reviewed in a timely manner and lack of separation of duties.
18. Management's plan to ensure that the fraud or misappropriation does not occur in the future.	New internal control policies have been implemented. There are two employees in this position. Each invoice is verified to the edit list before checks are prepared. In addition, new procedures are in place to ensure that cash is properly accounted for and balanced to available documents from the Planning Office and Solid Waste.

See independent auditor's report and notes to financial statements.

OTHER REPORTS

Johnson, Thomas & Cunningham

Certified Public Accountants

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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*

To the President and Council Members
of the Natchitoches Parish Government

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Natchitoches Parish Government's basic financial statements and have issued our report thereon dated June 22, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Natchitoches Parish Government'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 Government's internal control. Accordingly, we do not express an opinion on the effectiveness of the Natchitoches Parish Government's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described as 2015-001 and 2015-002 in the accompanying schedule of findings and questioned costs to be material weaknesses.

Compliance and Other Matters


As part of obtaining reasonable assurance about whether the Natchitoches Parish Government's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Natchitoches Parish Government's Response to Findings

The Natchitoches Parish Government's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Natchitoches Parish Government's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. Under Louisiana Revised Statute 25:513, this report is distributed by the Louisiana Legislative Auditor as a public document.


Johnson, Thomas & Cunningham, CPA's

June 22, 2016
Natchitoches, Louisiana

Johnson, Thomas & Cunningham

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE

To the President and Council Members of the
Natchitoches Parish Government

Report on Compliance for Each Major Federal Program

We have audited the Natchitoches Parish Government's compliance with the types of compliance requirements described in the *OMB Uniform Guidance Compliance Supplement* that could have a direct and material effect on each of the Natchitoches Parish Government's major federal programs for the year ended December 31, 2015. The Natchitoches Parish Government's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Natchitoches Parish Government's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and the *Uniform Guidance* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Natchitoches Parish Government's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Natchitoches Parish Government's compliance.

Opinion on Each Major Federal Program

In our opinion, the Natchitoches Parish Government, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2015.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as items 2015-002.

The Natchitoches Parish Government's response to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Natchitoches Parish Government's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Management of the Natchitoches Parish Government is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Natchitoches Parish Government's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Natchitoches Parish Government's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We consider the deficiency described as item 2015-002 in the accompanying schedule of findings and questioned costs to be a material weakness.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Natchitoches Parish Government as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Natchitoches Parish Government's basic financial statements. We issued our report thereon dated June 22, 2016, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Johnson, Thomas & Cunningham, CPA's
Johnson, Thomas & Cunningham, CPA's

June 22, 2016
Natchitoches, Louisiana

Natchitoches Parish Government
Schedule of Findings and Questioned Costs
Year Ended December 31, 2015

I. SUMMARY OF AUDIT RESULTS

The following summarize the audit results in accordance with the Uniform Guidance:

1. Since the Parish Government did not present all of its component units, an adverse opinion was issued for the Natchitoches Parish Government as a reporting entity; however, an unmodified opinion was issued on the primary government financial statements of the Natchitoches Parish Government as of and for the year ended December 31, 2015.
2. The audit disclosed two material weaknesses in internal control (2015-001 and 2015-002)
3. The audit did not disclose any instances of noncompliance that are required to be reported under *Government Auditing Standards*.
4. The audit disclosed one instance of a material weakness in internal control over major programs (2015-002).
5. An unmodified opinion was issued on compliance for major programs.
6. The audit disclosed one finding related to federal awards that is required to be reported under the Uniform Guidance.
7. The following program was major for the year ended December 31, 2015:
 - o Health and Human Services (CFDA #93.600)
8. \$750,000 was the threshold used to distinguish Type A from Type B programs.
9. The Natchitoches Parish Government does not qualify as a low risk auditee.

II. FINDINGS IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS AND THE UNIFORM GUIDANCE*

The following findings relate to the financial statements and are required to be reported in accordance with *Government Auditing Standards*:

Internal Control-

2015-001 *Control over Reconciliation of Cash Collections*

Criteria – The Natchitoches Parish Government collects cash for Planning and Solid Waste operations. These cash collections should be reconciled to bank deposits on a daily basis.

Natchitoches Parish Government
Schedule of Findings and Questioned Costs
Year Ended December 31, 2015

Condition – Reconciliations for cash collections were not reconciled to bank deposits by persons not responsible for cash collection process.

Effect - An employee of the Natchitoches Parish Government was found to have misappropriated governmental funds. The employee admitted to the misappropriation and was terminated immediately. At this time, the amount misappropriated and the exact time period over which the theft occurred is unknown; however, the misappropriation is estimated to be at least \$6,000.

Cause – The Natchitoches Parish Government did not have sufficient internal control procedures in place to reconcile the cash collections to bank deposits on a daily basis.

Recommendation – Management should ensure that internal control procedures are designed and implemented to ensure that cash collections are reconciled to bank deposits on a daily basis.

Management's Response – A Revised Standard Operating Procedures has been introduced to strengthen our controls. All cash collections are brought to the Accounting Department on a daily basis by the Solid Waste Secretary. Any of the Accounting Staff could receive the collections, since each employee has a locked cash bag. A print out from the Solid Waste data base will verify all collections. Both employees will initial and date the paper work. The Parish Treasurer will verify all collections based on the daily/weekly backup report. Once a deposit has been recorded in the Accounting System by another staff member a copy will be emailed to the Solid Waste Secretary for verification.

The Planning department Director has a data base in which he enters his information into as he issues a permit. All collections are brought to the Accounting Department each time a permit has been issued. The Treasurer will print a report from the Planning database on a weekly/monthly basis. Once a deposit has been recorded in the Accounting system by another staff member a copy will be emailed to the Planning Director for verification.

A Revised Standard Operating Procedure has been implemented for completing account payables. All Payables are crossed referenced with two people, one employee inputs the data and another one sets up the payable and issues the checks.

Internal Control/Major Program Compliance-

2015-002 *Internal Controls over Program Revenues and Expenditures for the Office of Community Services and Head Start Programs – (Cash Management CFDA #93.600)*

Criteria – The Office of Community Services (hereinafter OCS) and Head Start, component units of the Parish Government, administer several Federal and State grant programs which are generally expenditure driven. As a result, the program's revenues should equal expenditures.

Natchitoches Parish Government
Schedule of Findings and Questioned Costs
Year Ended December 31, 2015

Most OCS and Head Start programs expend funds and then send reports to the various grantor agencies requesting reimbursements. These Federal and State reimbursement requests and the subsequent cash receipts should be closely monitored by the management of OCS and Head Start and should be reconciled to the general ledger on a monthly basis to ensure that the funds expended are requested from the grantor agency in a timely manner.

Condition – OCS and Head Start personnel are not reconciling requests for funds to the general ledgers. As a result, the following funds have positive cash balances which cannot be reconciled to expenditures that have been incurred.

Head Start	\$53,459
Senior Companion	8,182
Child Care Food	38,799

Effect – OCS and Head Start personnel have requested reimbursements which cannot be reconciled to expenditures.

Cause – OCS and Head Start management do not have a sufficient system in place to reconcile requests for funds to the general ledgers.

Recommendation – The management of the Office of Community Services and Head Start should take steps to closely monitor the reimbursement requests and the subsequent cash receipts and to ensure that the requests and cash receipts are reconciled to the general ledger on a monthly basis.

Management's Response – Corrective Action Plan has been put into place to strengthen our controls. The Parish Government is currently advertising for a part time employee to assist with the Grant Programs. The Standard Operating Procedure has been revised to reconcile all grants on a monthly basis with dual personnel. The Grant Clerk will run the general ledger by the 25th of each month. The General Ledger will be printed and the amounts will be verified with the Treasurer and/or another staff member. Once this amount has been determined the Treasurer will request the necessary funds. A copy of the request and the general ledger will be filed in a binder for reference.

III. PRIOR YEAR AUDIT FINDINGS

None identified.