

**NATCHITOCHES PARISH GOVERNMENT
ANNUAL FINANCIAL REPORT**

DECEMBER 31, 2019

NATCHITOCHES PARISH GOVERNMENT
ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2019

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NATCHITOCHES PARISH GOVERNMENT
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YEAR ENDED DECEMBER 31, 2019

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

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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, 2019.

Financial Highlights

- The Parish Government's assets exceeded its liabilities by \$24,046,107 (net position) for the fiscal year reported. This compares to the previous year when assets exceeded liabilities by \$20,668,067.
- Total net position is comprised of the following:
 1. Net investment in capital assets, of \$11,380,166 includes property and equipment, net of accumulated depreciation.
 2. Unrestricted net position of \$12,665,941 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 \$21,723,652 this year. This compares to the prior year ending fund balance of \$18,384,528 showing an increase of \$3,339,124 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, 2019

	Governmental Activities	
	<u>2019</u>	<u>2018</u>
Assets:		
Cash & Other Assets	\$22,674,655	\$19,080,297
Noncurrent Assets	<u>11,380,166</u>	<u>10,765,901</u>
Total Assets	<u>\$34,054,821</u>	<u>\$29,846,198</u>
Deferred Outflows of Resources	<u>\$ 2,630,797</u>	<u>\$ 1,123,525</u>
Liabilities:		
Current and Other Liabilities	\$ 951,003	\$ 695,769
Long-term Liabilities	<u>11,454,621</u>	<u>8,154,902</u>
Total Liabilities	<u>\$12,405,624</u>	<u>\$ 8,850,671</u>
Deferred Inflows of Resources	<u>\$ 233,887</u>	<u>\$ 1,450,985</u>
Net Position:		
Net Investment in Capital Assets	\$11,380,166	\$10,379,005
Unrestricted	<u>12,665,941</u>	<u>10,289,062</u>
Total Net Position	<u>\$24,046,107</u>	<u>\$20,668,067</u>

Table 2
Changes in Net Position
Year Ended December 31, 2019

	<u>Primary Government</u>	
	<u>2019</u>	<u>2018</u>
Program Revenues:		
Charges for Services	\$ 863,125	\$ 913,583
Operating Grants & Contributions	5,029,486	5,882,936
Capital Grants & Contributions	1,398,521	283,279
General Revenues:		
Ad Valorem Taxes	6,793,601	7,087,612
Sales Taxes	2,609,073	2,404,313
Licenses & Permits	481,366	497,143
NEC Revenue	72,025	66,062
Miscellaneous	<u>174,855</u>	<u>166,624</u>
Total Revenues	<u>\$17,422,052</u>	<u>\$17,301,552</u>
Functional/Program Expenses:		
Governmental Activities-		
General Government	\$ 2,675,270	\$ 2,190,760
Public Safety	2,016,789	1,900,231
Public Works	4,445,098	4,692,059
Health & Welfare	2,897,073	4,216,977
Recreation & Culture	1,957,820	1,933,614
Economic Development	<u>51,962</u>	<u>30,506</u>
Total Expenses	<u>\$14,044,012</u>	<u>\$14,964,147</u>
Change in Net Position	<u>\$ 3,378,040</u>	<u>\$ 2,337,405</u>

Capital Assets

The Parish Government's investment in capital assets for its governmental activities as of December 31, 2019 amounts to \$11,380,166 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, infrastructure and construction in progress.

Major capital asset events during the current fiscal year included the following:

- Construction of roads

Long-Term Liabilities

At the end of the current fiscal year, the Parish Government had total long term liabilities of \$11,454,621. Long-term liabilities of the Parish Government includes recognized net pension liability and other post-employment obligation based on actuarially determined amounts in accordance with GASB.

	Governmental <u>Activities</u>
Net Other Post Employment Obligation	\$ 8,295,210
Net Pension Liability	3,049,548
Accrued Employee Vacations	<u>109,863</u>
Total	<u>\$11,454,621</u>

Economic Factors and Next Year's Budgets and Rates

In 2020, 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.

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 Julie Lockhart, Treasurer at 318-352-2714.

T | C | B | T
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Certified Public Accountants

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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, 2019, 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 Presented 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, 2019, 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, 2019, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 1 through 5 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the 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 information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the Parish Government's primary government. The Budgetary Comparison Schedules, Schedule of Employer's Share of Net Pension Liability, Schedule of Employer Contributions, Schedule of Changes in Net OPEB Liability and Related Ratios, the Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer, the nonmajor funds combining balance sheet, and nonmajor funds combining schedule of revenues, expenditure and changes in fund balance listed as required/other supplementary information in the Table of Contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The Budgetary Comparison Schedules, Schedule of Employer's Share of Net Pension Liability, Schedule of Employer Contributions, Schedule of Changes in Net OPEB Liability and Related Ratios, the Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer, Schedule of Expenditures of Federal Awards, the nonmajor funds combining balance sheet, and nonmajor funds combining schedule of revenues, expenditure and changes in fund balance, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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 Budgetary Comparison Schedules, Schedule of Employer's Share of Net Pension Liability, Schedule of Employer Contributions, Schedule of Changes in Net OPEB Liability and Related Ratios, the Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer, Schedule of Expenditures of Federal Awards, the nonmajor funds combining balance sheet, and nonmajor funds combining schedule of revenues, expenditure and changes in fund balance are 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 August 10, 2020, 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 Parish Government's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Louisiana Legislative Auditor, we have issued a report, dated August 10, 2020, on the results of our statewide agreed-upon procedures performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards*. The purpose of that report is solely to describe the scope of testing performed on those control and compliance areas identified in the Louisiana Legislative Auditor's statewide agreed-upon procedures, and the results of that testing, and not to provide an opinion on control or compliance.

Thomas, Cunningham, Broadway & Todtenbier, CPA's

Thomas, Cunningham, Broadway & Todtenbier CPA's
Natchitoches, Louisiana
August 10, 2020

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS

Natchitoches Parish Government
Statement of Net Position
December 31, 2019

	Governmental <u>Activities</u>
Assets-	
Current Assets-	
Cash & Cash Equivalents	\$15,956,386
Revenue Receivables	<u>6,718,269</u>
Total Current Assets	\$22,674,655
Noncurrent Assets-	
Capital Assets (net of accumulated depreciation)	<u>11,380,166</u>
Total Assets	<u>\$34,054,821</u>
Deferred Outflows of Resources	\$ <u>2,630,797</u>
Liabilities-	
Current Liabilities-	
Cash Overdraft	\$ 20,344
Accounts Payable	356,708
Accrued Payroll	39,728
Due to Other Governments	<u>534,223</u>
Total Current Liabilities	\$ <u>951,003</u>
Long-term Liabilities-	
Accrued Compensated Absences	\$ 109,863
Other Post Employment Benefits	8,295,210
Net Pension Liability	<u>3,049,548</u>
Total Long-term Liabilities	<u>\$11,454,621</u>
Total Liabilities	<u>\$12,405,624</u>
Deferred Inflows of Resources	\$ <u>233,887</u>
Net Position-	
Net Investment in Capital Assets	\$11,380,166
Unrestricted	<u>12,665,941</u>
Total Net Position	<u>\$24,046,107</u>

See independent auditors' report and notes to financial statements.

Natchitoches Parish Government
Statement of Activities
Year Ended December 31, 2019

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense)</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Revenue and Changes in Net Position</u>
<u>Governmental Activities</u>					
Primary Government:					
Governmental Activities-					
General Government	\$ (2,675,270)	\$ 0	\$ 685,691	\$ 48,521	\$ (1,941,058)
Public Safety	(2,016,789)	762,411	826,234	0	(428,144)
Public Works	(4,445,098)	76,803	772,760	1,350,000	(2,245,535)
Health & Welfare	(2,897,073)	0	2,743,757	0	(153,316)
Recreation & Culture	(1,957,820)	23,911	1,044	0	(1,932,865)
Economic Development	<u>(51,962)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(51,962)</u>
Total Governmental Activities	<u>\$(14,044,012)</u>	<u>\$863,125</u>	<u>\$5,029,486</u>	<u>\$1,398,521</u>	<u>\$ (6,752,880)</u>
General Revenues:					
Taxes-					
Ad Valorem					\$ 6,793,601
Sales & Use					2,609,073
Licenses & Permits					481,366
NEC Revenue					72,025
Miscellaneous					<u>174,855</u>
Total General Revenues					<u>\$10,130,920</u>
Change in Net Position					\$ 3,378,040
Net Position January 1, 2019					<u>20,668,067</u>
Net Position December 31, 2018					<u>\$24,046,107</u>

See independent auditors' report and notes to financial statements.

FUND FINANCIAL STATEMENTS

Natchitoches Parish Government
Governmental Funds-Balance Sheet
December 31, 2019

	Major Funds							
	Special Revenue Funds							
	General Fund	Road Maintenance Fund	Sales Tax Fund	Parish Library Fund	Government Building Fund	Health Unit Maintenance	Nonmajor Funds	Total Governmental Funds
<u>Assets</u>								
Cash & Cash Equivalents	\$1,820,373	\$1,518,734	\$1,525,255	\$3,595,740	\$2,712,457	\$1,539,325	\$3,244,502	\$15,956,386
Revenue Receivables	996,644	1,227,155	287,321	2,316,005	868,501	868,501	154,142	6,718,269
Due from Other Funds	114,060	0	0	0	0	0	176,992	291,052
Total Assets	<u>\$2,931,077</u>	<u>\$2,745,889</u>	<u>\$1,812,576</u>	<u>\$5,911,745</u>	<u>\$3,580,958</u>	<u>\$2,407,826</u>	<u>\$3,575,636</u>	<u>\$22,965,707</u>
<u>Liabilities</u>								
Cash Overdraft	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 20,344	\$ 20,344
Accounts Payable	8,662	161,854	6,923	18,816	43,739	7,187	109,527	356,708
Accrued Payroll	0	14,325	0	739	4,879	3,523	16,262	39,728
Due to Other Governments	0	0	0	0	0	0	534,223	534,223
Due to Other Funds	0	130,143	0	0	0	1,301	159,608	291,052
Total Liabilities	<u>\$ 8,662</u>	<u>\$ 306,322</u>	<u>\$ 6,923</u>	<u>\$ 19,555</u>	<u>\$ 48,618</u>	<u>\$ 12,011</u>	<u>\$ 839,964</u>	<u>\$ 1,242,055</u>
<u>Fund Balance</u>								
Fund Balances-								
Restricted	\$ 0	\$2,439,567	\$1,805,653	\$5,892,190	\$3,532,340	\$2,395,815	\$2,788,648	\$18,854,213
Unassigned	<u>2,922,415</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(52,976)</u>	<u>2,869,439</u>
Total Fund Balance	<u>\$2,922,415</u>	<u>\$2,439,567</u>	<u>\$1,805,653</u>	<u>\$5,892,190</u>	<u>\$3,532,340</u>	<u>\$2,395,815</u>	<u>\$2,735,672</u>	<u>\$21,723,652</u>
Total Liabilities & Fund Balance	<u>\$2,931,077</u>	<u>\$2,745,889</u>	<u>\$1,812,576</u>	<u>\$5,911,745</u>	<u>\$3,580,958</u>	<u>\$2,407,826</u>	<u>\$3,575,636</u>	<u>\$22,965,707</u>

See independent auditors' report and notes to financial statements.

Natchitoches Parish Government
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2019

Total Governmental Fund Balances	\$ 21,723,652
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Amounts reported for Governmental Activities
in the Statement of Net Position are different because:

The following used in Governmental Activities are not
financial resources. Therefore, they are not reported
in the Governmental Fund Balance Sheet-

Capital Assets	36,063,537
Less, Accumulated Depreciation	(24,683,371)
Deferred Outflows of Resources	2,630,797

The following are not due and payable in the
current period. Therefore, they are not reported
in the Governmental Fund Balance Sheet -

Accrued Compensated Absences	(109,863)
Other Post-Employment Benefit Obligation	(8,295,210)
Net Pension Liability	(3,049,548)
Deferred Inflows of Resources	<u>(233,887)</u>

Total Net Position of Governmental Activities at December 31, 2019	<u>\$ 24,046,107</u>
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See independent auditors' report and notes to financial statements.

Natchitoches Parish Government
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended December 31, 2019

	Major Funds							
	Special Revenue Funds							
	General Fund	Road Maintenance Fund	Sales Tax Fund	Parish Library Fund	Government Building Fund	Health Unit Maintenance	Nonmajor Funds	Total Governmental Funds
Revenues:								
Taxes-								
Ad Valorem	\$ 965,406	\$1,145,672	\$ 0	\$2,673,709	\$ 986,390	\$1,022,424	\$ 0	\$ 6,793,601
Sales & Use	0	0	2,609,073	0	0	0	0	2,609,073
License & Permits	297,347	0	0	0	0	0	184,019	481,366
Intergovernmental-								
Federal Grants	0	322,015	0	0	0	0	2,437,660	2,759,675
State Grants	747,805	570,320	0	0	0	0	205,438	1,523,563
Other Grants	0	0	0	1,044	0	0	1,815,264	1,816,308
Charges for Services	0	0	0	12,864	0	0	76,803	89,667
Fines & Forfeits	0	0	0	11,047	0	0	762,411	773,458
Miscellaneous	156,295	34,920	2,308	50,673	16,187	2,999	340,555	603,937
Total Revenues	<u>\$2,166,853</u>	<u>\$2,072,927</u>	<u>\$ 2,611,381</u>	<u>\$2,749,337</u>	<u>\$1,002,577</u>	<u>\$1,025,423</u>	<u>\$ 5,822,150</u>	<u>\$17,450,648</u>
Expenditures:								
Current-								
General Government	\$ 765,822	\$ 16,817	\$ 46,756	\$ 0	\$ 646,016	\$ 0	\$ 143,054	\$ 1,618,465
Public Safety	182,885	0	0	0	0	0	1,742,468	1,925,353
Public Works	0	2,178,432	0	0	0	0	3,475,592	5,654,024
Health & Welfare	10,000	0	0	0	0	467,591	2,391,164	2,868,755
Recreation & Culture	0	0	0	1,992,965	0	0	0	1,992,965
Economic Development	51,962	0	0	0	0	0	0	51,962
Total Expenditures	<u>\$1,010,669</u>	<u>\$2,195,249</u>	<u>\$ 46,756</u>	<u>\$1,992,965</u>	<u>\$ 646,016</u>	<u>\$ 467,591</u>	<u>\$ 7,752,278</u>	<u>\$14,111,524</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$1,156,184</u>	<u>\$ (122,322)</u>	<u>\$ 2,564,625</u>	<u>\$ 756,372</u>	<u>\$ 356,561</u>	<u>\$ 557,832</u>	<u>\$(1,930,128)</u>	<u>\$ 3,339,124</u>
Other Financing Sources (Uses):								
Operating Transfers In	\$ 300,000	\$ 525,649	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,931,130	\$ 3,756,779
Operating Transfers Out	(958,171)	0	(2,425,665)	0	0	(330,000)	(42,943)	(3,756,779)
Total Other Financing	<u>\$ (658,171)</u>	<u>\$ 525,649</u>	<u>\$(2,425,665)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (330,000)</u>	<u>\$ 2,888,187</u>	<u>\$ 0</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ 498,013</u>	<u>\$ 403,327</u>	<u>\$ 138,960</u>	<u>\$ 756,372</u>	<u>\$ 356,561</u>	<u>\$ 227,832</u>	<u>\$ 958,059</u>	<u>\$ 3,339,124</u>
Fund Balances-Beginning of Year	<u>2,424,402</u>	<u>2,036,240</u>	<u>1,666,693</u>	<u>5,135,818</u>	<u>3,175,779</u>	<u>2,167,983</u>	<u>1,777,613</u>	<u>18,384,528</u>
Fund Balances-End of Year	<u>\$2,922,415</u>	<u>\$2,439,567</u>	<u>\$ 1,805,653</u>	<u>\$5,892,190</u>	<u>\$3,532,340</u>	<u>\$2,395,815</u>	<u>\$ 2,735,672</u>	<u>\$21,723,652</u>

See independent auditors' report and 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, 2019

Net Change in Fund Balances-Total	
Governmental Funds	\$3,339,124

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	1,663,330
Depreciation Expense	(561,315)

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	43,447
Other Post-Employment Benefit Obligation	(293,617)
Non-employer Pension Revenue	72,025
Pension Expense	(784,120)
Loss on Sale of Assets	<u>(100,834)</u>

Change in Net Position of Governmental Funds	<u>\$3,378,040</u>
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See independent auditors' report and notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2019

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, 2019

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, 2019

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, 2019

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.

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.

Health Unit Fund-Used to account for the Jury's portion of costs associated with the parish health unit.

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, 2019

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 operating transfers:

	<u>Interfund Transfers In</u>	<u>Interfund Transfers Out</u>
General Fund	\$ 300,000	\$ 958,171
Special Revenue Funds-		
Road Maintenance Fund	525,649	0
Disposal Solid Waste	1,925,666	0
Health Unit Fund	0	330,000
Sales Tax Fund	0	2,425,665
OCS-CSBG	14,867	0
Title III Kisatchie S&R	0	25,649
Public Safety	929,304	0
Coroner	44,000	0
Capital Projects Funds-		
Hampton Road Improvements	17,293	0
Capital Outlay	<u>0</u>	<u>17,294</u>
Totals	<u>\$3,756,779</u>	<u>\$3,756,779</u>

Transfers are primarily used to move funds:

- From Health Unit Maintenance Fund to the General Fund to help fund criminal court cost.
- 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 solid waste operations and road maintenance.
- From General Fund to OCS Funds to clear fund deficits.
- Other miscellaneous transfers to move operation monies to and from various funds.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2019

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, 2019, are immaterial and are approximately the same as at December 31, 2018. Inventories consist of gravel, road building and general maintenance materials, and supplies.

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 obligations are reported as liabilities in the Statement of Net Position.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2019

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. 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.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2019

The Parish Government has restricted fund balances of \$18,854,067 and unassigned fund balances of \$2,869,585. 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.

M. 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".

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.

N. 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.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2019

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, 2019.
- (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.

3. Deficits in Individual Funds

At December 31, 2019, the following funds had a deficit balance in their fund balance:

<u>Fund</u>	<u>Amount</u>
Office of Community Services- CHC	\$ 4,069
O/S Reimbursement for HD	146
Public Safety	<u>48,761</u>
Total	<u>\$52,976</u>

The deficit balances in CHC and Public Safety will be funded by transfers from the General Fund as funding is available.

4. Cash and Cash Equivalents

At December 31, 2019, the Parish Government had cash and cash equivalents (book balances) totaling \$15,936,042 as follows:

Interest-bearing demand deposits	\$15,460,214
U.S. Government Securities	<u>475,828</u>
Total	<u>\$15,936,042</u>

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2019

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.

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.

At December 31, 2019, the Parish Government has \$15,493,508 in deposits (collected bank balances). These deposits are secured from risk by \$250,000 of federal deposit insurance and \$15,243,508 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3). The \$475,828 in securities is secured by the U.S. Government.

5. Receivables

The receivables of \$6,718,269 at December 31, 2019 are as follows:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>
Taxes-		
Ad Valorem	\$867,470	\$4,922,471
Other	<u>129,174</u>	<u>799,154</u>
Totals	<u>\$996,644</u>	<u>\$5,721,625</u>

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

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2019

6. Capital Assets

Capital assets and depreciation activity as of and for the year ended December 31, 2019, is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
General Fund:				
Capital Assets; not depreciated-				
Land	\$ 775,350	\$ 19,889	\$ 0	\$ 795,239
Construction in Progress	361,108	0	361,108	0
Capital Assets; depreciated-				
Building	7,528,675	0	157,048	7,371,627
Office Equipment	913,155	0	167,410	745,745
Other Equipment	1,666,675	0	358,918	1,307,757
Vehicles	1,638,626	17,646	190,061	1,466,211
Books, Recordings, etc.	1,655,511	155,159	355,621	1,455,049
Bridges	10,859,351	0	0	10,859,351
Roads	<u>10,231,014</u>	<u>1,831,544</u>	<u>0</u>	<u>12,062,558</u>
Total Assets	<u>\$35,629,465</u>	<u>\$2,024,238</u>	<u>\$1,590,166</u>	<u>\$36,063,537</u>
Accumulated Depreciation-				
Building	\$ 4,987,498	\$ 121,942	\$ 143,068	\$ 4,966,372
Office Equipment	855,251	19,554	164,038	710,767
Other Equipment	1,432,506	49,825	324,172	1,158,159
Vehicles	1,447,230	57,283	171,710	1,322,803
Books, Recordings, etc.	1,440,428	98,593	355,621	1,143,400
Bridges	5,032,524	162,192	0	5,194,716
Roads	<u>10,125,228</u>	<u>51,926</u>	<u>0</u>	<u>10,177,154</u>
Total Acc. Deprec.	<u>\$25,280,665</u>	<u>\$ 561,315</u>	<u>\$1,158,609</u>	<u>\$24,683,371</u>
Total Capital Assets, net	<u>\$10,348,800</u>	<u>\$1,462,923</u>	<u>\$ 431,557</u>	<u>\$11,380,166</u>

Depreciation expense of \$561,315 for the year ended December 31, 2019, was charged to the following governmental funds:

General Government	\$102,873
Public Safety	11,070
Public Works	299,043
Health & Welfare	28,315
Recreation & Culture	<u>120,014</u>
Total	<u>\$561,315</u>

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2019

7. Long-Term Debt

The following is a summary of changes in long-term debt for the year ended December 31, 2019:

	<u>Balance</u> <u>1-1-19</u>	<u>Additions</u>	<u>Reduction</u>	<u>Balance</u> <u>12-31-19</u>
Compensated Absences	\$ 153,310	\$ 0	\$43,447	\$ 109,863
Net OPEB	8,001,593	293,617	0	8,295,210
Net Pension (Asset)				
Liability	<u>(386,896)</u>	<u>3,436,444</u>	<u>0</u>	<u>3,049,548</u>
Total	<u>\$7,768,007</u>	<u>\$3,730,061</u>	<u>\$43,447</u>	<u>\$11,454,621</u>

8. Employee Retirement Systems

Substantially all employees of the Parish Government are members of the Parochial Employees' Retirement System of Louisiana (PERS), District Attorneys' Retirement System, State of Louisiana (DARS), or the Registrar of Voters Employees' Retirement System of Louisiana (ROVERS). These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to each plan follows:

A. General Information about the Plans

Parochial Employees' Retirement System of Louisiana (PERS)

Plan Description

The Parish Government contributes to PERS (Plan A) which is a cost-sharing multiple employer defined benefit pension plan established by Act 205 of the 1952 regular session of the Legislature of the State of Louisiana to provide retirement benefits to all employees of any parish in the State of Louisiana or any governing body or a parish which employs and pays persons serving the parish.

Act 765 of the year 1979, established by the Legislature of the State of Louisiana, revised PERS to create Plan A and Plan B to replace the "regular plan" and the "supplemental plan". Plan A was designated for employers out of Social Security. Plan B was designated for those employers that remained in Social Security on the revision date. PERS is governed by Louisiana Revised Statutes, Title 11, Section 1901 through 2025, specifically, and other general laws of the State of Louisiana. PERS 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.

All permanent parish government employees (except those employed by Orleans, Lafourche and East Baton Rouge Parishes) who work at least 28 hours a week shall become members on the date of employment. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate. As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join PERS.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2019

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.

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:

1. Any age with 30 or more years of creditable service
2. Age 55 with 25 years of creditable service
3. Age 60 with 10 years of creditable service
4. Age 65 with 7 years of creditable service

For employees hired after January 1, 2007:

1. Age 55 with 30 years of creditable service
2. Age 62 with 10 years of creditable service
3. Age 67 with 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 3% 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.

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.

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.

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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 DROP 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 DROP 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 DROP 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 3% of the member's final average compensation multiplied by his years of service, not to be less than 15, or 3% multiplied by years of service assuming continued service to age 60.

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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 65 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, 2018, the actuarially determined contribution rate was 9.99% of member's compensation for Plan A. However, the actual rate for the fiscal year ending December 31, 2018 was 11.50% for Plan A.

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 additional employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations. The non-employer contribution was \$50,835.

The Parish Government's contractually required composite contribution rate for the year ended December 31, 2019 was 11.50% 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 \$398,455 for the year ended December 31, 2019.

District Attorneys' Retirement System, State of Louisiana (DARS)

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. DARS was established on the first day of August, 1956, by Act 56 of the 1956 session of the Louisiana Legislature, for the purpose of providing allowances and other benefits for district attorneys and their assistants in each parish. The fund is administered by a Board of Trustees.

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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 Louisiana District Attorneys' Retirement System's Board of Trustees. 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 DARS 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 DARS 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 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 DARS 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.

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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 3% (3.5% 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 15 years) or projected continued service to age 60.

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.

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 DARS.

Cost-of-Living Increases

The Board of Trustees is authorized to grant retired members and surviving beneficiaries of members who have retired an annual cost of living increase of 3% of their original benefit, (not to exceed \$60 per month) and all retired members and widows who are 65 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 " $X \times (A \& B)$ " 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, DARS must meet certain criteria detailed in the statute related to funding status and interest earnings.

Deferred Retirement Option Plan

In lieu of receiving an actual 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.

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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 36 months 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 a reduced 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 36 months 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 $\frac{1}{2}$ of 1%. 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 June 30, 2019, the actual employer contribution rate was 1.25%.

In accordance with state statute, DARS 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 were recognized as revenue during the year ended June 30, 2019 and excluded from pension expense. The non-employer contribution was \$12,559.

The Parish Government's contractually required composite contribution rate for the year ended December 31, 2019 was 1.25% 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 \$980 for the year ended December 31, 2019.

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Registrar of Voters Employees' Retirement System of Louisiana (ROVERS)

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. ROVERS 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.

ROVERS 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 ROVERS 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.

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 ROVERS 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 60 years, who shall have completed 10 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 60 years.

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Disability Benefits

Disability benefits are provided to active contributing members with at least 10 years of service established in ROVERS and who have been officially certified as disabled by the State Medical Disability Board. The disabled member who has attained the age of 60 years shall be entitled to a regular retirement allowance. The disabled member who has not yet attained age 60 shall be entitled to a disability benefit equal to the lesser of 3% of his average final compensation multiplied by the number of creditable years of service (not to be less than 15 years) or 3.33% of average final compensation multiplied by the years of service assuming continued service to age 60. 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 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 10 or more years of service at age 60, 20 or more years of service at age 55, or 30 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 ROVERS 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 ROVERS 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 DROP 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 ROVERS.

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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 2.0% 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 60 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 June 30, 2019, the actual employer contribution rate was 17.00%.

In accordance with state statute, ROVERS 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 in the amount of \$8,631 are recognized as revenue and excluded from pension expense for the year ended December 31, 2019.

The Parish Government's contractually required composite contribution rate for the year ended December 31, 2019 was 17.00% 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 \$2,939 for the year ended December 31, 2019.

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

At December 31, 2019 and 2018, the Parish Government reported its proportionate shares of the Net Pension Liabilities of the Plans.

Plan	Measurement Date	
	December 31, 2018	December 31, 2017
PERS	\$2,952,601	\$(475,052)
	June 30, 2019	June 30, 2018
DARS	43,027	50,818
ROVERS	53,940	37,338
Total	\$3,049,568	\$(386,896)

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The Net Pension Liabilities were measured as of December 31, 2018 for PERS and June 30, 2019 for DARS and ROVERS, and the total pension liability used to calculate the Net Pension Liabilities were determined by an actuarial valuation as of those dates. The Parish Government's proportion of the Net Pension Liabilities was based on a projection of the Parish Government's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. At the measurement dates, the Parish Government's proportions of each were as follows:

Plan	Proportionate Share	
	December 31, 2018	December 31, 2017
PERS	.665246%	.640020%
	June 30, 2019	June 30, 2018
DARS	.133748%	.157922%
ROVERS	.288446%	.158183%
Total	1.087440%	.956125%

For the year ended December 31, 2019 and 2018, the Parish Government recognized pension expense including employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions as follows:

Plan	Measurement Date	
	December 31, 2018	December 31, 2017
PERS	\$1,151,101	\$809,815
	June 30, 2019	June 30, 2018
DARS	16,056	10,638
ROVERS	19,337	9,302
Total	\$1,186,494	\$829,755

At December 31, 2019, the Parish Government reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	PERS		DARS		ROVERS		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 179,880	\$ 185	\$ 13,429	\$ -	\$ 13,306	\$ 185	\$ 206,615
Changes in Assumptions	738,247	-	19,597	1,419	7,984	-	765,828	1,419
Net Difference between projected and actual earnings on pension plan	1,413,420	-	6,034	-	-	3,079	1,419,454	3,079
Changes in employer's proportion of beg NPI	9,766	5,971	2,347	12,040	23,343	1,280	35,456	19,291
Differences between employer and proportionate share of contributions	9,219	558	106	70	-	2,855	9,325	3,483
Subsequent Measurement Contributions	398,455	-	490	-	1,604	-	400,549	-
Total	\$ 2,569,107	\$ 186,409	\$ 28,759	\$ 26,958	\$ 32,931	\$ 20,520	\$ 2,630,797	\$ 233,887

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The deferred outflows of resources related to pensions resulting from Parish Government contributions subsequent to the measurement date in the amount of \$400,549, will be recognized as a reduction of the Net Pension Liabilities in the year December 31, 2020. Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ended December 31:	
2020	\$ 685,472
2021	371,626
2022	310,059
2023	631,962
2024	(2,758)
2025	0
2026	0
Total	\$1,996,361

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liabilities for the valuation dates of December 31, 2018 for PERS and June 30, 2019 for DARS and ROVERS are as follows:

<u>Assumptions</u>	<u>PERS</u>	<u>DARS</u>	<u>ROVERS</u>
Actuarial cost method	Entry age normal cost	Entry age normal cost	Entry age normal cost
Expected remaining service lives	4 years	6 years	5 years
Investment rate of return	6.500%	6.500%	6.500%
Inflation rate	2.400%	2.400%	2.400%
Salary increases	4.750%	5.500%	6.000%

Mortality rates for PERS were based on Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2018 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2018 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale for disabled annuitants. The mortality rate assumption was based upon an experience study performed on plan data for the period January 1, 2013 through December 31, 2017. The data was assigned credibility weighting and combined with a standard table to produce current levels of mortality.

Mortality rates for DARS were based on RP-2000 Combined Healthy with White Collar Adjustment Sex Distinct Mortality Tables (setback 1 year for females) projected to 2032 using scale Assistance were selected for employees, annuitants and beneficiaries. RP-2000 Disabled Lives Table (setback 5 years for males and set back 3 years for females) for disabled annuitants. The mortality rate assumptions were based upon an experience study performed on plan data for the period of July 1, 2009 through June 30, 2014.

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Mortality rates for ROVERS were based on RP-2000 Combined Healthy Table for active members, healthy annuitants and beneficiaries. RP-2000 Disabled Lives Table for disabled annuitants. The mortality assumptions were based upon an experience study performed on plan data for the period of July 1, 2009 through June 30, 2014.

The long-term expected rate of return on PERS pension plan investments was determined using a triangulation method which integrated the capital asset 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.

The long-term expected rate of return on DARS and ROVERS 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 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.

Best estimates of arithmetic real rates of return for each major asset class included in pensions target asset allocation as of December 31, 2018 for PERS and June 30, 2019 for DARS and ROVERS are summarized in the following table:

<u>Asset Class</u>	PERS		DARS		ROVERS	
	<u>Target Asset Allocation</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Equity	52%	3.45%	48.42%	5.13%	60.0%	4.70%
Fixed Income	35%	1.22%	40.10%	1.65%	22.5%	0.66%
Alternative	11%	0.65%	10.99%	.78%	10.0%	0.63%
Other	2%	0.11%	0.49%	.00%	7.5%	0.34%
Totals	100%	5.43%	100.00%	5.07%	100.0%	6.33%
Inflation		2.00%		2.49%		2.50%
Expected Nominal Return		7.43%		7.56%		8.83%

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The discount rate used to measure the total pension liability was 6.5% for PERS, for DARS, and for ROVERS. 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-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, PERS, DARS, and ROVERS 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.

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 Liabilities using the discount rates as shown above, as well as what the Parish Government's proportionate share of the Net Pension Liabilities would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	1.0% Decrease	Current Discount Rate	1.0% Increase
PERS	\$6,270,531	\$2,952,601	\$179,098
DARS	\$ 117,202	\$ 43,027	\$ (20,133)
ROVERS	\$ 90,995	\$ 53,940	\$ 22,136

Pension Plan Fiduciary Net Position

Detailed information about the pension plans' fiduciary net positions are available in the separately issued financial statements of the Plans.

Payables to the Pension Plans

These financial statements include payables to the pension plans of \$150,682, which is the legally required contributions due at December 31, 2019. 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, 2019, 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.

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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, 2016. Total assessed value was \$412,997,794 in 2019. 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 \$53,922,271 of the assessed value in 2019.

The distribution of the Parish Government's levy (tax rate per \$1,000 assessed value) to its funds was as follows for 2019:

<u>Fund</u>	<u>Inside</u>	<u>Outside</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 \$6,793,601 for the year ended December 31, 2019.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2019

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 2019.

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 (2019 collections \$2,609,073) 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>
Patsy Hoover	\$ 6,000
Doug De Graffenried	6,000
Rodney Bedgood	6,000
Chris Paige	6,000
Russell Rachal	<u>6,000</u>
Total	<u>\$30,000</u>

15. Post-Employment Benefits

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

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2019

Benefits Provided - Health insurance benefits are provided to employees upon actual retirement. The Parish Government subsidized 100% of the premium for retirees and 50% of the additional cost of any dependent coverage elected. The retiree pays the balance for any contribution above the subsidy. All active employees who retire directly from the Parish Government and meet the eligibility criteria may participate. Eligibility for medical benefits upon retirement for employees hired prior to January 1, 2007 is the earlier of a) age 65 with 7 years of service; b) age 60 with 10 years of service; c) age 55 with 25 years of service or d) 30 years of service without regard to age. Eligibility for medical benefits upon retirement for employees hired on or after January 1, 2007 is the earlier of a) age 67 with 7 years of service; b) age 62 with 10 years of service or c) age 55 with 30 years of service.

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

Inactive employees or beneficiaries currently receiving benefit payments	34
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>80</u>
	<u><u>114</u></u>

Total OPEB Liability

The Parish Government's total OPEB liability of \$8,295,210 was measured as of December 31, 2019 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and other inputs - The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.0%
Salary scale	3.5%
Discount rate	4.1%, (1.1% real rate of return plus inflation)
Healthcare cost trend rates	Level 5.0%

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

Mortality rates were based on the RPH-2014 Total Table projection MP-2019.

The assumptions are based on the 2018 PERS valuation report; however, the plan has not had a formal actuarial experience study performed.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2019

Changes in the Total OPEB Liability

Balance at January 1, 2019	<u>\$8,001,593</u>
Changes for the year:	
Service cost	280,793
Interest	321,733
Differences between expected and actual experience	0
Benefit payments and net transfers	<u>(308,909)</u>
Net changes	<u>293,617</u>
Balance at December 31, 2019	<u><u>\$8,295,210</u></u>

Sensitivity of the total OPEB liability to changes in the discount rate - The following presents the total OPEB liability of the Parish Government, as well as what the Parish Government's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.1%) or 1-percentage-point higher (5.1%) than the current discount rate:

	1.0% Decrease (3.1%)	Current Discount Rate (4.1%)	1.0% Increase (5.1%)
Total OPEB liability	\$9,632,809	\$8,295,210	\$7,217,221

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates - The following presents the total OPEB liability of the Parish Government, as well as what the Parish Government's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.0%) or 1-percentage-point higher (6.0%) than the current healthcare trend rates:

	1.0% Decrease (4.0%)	Current Trend (5.0%)	1.0% Increase (6.0%)
Total OPEB liability	\$7,164,133	\$8,295,210	\$9,728,223

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2019, the Parish Government recognized OPEB expense of \$293,617. At December 31, 2019, the Parish Government reported no deferred outflows of resources and no deferred inflows of resources related to OPEB.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2019

16. Subsequent Events

Management has evaluated events through August 10, 2020, the date which the financial statements were available for issue.

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a “Public Health Emergency of International Concern” and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, and quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Parish Government operates. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration. Therefore, while the Parish Government anticipates this could negatively affects its operating results, the related financial impact and duration cannot be reasonably estimated at this time.

OTHER REQUIRED SUPPLEMENTARY INFORMATION

Natchitoches Parish Government
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance-
Budget (GAAP Basis) and Actual
Year Ended December 31, 2019

	Original <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
Revenues:				
Taxes	\$ 1,262,065	\$ 1,262,065	\$ 965,406	\$ (296,659)
Licenses & Permits	292,375	292,375	297,347	4,972
Intergovernmental-				
Federal Grant	0	0	0	0
State Grants	602,003	602,003	747,805	145,802
Charges for Services	10	10	0	(10)
Interest & Miscellaneous	<u>107,831</u>	<u>107,831</u>	<u>156,295</u>	<u>48,464</u>
Total Revenues	<u>\$ 2,264,284</u>	<u>\$ 2,264,284</u>	<u>\$ 2,166,853</u>	<u>\$ (97,431)</u>
Expenditures:				
General Government	\$ 963,001	\$ 1,052,957	\$ 765,822	\$ 287,135
Public Safety	155,824	155,824	182,885	(27,061)
Health & Welfare	6,463	71,463	10,000	61,463
Economic Development	<u>51,050</u>	<u>51,050</u>	<u>51,962</u>	<u>(912)</u>
Total Expenditures	<u>\$ 1,176,338</u>	<u>\$ 1,331,294</u>	<u>\$ 1,010,669</u>	<u>\$ 320,625</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ 1,087,946</u>	<u>\$ 932,990</u>	<u>\$ 1,156,184</u>	<u>\$ 223,194</u>
Other Financing Sources (Uses):				
Operating Transfers In	\$ 682,398	\$ 300,000	\$ 300,000	\$ 0
Operating Transfers Out	<u>(2,904,267)</u>	<u>(2,904,267)</u>	<u>(958,171)</u>	<u>1,946,096</u>
Total Other Financing	<u>\$(2,221,869)</u>	<u>\$(2,604,267)</u>	<u>\$ (658,171)</u>	<u>\$1,946,096</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$(1,133,923)</u>	<u>\$(1,671,277)</u>	<u>\$ 498,013</u>	<u>\$2,169,290</u>
Fund Balance-Beginning of Year	<u>2,424,402</u>	<u>2,424,402</u>	<u>2,424,402</u>	<u>0</u>
Fund Balance-End of Year	<u>\$ 1,290,479</u>	<u>\$ 753,125</u>	<u>\$ 2,922,415</u>	<u>\$2,169,290</u>

See independent auditors' 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, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
Revenues:				
Taxes-				
Ad Valorem Taxes	\$1,145,695	\$1,145,695	\$1,145,672	\$ (23)
Intergovernmental-				
Federal Grants	191,787	191,787	322,015	130,228
State Grants	540,050	540,050	570,320	30,270
Miscellaneous	<u>13,000</u>	<u>13,000</u>	<u>34,920</u>	<u>21,920</u>
Total Revenues	<u>\$1,890,532</u>	<u>\$1,890,532</u>	<u>\$2,072,927</u>	<u>\$182,395</u>
Expenditures:				
General Government	\$ 18,519	\$ 18,519	\$ 16,817	\$ 1,702
Public Works	<u>2,638,893</u>	<u>2,729,835</u>	<u>2,178,432</u>	<u>551,403</u>
Total Expenditures	<u>\$2,657,412</u>	<u>\$2,748,354</u>	<u>\$2,195,249</u>	<u>\$553,105</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (766,880)</u>	<u>\$ (857,822)</u>	<u>\$ (122,322)</u>	<u>\$735,500</u>
Other Financing Sources (Uses):				
Operating Transfer In	\$ 500,000	\$ 521,384	\$ 525,649	\$ 4,265
Operating Transfers Out	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>\$ 500,000</u>	<u>\$ 521,384</u>	<u>\$ 525,649</u>	<u>\$ 4,265</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ (266,880)</u>	<u>\$ (336,438)</u>	<u>\$ 403,327</u>	<u>\$739,765</u>
Fund Balance-Beginning of Year	<u>2,036,240</u>	<u>2,036,240</u>	<u>2,036,240</u>	<u>0</u>
Fund Balance-End of Year	<u>\$1,769,360</u>	<u>\$1,699,802</u>	<u>\$2,439,567</u>	<u>\$739,765</u>

See independent auditors' 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, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
Revenues:				
Taxes-				
Sales & Use Tax	\$ 2,320,621	\$ 2,320,621	\$ 2,609,073	\$288,452
Miscellaneous-				
Interest	<u>1,422</u>	<u>1,422</u>	<u>2,308</u>	<u>886</u>
Total Revenues	\$ 2,322,043	\$ 2,322,043	\$ 2,611,381	\$289,338
Expenditures:				
General Government-				
Finance & Administration	<u>63,177</u>	<u>63,177</u>	<u>46,756</u>	<u>16,421</u>
Excess of Revenues over Expenditures	\$ <u>2,258,866</u>	\$ <u>2,258,866</u>	\$ <u>2,564,625</u>	\$ <u>305,759</u>
Other Financing Sources (Uses):				
Operating Transfers To-				
Road Maintenance	\$ (500,000)	\$ (500,000)	\$ (500,000)	\$ 0
Solid Waste Disposal	<u>(1,995,000)</u>	<u>(1,995,000)</u>	<u>(1,925,665)</u>	<u>69,335</u>
Total Other Financing	\$ <u>(2,495,000)</u>	\$ <u>(2,495,000)</u>	\$ <u>(2,425,665)</u>	\$ <u>69,335</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	\$ (236,134)	\$ (236,134)	\$ 138,960	\$375,094
Fund Balance-Beginning of Year	<u>1,666,693</u>	<u>1,666,693</u>	<u>1,666,693</u>	<u>0</u>
Fund Balance-End of Year	\$ <u>1,430,559</u>	\$ <u>1,430,559</u>	\$ <u>1,805,653</u>	\$ <u>375,094</u>

See independent auditors' 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, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
Revenues:				
Taxes-				
Ad Valorem	\$2,221,000	\$2,221,000	\$2,673,709	\$452,709
Intergovernmental-				
Local Grants	1,044	1,044	1,044	0
Charges for Services	14,500	14,500	12,864	(1,636)
Fines & Forfeits	7,400	7,400	11,047	3,647
Miscellaneous	<u>16,000</u>	<u>16,000</u>	<u>50,673</u>	<u>34,673</u>
Total Revenues	\$2,259,944	\$2,259,944	\$2,749,337	\$489,393
Expenditures:				
Recreation & Culture	<u>2,162,924</u>	<u>2,162,924</u>	<u>1,992,965</u>	<u>169,959</u>
Excess (Deficiency) of Revenues over Expenditures	\$ 97,020	\$ 97,020	\$ 756,372	\$659,352
Fund Balance-Beginning of Year	<u>5,135,818</u>	<u>5,135,818</u>	<u>5,135,818</u>	<u>0</u>
Fund Balance-End of Year	<u>\$5,232,838</u>	<u>\$5,232,838</u>	<u>\$5,892,190</u>	<u>\$659,352</u>

See independent auditors' 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, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
Revenues:				
Taxes-				
Ad Valorem	\$ 1,002,204	\$ 1,002,204	\$ 986,390	\$ (15,814)
Miscellaneous	<u>2,484</u>	<u>2,484</u>	<u>16,187</u>	<u>13,703</u>
Total Revenues	\$ 1,004,688	\$ 1,004,688	\$1,002,577	\$ (2,111)
Expenditures:				
General Government	<u>2,199,824</u>	<u>2,229,824</u>	<u>646,016</u>	<u>1,583,808</u>
(Deficiency) Excess of Revenues over Expenditures	\$(1,195,136)	\$(1,225,136)	\$ 356,561	\$1,581,697
Fund Balance-Beginning of Year	<u>3,175,779</u>	<u>3,175,779</u>	<u>3,175,779</u>	<u>0</u>
Fund Balance-End of Year	<u>\$ 1,980,643</u>	<u>\$ 1,950,643</u>	<u>\$3,532,340</u>	<u>\$1,581,697</u>

See independent auditors' report and notes to financial statements.

Natchitoches Parish Government
Health Unit Maintenance Fund
Statement of Revenues, Expenditures and Changes in Fund Balance-
Budget (GAAP Basis) and Actual
Year Ended December 31, 2019

	Original <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Variance- Favorable <u>(Unfavorable)</u>
Revenues:				
Taxes-				
Ad Valorem	\$1,002,204	\$1,002,204	\$1,022,424	\$ 20,220
Miscellaneous	<u>1,848</u>	<u>1,848</u>	<u>2,999</u>	<u>1,151</u>
Total Revenues	\$1,004,052	\$1,004,052	\$1,025,423	\$ 21,371
Expenditures:				
Health & Welfare	<u>633,840</u>	<u>633,840</u>	<u>467,591</u>	<u>166,249</u>
Excess of Revenues over Expenditures	\$ 370,212	\$ 370,212	\$ 557,832	\$187,620
Other Financing Uses:				
Operating Transfers To-				
Sales Tax Fund	<u>(300,000)</u>	<u>(300,000)</u>	<u>(330,000)</u>	<u>(30,000)</u>
Excess (Deficiency) of Revenues over Expenditures and Other Uses	\$ 70,212	\$ 70,212	\$ 227,832	\$157,620
Fund Balance-Beginning of Year	<u>2,167,983</u>	<u>2,167,983</u>	<u>2,167,983</u>	<u>0</u>
Fund Balance-End of Year	<u>\$2,238,195</u>	<u>\$2,238,195</u>	<u>\$2,395,815</u>	<u>\$157,620</u>

See independent auditors' report and notes to financial statements.

Natchitoches Parish Government
Schedule of Employer's Share of Net Pension Liability
For the Year Ended December 31, 2019

<u>Year</u>	<u>Employer's Proportion of the Net Pension Liability (Asset)</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll</u>	<u>Plan Fiduciary Net Pension as a Percentage of the Total Pension Liability</u>
<i>Parochial Employees' Retirement System</i>					
2015	.72300%	\$ 197,673	\$3,967,151	4.98%	99.15%
2016	.68952%	\$1,815,028	\$3,951,281	45.94%	92.23%
2017	.66626%	\$1,372,169	\$3,957,296	34.67%	94.15%
2018	.64002%	\$ (475,052)	\$4,089,668	(11.62)%	101.98%
2019	.66525%	\$2,952,601	\$3,464,825	85.22%	88.86%
<i>District Attorneys' Retirement System</i>					
2015	.25196%	\$ 13,572	\$ 103,650	13.10%	98.561%
2016	.13366%	\$ 25,584	\$ 85,343	29.98%	95.090%
2017	.13335%	\$ 35,968	\$ 102,523	35.08%	93.572%
2018	.15792%	\$ 50,818	\$ 84,433	60.00%	92.920%
2019	.13375%	\$ 43,027	\$ 78,399	55.0%	93.13%
<i>Registrar of Voters Employees' Retirement System</i>					
2015	.16741%	\$ 40,999	\$ 24,642	166.38%	76.86%
2016	.17000%	\$ 48,235	\$ 21,454	224.83%	73.98%
2017	.16249%	\$ 35,669	\$ 21,638	164.84%	80.51%
2018	.15818%	\$ 37,338	\$ 22,379	167.00%	80.57%
2019	.28845%	\$ 53,940	\$ 17,287	312.00%	84.83%

See independent auditors' report and notes to financial statements.

Natchitoches Parish Government
Schedule of Employer Contributions
For the Year Ended December 31, 2019

<u>Year</u>	<u>Contractually Required Contributions</u>	<u>Contributions in Relation to Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a Percentage of Covered Employee Payroll</u>
<i>Parochial Employees' Retirement System</i>					
2015	\$575,442	\$575,442	\$0	\$3,967,151	13.53%
2016	\$513,666	\$513,666	\$0	\$3,951,281	12.99%
2017	\$494,662	\$494,662	\$0	\$3,957,296	12.50%
2018	\$470,312	\$470,312	\$0	\$4,089,668	11.50%
2019	\$398,455	\$398,455	\$0	\$3,464,825	11.50%
<i>District Attorneys' Retirement System</i>					
2015	\$ 5,450	\$ 5,450	\$0	\$ 103,560	5.26%
2016	\$ 613	\$ 613	\$0	\$ 85,343	0.72%
2017	\$ 0	\$ 0	\$0	\$ 102,523	0.00%
2018	\$ 493	\$ 493	\$0	\$ 84,433	0.58%
2019	\$ 980	\$ 980	\$0	\$ 78,399	1.25%
<i>Registrar of Voters Employees' Retirement System</i>					
2015	\$ 5,744	\$ 5,744	\$0	\$ 24,642	23.31%
2016	\$ 4,543	\$ 4,543	\$0	\$ 21,454	21.18%
2017	\$ 4,005	\$ 4,005	\$0	\$ 21,638	18.51%
2018	\$ 3,804	\$ 3,804	\$0	\$ 22,379	17.00%
2019	\$ 2,939	\$ 2,939	\$0	\$ 17,287	17.00%

Natchitoches Parish Government
Schedule of Changes in Net OPEB Liability and Related Ratios
For the Year Ended December 31, 2019

	<u>2019</u>	<u>2018</u>
Total OPEB Liability		
Service Cost	\$ 280,793	\$ 269,734
Interest	321,733	321,228
Changes in Benefit Terms	0	0
Differences between expected and actual experience:		
Changes of Assumptions	0	0
Benefit Payments	<u>(308,909)</u>	<u>(308,909)</u>
Net Change in Total OPEB Liability	\$ 293,617	\$ 282,053
 Total OPEB Liability - Beginning	 <u>8,001,593</u>	 <u>7,719,540</u>
 Total OPEB Liability - Beginning	 <u>\$8,295,210</u>	 <u>\$8,001,593</u>
 Covered-employee Payroll	 <u>\$2,935,189</u>	 <u>\$2,935,185</u>
 Net OPEB Liability as a percentage of covered employee payroll	 282.61%	 272.61%

Notes to Schedule:

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

Changes of Assumptions. There were no changes of assumptions for the year ended December 31, 2019.

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

See independent auditors' report and notes to financial statements.

Natchitoches Parish Government
Schedule of Compensation, Benefits and Other Payments to
Agency Head or Chief Executive Officer
For the Year Ended December 31, 2019

Agency Head Name: Rick Nowlin, Parish President

<u>Purpose</u>	<u>Amount</u>
Salary	\$85,398
Benefits-Insurance	0
Benefits-Retirement	0
Deferred Compensation	0
Benefits-Other (Social Security/Medicare)	6,532
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	177
Registration fees	0
Conference travel	0
Housing	0
Unvouchered expenses	0
Special meals	0
Other	<u>0</u>
Total	<u>\$92,107</u>

See independent auditor's report.

OTHER SUPPLEMENTARY SCHEDULES

Natchitoches Parish Government
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2019

	<u>Special Revenue Funds</u>				
	<u>Criminal Court Fund</u>	<u>Civil Defense Fund</u>	<u>Natchitoches Parish Litter Court</u>	<u>Kisatchie Search & Rescue</u>	<u>Recreation & Fitness</u>
<u>Assets</u>					
Cash	\$659,906	\$21,500	\$461	\$21,480	\$ 0
Revenue Receivables	41,139	0	0	0	0
Due from Other Funds	<u>5,595</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>772</u>
Total Assets	<u>\$706,640</u>	<u>\$21,500</u>	<u>\$461</u>	<u>\$21,480</u>	<u>\$772</u>
<u>Liabilities</u>					
Cash Overdraft	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Accounts Payable	10,169	17	0	0	0
Accrued Payroll	0	1,071	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>\$ 10,169</u>	<u>\$ 1,088</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>Fund Balance</u>					
Nonspendable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Restricted	696,471	20,412	461	21,480	772
Unassigned	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balance	<u>\$696,471</u>	<u>\$20,412</u>	<u>\$461</u>	<u>\$21,480</u>	<u>\$772</u>
Total Liabilities & Fund Balance	<u>\$706,640</u>	<u>\$21,500</u>	<u>\$461</u>	<u>\$21,480</u>	<u>\$772</u>

See independent auditors' report and notes to financial statements.

Special Revenue Funds							
<u>Planning</u>	Title III <u>Kisatchie Search & Rescue</u>	<u>Solid Waste</u>	<u>Public Safety</u>	<u>Criminal Law/ Juror Fees</u>	<u>Coroner</u>	<u>Head Start</u>	<u>OCS Operating</u>
\$211,145	\$115,782	\$495,644	\$498,738	\$149,816	\$39,608	\$402,782	\$35,384
0	23,170	0	0	0	0	0	0
0	28,768	6,969	0	0	0	41,817	0
<u>\$211,145</u>	<u>\$167,720</u>	<u>\$502,613</u>	<u>\$498,738</u>	<u>\$149,816</u>	<u>\$39,608</u>	<u>\$444,599</u>	<u>\$35,384</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
313	0	81,309	7,681	345	0	2,334	0
0	0	15,191	0	0	0	0	0
0	0	0	534,223	0	0	0	0
0	0	0	5,595	0	0	42,014	35,269
<u>\$ 313</u>	<u>\$ 0</u>	<u>\$ 96,500</u>	<u>\$547,499</u>	<u>\$ 345</u>	<u>\$ 0</u>	<u>\$ 44,348</u>	<u>\$35,269</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
210,832	167,720	406,113	0	149,471	39,608	400,251	115
0	0	0	(48,761)	0	0	0	0
<u>\$210,832</u>	<u>\$167,720</u>	<u>\$406,113</u>	<u>\$ (48,761)</u>	<u>\$149,471</u>	<u>\$39,608</u>	<u>\$400,251</u>	<u>\$ 115</u>
<u>\$211,145</u>	<u>\$167,720</u>	<u>\$502,613</u>	<u>\$498,738</u>	<u>\$149,816</u>	<u>\$39,608</u>	<u>\$444,599</u>	<u>\$35,384</u>

Continued next page.

Natchitoches Parish Government
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2019

	<u>Special Revenue Funds</u>				
	<u>OCS Family Daycare</u>	<u>OHD LIHEAP</u>	<u>DOL CSBG</u>	<u>OCS RSVP</u>	<u>CCIP CACFP</u>
<u>Assets</u>					
Cash	\$ 0	\$36,577	\$ 0	\$ 0	\$14,734
Revenue Receivables	0	5,037	84,796	0	0
Due from Other Funds	<u>110</u>	<u>47,795</u>	<u>0</u>	<u>2,400</u>	<u>26,185</u>
Total Assets	<u>\$110</u>	<u>\$89,409</u>	<u>\$84,796</u>	<u>\$2,400</u>	<u>\$40,919</u>
<u>Liabilities</u>					
Cash Overdraft	\$ 0	\$ 0	\$20,273	\$ 0	\$ 0
Accounts Payable	0	0	7,359	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>48,683</u>	<u>10,109</u>	<u>0</u>	<u>3,502</u>
Total Liabilities	<u>\$ 0</u>	<u>\$48,683</u>	<u>\$37,741</u>	<u>\$ 0</u>	<u>\$ 3,502</u>
<u>Fund Balance</u>					
Nonspendable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Restricted	110	40,726	47,055	2,400	37,417
Unassigned	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balance	<u>\$110</u>	<u>\$40,726</u>	<u>\$47,055</u>	<u>\$2,400</u>	<u>\$37,417</u>
Total Liabilities & Fund Balance	<u>\$110</u>	<u>\$89,409</u>	<u>\$84,796</u>	<u>\$2,400</u>	<u>\$40,919</u>

See independent auditors' report and notes to financial statements.

Special Revenue Funds								
CHC Head Start <u>Handicap</u>	TTA/ <u>CDA</u>	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>	International Paper <u>Grant</u>	O/S Reimb. <u>for HD</u>
\$ 0	\$ 0	\$786	\$ 0	\$ 4,140	\$29,998	\$ 0	\$361	\$ 0
0	0	0	0	0	0	0	0	0
<u>0</u>	<u>162</u>	<u>0</u>	<u>630</u>	<u>14,178</u>	<u>0</u>	<u>1,605</u>	<u>0</u>	<u>0</u>
\$ <u>0</u>	\$ <u>162</u>	\$ <u>786</u>	\$ <u>630</u>	\$ <u>18,318</u>	\$ <u>29,998</u>	\$ <u>1,605</u>	\$ <u>361</u>	\$ <u>0</u>
\$ 71	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
<u>3,998</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>9,977</u>	<u>0</u>	<u>0</u>	<u>146</u>
\$ <u>4,069</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>9,977</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>146</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	162	786	630	18,318	20,021	1,605	361	0
<u>(4,069)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(146)</u>
\$ <u>(4,069)</u>	\$ <u>162</u>	\$ <u>786</u>	\$ <u>630</u>	\$ <u>18,318</u>	\$ <u>20,021</u>	\$ <u>1,605</u>	\$ <u>361</u>	\$ <u>(146)</u>
\$ <u>0</u>	\$ <u>162</u>	\$ <u>786</u>	\$ <u>630</u>	\$ <u>18,318</u>	\$ <u>29,998</u>	\$ <u>1,605</u>	\$ <u>361</u>	\$ <u>0</u>

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Natchitoches Parish Government
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2019

	<u>Special Revenue Funds</u>		<u>Capital Projects Funds</u>				
	Prime Time Reading Program	Old River Road	FEMA Grant	LCDBG LA Step Grant	LCDBG Grant	LCDBG Martco Grant	LA 480 State Grant Fund
<u>Assets</u>							
Cash	\$0	\$65,000	\$1	\$1	\$1	\$1	\$25,000
Revenue Receivables	0	0	0	0	0	0	0
Due from Other Funds	<u>6</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>\$6</u>	<u>\$65,000</u>	<u>\$1</u>	<u>\$1</u>	<u>\$1</u>	<u>\$1</u>	<u>\$25,000</u>
<u>Liabilities</u>							
Cash Overdraft	\$0	\$ 0	\$0	\$0	\$0	\$0	\$ 0
Accounts Payable	0	0	0	0	0	0	0
Accrued Payroll	0	0	0	0	0	0	0
Due to Other Governments	0	0	0	0	0	0	0
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>
Total Liabilities	<u>\$0</u>	<u>\$ 0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$ 0</u>
<u>Fund Balance</u>							
Restricted	\$0	\$ 0	\$0	\$0	\$0	\$0	\$ 0
Nonspendable	6	65,000	1	1	1	1	25,000
Unassigned	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balance	<u>\$6</u>	<u>\$65,000</u>	<u>\$1</u>	<u>\$1</u>	<u>\$1</u>	<u>\$1</u>	<u>\$25,000</u>
Total Liabilities & Fund Balance	<u>\$6</u>	<u>\$65,000</u>	<u>\$1</u>	<u>\$1</u>	<u>\$1</u>	<u>\$1</u>	<u>\$25,000</u>

See independent auditors' report and notes to financial statements.

Capital Projects Funds							Total Nonmajor
Coco Bed Road	Payne Street Subdivisions	Fish Hatchery Road	Disaster Recovery	Hampton Road Improvements	Courthouse Improvements	Capital Outlay	Governmental Funds
\$26,537	\$112,455	\$41,667	\$21,384	\$0	\$132,700	\$80,913	\$3,244,502
0	0	0	0	0	0	0	154,142
0	0	0	0	0	0	0	176,992
<u>\$26,537</u>	<u>\$112,455</u>	<u>\$41,667</u>	<u>\$21,384</u>	<u>\$0</u>	<u>\$132,700</u>	<u>\$80,913</u>	<u>\$3,575,636</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$0	\$ 0	\$ 0	\$ 20,344
0	0	0	0	0	0	0	109,527
0	0	0	0	0	0	0	16,262
0	0	0	0	0	0	0	534,223
0	315	0	0	0	0	0	159,608
<u>\$ 0</u>	<u>\$ 315</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 839,964</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$0	\$ 0	\$ 0	\$ 0
26,537	112,140	41,667	21,384	0	132,700	80,913	2,788,648
0	0	0	0	0	0	0	(52,976)
<u>\$26,537</u>	<u>\$112,140</u>	<u>\$41,667</u>	<u>\$21,384</u>	<u>\$0</u>	<u>\$132,700</u>	<u>\$80,913</u>	<u>\$2,735,672</u>
<u>\$26,537</u>	<u>\$112,455</u>	<u>\$41,667</u>	<u>\$21,384</u>	<u>\$0</u>	<u>\$132,700</u>	<u>\$80,913</u>	<u>\$3,575,636</u>

Natchitoches Parish Government
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
Year Ended December 31, 2019

	<u>Special Revenue Funds</u>				
	<u>Criminal Court Fund</u>	<u>Civil Defense Fund</u>	<u>Natchitoches Parish Litter Court</u>	<u>Kisatchie Search & Rescue</u>	<u>Recreation & Fitness</u>
Revenues:					
Licenses & Permits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental-					
Federal Grants	0	0	0	0	0
State Grants	16,551	0	0	0	0
Other Grants	336,203	53,295	0	0	0
Charges for Services	0	0	0	0	0
Fines & Forfeits	657,026	0	0	0	0
Interest & Miscellaneous	274	0	0	0	0
Total Revenues	<u>\$1,010,054</u>	<u>\$53,295</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:					
Current-					
General Government	\$ 752,198	\$54,724	\$ 0	\$ 0	\$ 0
Public Safety	0	0	0	0	0
Public Works	0	0	0	0	0
Health & Welfare	0	0	0	0	0
Total Expenditures	<u>\$ 752,198</u>	<u>\$54,724</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ 257,856</u>	<u>\$ (1,429)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Other Financing Sources (Uses):					
Operating Transfers In	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Operating Transfers Out	0	0	0	0	0
Total Other Financing	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	\$ 257,856	\$ (1,429)	\$ 0	\$ 0	\$ 0
Fund Balances (Deficit)- Beginning of Year	<u>438,615</u>	<u>21,841</u>	<u>461</u>	<u>21,480</u>	<u>772</u>
Fund Balances (Deficit)- End of Year	<u>\$ 696,471</u>	<u>\$20,412</u>	<u>\$461</u>	<u>\$21,480</u>	<u>\$772</u>

See independent auditors' report and notes to financial statements.

Special Revenue Funds							
<u>Planning</u>	Title III Kisatchie Search & Rescue	Solid Waste	Public Safety	Criminal Law/ Juror Fees	Coroner	Head Start	OCS Operating
\$184,019	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	23,170	0	0	0	0	1,740,010	0
0	0	0	0	0	0	0	0
0	0	0	0	0	75,000	0	0
0	0	76,803	0	0	0	0	0
0	0	0	0	105,385	0	0	0
<u>151</u>	<u>0</u>	<u>0</u>	<u>7,200</u>	<u>0</u>	<u>0</u>	<u>328,456</u>	<u>0</u>
<u>\$184,170</u>	<u>\$ 23,170</u>	<u>\$ 76,803</u>	<u>\$ 7,200</u>	<u>\$105,385</u>	<u>\$ 75,000</u>	<u>\$2,068,466</u>	<u>\$ 0</u>
\$142,808	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 246
0	0	0	819,028	30,769	85,749	0	0
0	0	1,809,583	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,682,531</u>	<u>0</u>
<u>\$142,808</u>	<u>\$ 0</u>	<u>\$ 1,809,583</u>	<u>\$ 819,028</u>	<u>\$ 30,769</u>	<u>\$ 85,749</u>	<u>\$1,682,531</u>	<u>\$ 246</u>
<u>\$ 41,362</u>	<u>\$ 23,170</u>	<u>\$(1,732,780)</u>	<u>\$(811,828)</u>	<u>\$ 74,616</u>	<u>\$(10,749)</u>	<u>\$ 385,935</u>	<u>\$(246)</u>
\$ 0	\$ 0	\$ 1,925,666	\$ 929,304	\$ 0	\$ 44,000	\$ 0	\$ 0
<u>0</u>	<u>(25,649)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$ 0</u>	<u>\$(25,649)</u>	<u>\$ 1,925,666</u>	<u>\$ 929,304</u>	<u>\$ 0</u>	<u>\$ 44,000</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 41,362	\$ (2,479)	\$ 192,886	\$ 117,476	\$ 74,616	\$ 33,251	\$ 385,935	\$(246)
<u>169,470</u>	<u>170,199</u>	<u>213,227</u>	<u>(166,237)</u>	<u>74,855</u>	<u>6,357</u>	<u>14,316</u>	<u>361</u>
<u>\$210,832</u>	<u>\$167,720</u>	<u>\$ 406,113</u>	<u>\$ (48,761)</u>	<u>\$149,471</u>	<u>\$ 39,608</u>	<u>\$ 400,251</u>	<u>\$ 115</u>

Continued next page.

Natchitoches Parish Government
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
Year Ended December 31, 2019

	<u>Special Revenue Funds</u>				
	<u>OCS Family Daycare</u>	<u>OHD LIHEAP</u>	<u>DOL CSBG</u>	<u>OCS RSVP</u>	<u>CCIP CACFP</u>
Revenues:					
Licenses & Permits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental-					
Federal Grants	0	60,576	201,493		118,314
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>173</u>	<u>0</u>	<u>0</u>	<u>78</u>
Total Revenues	<u>\$ 0</u>	<u>\$ 60,749</u>	<u>\$ 201,493</u>	<u>\$ 0</u>	<u>\$ 118,392</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>75,156</u>	<u>188,129</u>	<u>0</u>	<u>144,072</u>
Total Expenditures	<u>\$ 0</u>	<u>\$ 75,156</u>	<u>\$ 188,129</u>	<u>\$ 0</u>	<u>\$ 144,072</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ 0</u>	<u>\$(14,407)</u>	<u>\$ 13,364</u>	<u>\$ 0</u>	<u>\$(25,680)</u>
Other Financing Sources (Uses):					
Operating Transfers In	\$ 0	\$ 0	\$ 14,867	\$ 0	\$ 0
Operating Transfers Out	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Financing	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 14,867</u>	<u>\$ 0</u>	<u>\$ 0</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	\$ 0	\$(14,407)	\$ 28,231	\$ 0	\$(25,680)
Fund Balances (Deficit)- Beginning of Year	<u>110</u>	<u>55,133</u>	<u>18,824</u>	<u>2,400</u>	<u>63,097</u>
Fund Balances (Deficit)- End of Year	<u>\$ 110</u>	<u>\$ 40,726</u>	<u>\$ 47,055</u>	<u>\$ 2,400</u>	<u>\$ 37,417</u>

See independent auditors' report and notes to financial statements.

Special Revenue Funds								
CHC Head Start <u>Handicap</u>	TTA/ <u>CDA</u>	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>	International Paper <u>Grant</u>	O/S Reimb. <u>for HD</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	3,110	0	0	219,500	71,487	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	766	0	0
0	0	0	0	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>1,790</u>	<u>2</u>	<u>183</u>	<u>0</u>	<u>1,248</u>
\$ <u>0</u>	\$ <u>3,110</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>221,290</u>	\$ <u>71,489</u>	\$ <u>949</u>	\$ <u>0</u>	\$ <u>1,248</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
<u>119</u>	<u>3,110</u>	<u>0</u>	<u>0</u>	<u>224,905</u>	<u>69,733</u>	<u>1,002</u>	<u>0</u>	<u>1,413</u>
\$ <u>119</u>	\$ <u>3,110</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>224,905</u>	\$ <u>69,733</u>	\$ <u>1,002</u>	\$ <u>0</u>	\$ <u>1,413</u>
\$ <u>(119)</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>(3,615)</u>	\$ <u>1,756</u>	\$ <u>(53)</u>	\$ <u>0</u>	\$ <u>(165)</u>
\$ 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>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>0</u>	\$ <u>0</u>
\$ (119)	\$ 0	\$ 0	\$ 0	\$ (3,615)	\$ 1,756	\$ (53)	\$ 0	\$ (165)
<u>(3,950)</u>	<u>162</u>	<u>786</u>	<u>630</u>	<u>21,933</u>	<u>18,265</u>	<u>1,658</u>	<u>361</u>	<u>19</u>
\$ <u>(4,069)</u>	\$ <u>162</u>	\$ <u>786</u>	\$ <u>630</u>	\$ <u>18,318</u>	\$ <u>20,021</u>	\$ <u>1,605</u>	\$ <u>361</u>	\$ <u>(146)</u>

Continued next page.

Natchitoches Parish Government
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
Year Ended December 31, 2019

	<u>Special Revenue Funds</u>		<u>Capital Projects Funds</u>				
	<u>Prime Time Reading Program</u>	<u>Old River Road</u>	<u>FEMA Grant</u>	<u>LCDBG LA Step Grant</u>	<u>LCDBG Grant</u>	<u>LCDBG Martco Grant</u>	<u>LA 480 State Grant Fund</u>
Revenues:							
Licenses & Permits	\$ 0	\$ 0	\$0	\$0	\$0	\$0	\$ 0
Intergovernmental-							
Federal Grants	0	0	0	0	0	0	0
State Grants	0	0	0	0	0	0	0
Other Grants	0	0	0	0	0	0	0
Charges for Services	0	0	0	0	0	0	0
Fines & Forfeits	0	0	0	0	0	0	0
Interest & Miscellaneous	<u>1,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>\$1,000</u>	<u>\$ 0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$ 0</u>
Expenditures:							
Current-							
General Government	\$ 0	\$ 0	\$0	\$0	\$0	\$0	\$ 0
Public Safety	0	0	0	0	0	0	0
Public Works	0	0	0	0	0	0	0
Health & Welfare	<u>994</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>\$ 994</u>	<u>\$ 0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$ 0</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ 6</u>	<u>\$ 0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$ 0</u>
Other Financing Sources (Uses):							
Operating Transfers In	\$ 0	\$ 0	\$0	\$0	\$0	\$0	\$ 0
Operating Transfers Out	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Financing	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$ 0</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	\$ 6	\$ 0	\$0	\$0	\$0	\$0	\$ 0
Fund Balances (Deficit)- Beginning of Year	<u>0</u>	<u>65,000</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>25,000</u>
Fund Balances (Deficit)- End of Year	<u>\$ 6</u>	<u>\$65,000</u>	<u>\$1</u>	<u>\$1</u>	<u>\$1</u>	<u>\$1</u>	<u>\$25,000</u>

See independent auditors' report and notes to financial statements.

Capital Projects Funds							Total Nonmajor
Coco Bed Road	Payne Street Subdivisions	Fish Hatchery Road	Disaster Recovery	Hampton Road Improvements	Courthouse Improvements	Capital Outlay	Governmental Funds
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 184,019
0	0	0	0	0	0	0	2,437,660
48,521	140,366	0	0	0	0	0	205,438
0	0	0	0	1,350,000	0	0	1,815,264
0	0	0	0	0	0	0	76,803
0	0	0	0	0	0	0	762,411
0	0	0	0	0	0	0	340,555
<u>\$48,521</u>	<u>\$140,366</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$1,350,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,822,150</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 143,054
0	0	0	0	0	0	0	1,742,468
50,703	194,871	0	0	1,420,435	0	0	3,475,592
0	0	0	0	0	0	0	2,391,164
<u>\$50,703</u>	<u>\$194,871</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$1,420,435</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 7,752,278</u>
\$ (2,182)	\$ (54,505)	\$ 0	\$ 0	\$ (70,435)	\$ 0	\$ 0	\$ (1,930,128)
\$ 0	\$ 0	\$ 0	\$ 0	\$ 17,293	\$ 0	\$ 0	\$ 2,931,130
0	0	0	0	0	0	(17,294)	(42,943)
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 17,293</u>	<u>\$ 0</u>	<u>\$(17,294)</u>	<u>\$ 2,888,187</u>
\$ (2,182)	\$ (54,505)	\$ 0	\$ 0	\$ (53,142)	\$ 0	\$(17,294)	\$ 958,059
<u>28,719</u>	<u>166,645</u>	<u>41,667</u>	<u>21,384</u>	<u>53,142</u>	<u>132,700</u>	<u>98,207</u>	<u>1,777,613</u>
<u>\$26,537</u>	<u>\$112,140</u>	<u>\$41,667</u>	<u>\$21,384</u>	<u>\$ 0</u>	<u>\$132,700</u>	<u>\$ 80,913</u>	<u>\$ 2,735,672</u>

Natchitoches Parish Government
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2019

Federal Grantor/Pass-Through <u>Grantor/Program Title</u>	Federal CFDA <u>Number</u>	Total Current Year <u>Expenditures</u>
DIRECT PROGRAMS:		
U. S. Department of Agriculture- Kisatchie National Forest	10.666	\$ 325,131
Federal Emergency Management Agency- Disaster Grants - Public Assistance	97.036	92,854
Flood Mitigation Grant	97,029	19,889
Department of Health & Human Services- Head Start Program	93.600	1,743,119
Senior Companion Program	94.016	219,500
PASS-THROUGH PROGRAMS:		
Louisiana Department of Labor- Community Services Block Grant	93.569	201,493
Louisiana Housing Finance Agency Low-Income Energy Assistance Program	93.568	60,576
Louisiana Department of Education- Child Care Food Program	10.558	118,314
Summer Food Service Program	10.559	<u>71,487</u>
Totals		<u>\$2,852,363</u>

See independent auditors' report and notes to financial statements.

Natchitoches Parish Government
Notes to the Schedule of Expenditures of Federal Awards
Year Ended December 31, 2019

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.

Basis of Accounting

The Parish Government's Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 to the Parish Government's financial statements for the year ended December 31, 2019. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain type of expenditures are not allowable or are limited to reimbursement.

Indirect Cost Rate

The Parish Government has not elected to use the 10 percent de minimis indirect cost as allowed under the Uniform Guidance.

Subrecipients

There were no awards passed through to subrecipients.

OTHER REPORTS/SCHEDULES

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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, 2019, 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 August 10, 2020.

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.

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.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Natchitoches Parish 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*.

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.

Thomas, Cunningham, Broadway & Todtenbier, CPA's

Thomas, Cunningham, Broadway & Todtenbier CPA's
Natchitoches, Louisiana

August 10, 2020

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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, 2019. 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, 2019.

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.

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.

Thomas, Cunningham, Broadway & Todtenbier, CPA's

Thomas, Cunningham, Broadway & Todtenbier CPA's
Natchitoches, Louisiana

August 10, 2020

Natchitoches Parish Government
Schedule of Findings and Questioned Costs
Year Ended December 31, 2019

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, 2019.
2. The audit disclosed no material weaknesses in internal control that are required to be reported under *Government Auditing Standards*.
3. The audit disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.
4. The audit did not disclose any instances of material weaknesses in internal control over major programs.
5. An unmodified opinion was issued on compliance for major programs.
6. The audit did not disclose any instances of noncompliance related to federal awards that are required to be reported under the Uniform Guidance.
7. The following program was major for the year ended December 31, 2019:
 - 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*

There were no current year findings.

Natchitoches Parish Government
Schedule of Findings and Questioned Costs (continued)
Year Ended December 31, 2019

III. PRIOR YEAR AUDIT FINDINGS

2018-001 *Segregation of Duties over Permit Inspection, Approval and Fee Collection*

Condition - Permits for new construction and improvements to real property were issued and fees collected by the same individual who performed inspections and approved permits.

Status - The condition is cleared as of December 31, 2019.

2018-002 *Local Government Budget Act*

Condition - For the year ended December 31, 2019, actual revenues were less than budgeted revenue by more than the 5% allowed in the Disposal Solid Waste Fund.

Status - The condition is cleared as of December 31, 2019.

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**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING
STATEWIDE AGREED-UPON PROCEDURES**

To the President and Council Members
of the Natchitoches Parish Government

We have performed the procedures enumerated below, which were specified and agreed to by the Council Members of Natchitoches Parish Government and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal year ended December 31, 2019. The Parish Government is responsible for those C/C areas identified in the SAUPs.

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

Our procedures and associated findings are enumerated below.

Collections

1. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
2. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedure, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - Employees that are responsible for cash collections do not share cash drawers/registers.
 - Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.

- Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee verifies the reconciliation.
3. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.
4. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Obtain supporting documentation for each of the 10 deposits and:
- Observe that receipts are sequentially pre-numbered.
 - Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - Trace the deposit slip total to the actual deposit per the bank statement.
 - Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
 - Trace the actual deposit per the bank statement to the general ledger.

No exceptions noted.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively on the Statewide Agreed-Upon Procedures. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of Natchitoches Parish Government and the Louisiana Legislative Auditor, and is not intended to be, and should not be, used by anyone other than the specified parties.

Respectfully,

Thomas, Cunningham, Broadway & Todtenbier, CPAs

Thomas, Cunningham, Broadway, & Todtenbier
Certified Public Accountants

August 10, 2020
Natchitoches, Louisiana