NATCHITOCHES PARISH GOVERNMENT
ANNUAL FINANCIAL REPORT

DECEMBER 31, 2014

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ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2014

T A B L E   OF   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, 2014.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

Financial Highlights

- The Parish Government's assets exceeded its liabilities by $21,706,113 (net position) for the fiscal year reported. This compares to the previous year when assets exceeded liabilities by $21,889,658.

- Total net position is comprised of the following:

    1. Net investment in capital assets, of $10,548,209 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.

    2. Unrestricted net position of $11,157,904 represent 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 $11,945,649 this year. This compares to the prior year ending fund balance of $11,324,794 showing an increase of $619,855 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, 2014

	Governmental Activities	
	2014	2013
Assets:		
Cash & Other Assets	$13,430,152	$13,273,290
Noncurrent Assets	10,548,209	10,706,052
Total Assets	$23,978,361	$23,979,342
Liabilities:		
Current and Other Liabilities	$ 1,484,503	$ 1,947,495
Long-term Liabilities	787,745	142,189
Total Liabilities	$ 2,272,248	$ 2,089,684
Net Position:		
Net Investment in Capital Assets	$10,548,209	$10,706,052
Unrestricted	11,157,904	11,183,606
Total Net Position	$21,706,113	$21,889,658

Table 2
Changes in Net Position
Year Ended December 31, 2014

	Primary Government	
	2014	2013
Program Revenues:		
Charges for Services	$ 166,932	$ 165,734
Operating Grants & Contributions	4,620,102	7,263,530
Capital Grants & Contributions	168,425	1,209,234
General Revenues:		
Ad Valorem Taxes	6,071,458	6,099,757
Sales Taxes	2,268,292	2,242,971
Licenses & Permits	396,358	416,868
Interest	13,789	9,491
Miscellaneous	1,387,422	120,933
Total Revenues	$15,092,778	$17,528,518
Functional/Program Expenses:		
Governmental Activities-		
General Government	$ 1,644,326	$ 1,498,566
Public Safety	2,155,560	1,903,709
Public Works	4,689,987	4,637,270
Health & Welfare	4,867,676	4,159,270
Recreation & Culture	1,902,369	1,787,106
Economic Development	16,405	167,767
Total Expenses	$15,276,323	$14,153,688
Change in Net Position	$ (183,545)	$ 3,374,830

Economic Factors and Next Year's Budgets and Rates

In 2015, the general fund is expected to have little or no change. For the past several years the Natchitoches Parish Government has incurred financial difficulties due to rising costs specifically in the Criminal Court Fund and the various Office of Community Services funds. At the same time, revenues are not rising and several attempts to pass additional sales taxes have failed. The Parish Government is required to cover the cost of housing and feeding pre-trial inmates in the Natchitoches Parish Detention Center as well as other costs necessary for the operation of the Criminal Court. The Parish Government has established the Public Safety Fund to account for the costs of pre-trial inmates, however, the General Fund is fully responsible for the expenditures of this fund. In addition, the Office of Community Services, a component unit of the Parish Government, has overspent program revenues causing cash overdrafts and fund deficits that the Parish Government must fund.

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

Contacting the Parish Government

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

Johnson, Thomas & Cunningham
Certified Public Accountants

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

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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, 2014, 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, liabilities, net position, revenues and expenses of the aggregate discretely presented component units that would have been reported is unknown.

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

In our opinion, because of the significance of the matter described in the "Basis for Adverse Opinion on Aggregate Discretely Component Units" paragraph, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the Natchitoches Parish Government, the reporting entity, as of December 31, 2014, 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, 2014, 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. Act 706 of the Louisiana 2014 Legislative Session requires a Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer reflected on page 51 to supplement the financial statements. Such information, although not a part of the basic financial statements, is presented for purposes of additional analysis and is required by the Governmental Accounting Standards Board, or Louisiana State Law, 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 and Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer 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 Natchitoches Parish Government's primary government. The budgetary comparisons listed as other required supplemental information in the table of contents and the combining nonmajor fund financial statements, 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 U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* and is also not a required part of the basic financial statements.

The budgetary comparison statements, combining nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison statements, combining nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2015, on our consideration of the Parish Government's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Natchitoches Parish Government's internal control over financial reporting and compliance.

Johnson, Thomas + Cunningham, CPA's

Johnson, Thomas & Cunningham, CPA's

June 19, 2015
Natchitoches, Louisiana

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS

Natchitoches Parish Government
Statement of Net Position
December 31, 2014

	Governmental Activities
Assets-	
Current Assets-	
Cash & Cash Equivalents	$ 7,337,945
Revenue Receivables	6,092,207
Total Current Assets	$13,430,152
Noncurrent Assets-	
Capital Assets (net of accumulated depreciation)	10,548,209
Total Assets	$23,978,361
Liabilities-	
Current Liabilities-	
Cash Overdraft	$ 10,015
Accounts Payable	564,289
Accrued Payroll	75,976
Due to Other Governments	834,223
Total Current Liabilities	$ 1,484,503
Long-term Liabilities-	
Accrued Compensated Absences	$ 134,639
Other Post-Employment Benefit Obligation	653,106
Total Long-term Liabilities	$ 787,745
Total Liabilities	$ 2,272,248
Net Position-	
Net Investment in Capital Assets	$10,548,209
Unrestricted	11,157,904
Total Net Position	$21,706,113

See notes to financial statements.

Natchitoches Parish Government
Statement of Activities
Year Ended December 31, 2014

		Program Revenues			Net (Expense)
Activities	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position Governmental Activities
Primary Government:					
Governmental Activities-					
General Government	$ 1,644,326	$ 4	$ 479,189	$ 0	$ (1,165,133)
Public Safety	2,155,560	104,295	425,337	0	(1,625,928)
Public Works	4,689,987	39,938	867,840	168,425	(3,613,784)
Health & Welfare	4,867,676	0	2,813,454	0	(2,054,222)
Recreation & Culture	1,902,369	22,695	25,845	0	(1,853,829)
Economic Development	16,405	0	8,437	0	(7,968)
Total Governmental Activities	$15,276,323	$166,932	$4,620,102	$168,425	$(10,320,864)

General Revenues:	
Taxes-	
Ad Valorem	$ 6,071,458
Sales & Use	2,268,292
Licenses & Permits	396,358
Interest	13,789
Miscellaneous	1,387,422
Total General Revenues	$ 10,137,319
Change in Net Position	$ (183,545)
Net Position January 1, 2014	21,889,658
Net Position December 31, 2014	$ 21,706,113

See notes to financial statements.

FUND FINANCIAL STATEMENTS

Natchitoches Parish Government
Governmental Funds-Balance Sheet
December 31, 2014

	Major Funds								
		Special Revenue Funds							
	General Fund	Road Maintenance Fund	Sales Tax Fund	Parish Library Fund	Disposal Solid Waste	Government Building Fund	Head Start Fund	Nonmajor Funds	Total Governmental Funds
Assets									
Cash & Cash Equivalents	$ 740,202	$ 683,790	$1,921,386	$1,683,883	$108,865	$1,017,047	$ 2,212	$1,180,560	$ 7,337,945
Revenue Receivables	849,011	1,283,183	232,861	1,973,416	0	803,950	0	949,786	6,092,207
Total Assets	$1,589,213	$1,966,973	$2,154,247	$3,657,299	$108,865	$1,820,997	$ 2,212	$2,130,346	$13,430,152
Liabilities									
Cash Overdraft	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 4,453	$ 5,562	$ 10,015
Accounts Payable	323,400	37,501	0	38,575	96,352	10,444	12,478	45,539	564,289
Accrued Payroll	0	23,700	0	8,996	20,897	3,363	2,562	16,458	75,976
Due to Other Governments	0	0	0	0	0	0	0	834,223	834,223
Total Liabilities	$ 323,400	$ 61,201	$ 0	$ 47,571	$117,249	$ 13,807	$ 19,493	$ 901,782	$ 1,484,503
Fund Balance									
Fund Balances-									
Restricted	$ 0	$1,905,772	$2,154,247	$3,609,728	$ 0	$1,807,190	$ 0	$2,057,911	$11,534,848
Unassigned	1,265,813	0	0	0	(8,384)	0	(17,281)	(829,347)	410,801
Total Fund Balance	$1,265,813	$1,905,772	$2,154,247	$3,609,728	$ (8,384)	$1,807,190	$(17,281)	$1,228,564	$11,945,649
Total Liabilities & Fund Balance	$1,589,213	$1,966,973	$2,154,247	$3,657,299	$108,865	$1,820,997	$ 2,212	$2,130,346	$13,430,152

See notes to financial statements.

Natchitoches Parish Government
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2014

Total Governmental Fund Balances	$ 11,945,649
Amounts reported for Governmental Activities in the Statement of Net Position are different because:	
Capital Assets used in Governmental Activities are not financial resources and, therefore, are not reported in the funds-	
Capital Assets	34,500,411
Less, Accumulated Depreciation	(23,952,202)
Long-term Liabilities are not due and payable in the current period and are not reported in the funds-	
Accrued Compensated Absences	(134,639)
Other Post-Employment Benefit Obligation	(653,106)
Total Net Position of Governmental Activities at December 31, 2014	$ 21,706,113

See notes to financial statements.

Natchitoches Parish Government
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended December 31, 2014

	Major Funds								
		Special Revenue Funds							
	General Fund	Road Maintenance Fund	Sales Tax Fund	Parish Library Fund	Disposal Solid Waste Fund	Government Building Fund	Head Start Fund	Nonmajor Funds	Total Governmental Funds
Revenues:									
Taxes-									
Ad Valorem	$ 962,355	$1,045,977	$ 0	$2,224,566	$ 0	$ 905,302	$ 0	$ 933,258	$ 6,071,458
Sales & Use	0	0	2,268,292	0	0	0	0	0	2,268,292
License & Permits	258,594	0	0	0	0	0	0	137,764	396,358
Intergovernmental-									
Federal Grants	0	458,679	0	0	0	0	2,032,823	819,521	3,311,023
State Grants	487,627	538,693	0	21,875	0	0	0	4,173	1,052,368
Other Grants	19,790	0	0	3,970	0	0	0	401,376	425,136
Charges for Services	4	0	0	12,602	39,937	0	0	0	52,543
Fines & Forfeits	0	0	0	10,094	0	0	0	104,295	114,389
Miscellaneous	144,075	27,429	1,480	25,709	0	5,634	1,090,477	107,823	1,402,627
Total Revenues	$ 1,872,445	$2,070,778	$ 2,269,772	$2,298,816	$ 39,937	$ 910,936	$3,123,300	$ 2,508,210	$15,094,194
Expenditures:									
Current-									
General Government	$ 744,842	$ 17,780	$ 37,561	$ 0	$ 0	$ 626,858	$ 0	$ 251,746	$ 1,678,787
Public Safety	160,360	0	0	0	0	0	0	1,819,777	1,980,137
Public Works	0	2,413,988	0	0	1,846,868	0	0	0	4,260,856
Health & Welfare	3,223	0	0	0	0	0	3,070,754	1,526,601	4,600,578
Recreation & Culture	0	0	0	1,937,576	0	0	0	0	1,937,576
Economic Development	16,405	0	0	0	0	0	0	0	16,405
Total Expenditures	$ 924,830	$2,431,768	$ 37,561	$1,937,576	$ 1,846,868	$ 626,858	$3,070,754	$ 3,598,124	$14,474,339
Excess (Deficiency) of Revenues over Expenditures	$ 947,615	$ (360,990)	$ 2,232,211	$ 361,240	$(1,806,931)	$ 284,078	$ 52,546	$(1,089,914)	$ 619,855
Other Financing Sources (Uses):									
Operating Transfers In	$ 301,290	$ 0	$ 0	$ 0	$ 1,750,000	$ 0	$ 64,864	$ 1,663,115	$ 3,779,269
Operating Transfers Out	(1,413,955)	(193,722)	(1,750,000)	0	0	0	(115,782)	(305,810)	(3,779,269)
Total Other Financing	$(1,112,665)	$ (193,722)	$(1,750,000)	$ 0	$ 1,750,000	$ 0	$ (50,918)	$ 1,357,305	$ 0
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	$ (165,050)	$ (554,712)	$ 482,211	$ 361,240	$ (56,931)	$ 284,078	$ 1,628	$ 267,391	$ 619,855
Fund Balances-Beginning of Year	1,430,863	2,460,484	1,672,036	3,248,488	48,547	1,523,112	(18,909)	961,173	11,325,794
Fund Balances-End of Year	$ 1,265,813	$1,905,772	$ 2,154,247	$3,609,728	$ (8,384)	$1,807,190	$ (17,281)	$ 1,228,564	$11,945,649

See notes to financial statements.

Natchitoches Parish Government
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2014

Net Change in Fund Balances-Total Governmental Funds	$ 619,855
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	827,165
Depreciation Expense	(858,019)
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	7,545
Net Other Post-Employment Benefit Obligation	(653,106)
The net effect of the disposition of capital assets is to decrease net position:	
Decrease in Capital Assets	(814,104)
Decrease in Accumulated Depreciation	687,119
Change in Net Position of Governmental Activities	$(183,545)

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2014

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 and the five council members, elected parish-wide, representing 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, 2014

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

Component Unit	Fiscal Year End	Criteria Used
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
Tourist Commission	12-31	1 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.

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.

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

The Parish Government reports the following major governmental funds:

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

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

The Parish Government's major special revenue funds are-

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

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

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

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

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

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

D. Deposits and Investments

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

Natchitoches Parish Government
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E. Interfund Transactions

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

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

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

	Interfund Receivables	Interfund Payables
Special Revenue Funds-		
Kisatchie Search & Rescue	$ 0	$1,000
Title III Kisatchie Search & Rescue	1,000	0
Totals	$1,000	$1,000

	Operating Transfers In	Operating Transfers Out
General Fund	$ 301,290	$1,413,955
Special Revenue Funds-		
Road Maintenance Fund	0	193,722
Sales Tax Fund	0	1,750,000
Health Unit Fund	0	300,000
Criminal Court	125,000	0
Public Safety	1,250,902	0
Disposal Solid Waste	1,750,000	0
CJ/Criminal Waiver/Juror	30,000	0
Title III Kisatchie Search & Rescue	25,298	0
OCS-CACFP	48,620	0
OCS-Head Start	64,864	115,782
OCS-OCS Family Day Care	0	55
OCS-CSBG	840	0
OCS-CHC	546	977
OCS-RSVP	0	1,291

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	Operating Transfers In	Operating Transfers Out
OCS-TTA/CDA	2,728	0
OCS-Senior Companion	10,756	2,701
OCS-Food Bank	0	786
Capital Projects Funds-		
FEMA	168,425	0
Totals	$3,779,269	$3,779,269

Transfers are primarily used to move funds:

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

F. Capital Assets

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

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

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

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

Description	Estimated Lives
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, 2014, are immaterial and are approximately the same as at December 31, 2013. 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 debt and other long-term obligations are reported as liabilities in the Statement of Net Position.

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

J. Fund Balance

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

a. Nonspendable fund balance - amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;

b. Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;

c. Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;

d. Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;

e. Unassigned fund balance - amounts that are available for any purpose. Only the General Fund would report positive amounts in unassigned fund balance.

The Parish Government has restricted fund balances of $11,534,848 and unassigned fund balances of $410,801. 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.

K. 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.

L. Estimates

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

2. Budgets and Budgetary Accounting

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

(1) Prior to December 1, the Treasurer submits to the Parish Government a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.

(2) A public hearing is then conducted, after proper official journal notification, to obtain public comments.

(3) Prior to December 31, the budget is legally enacted through passage of an ordinance.

(4) The budget ordinance is structured such that revenues are budgeted by source and appropriations are budgeted by department and by principal object of expenditure. Revisions to the budget as enacted require Parish Government action. Several such revisions were made during the year ended December 31, 2014.

(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, 2014, the following funds had a deficit balance in their fund balance:

Fund	Amount
Office of Community Services-	
Head Start	$ 17,281
Senior Companion Program	2,172
CHC	48
TTA/CDA	366
Public Safety	826,761
Disposal Solid Waste	8,384
Total	$855,012

The deficits in Head Start, TTA/CDA, CHC, Senior Companion and Public Safety will be funded by transfers from the General Fund and the deficit in Disposal Solid Waste Funds will be funded by transfers from the Sales Tax Fund in future years, if funding is available.

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4. Cash and Cash Equivalents

At December 31, 2014, the Parish Government had cash and cash equivalents (book balances) totaling $7,327,930 as follows-

Interest-bearing demand deposits	$6,858,316
U.S. Government Securities	469,614
Total	$7,327,930

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 government will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Parish Government that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Parish Government's name.

At December 31, 2014, the Parish Government has $7,340,936 in deposits (collected bank balances). These deposits are secured from risk by $433,800 of federal deposit insurance and $6,437,522 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3). The $469,614 in securities is secured by the U.S. Government.

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.

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5. Receivables

The receivables of $6,092,207 at December 31, 2014 are as follows:

Class of Receivable	General Fund	Special Revenue Funds
Taxes-		
Ad Valorem	$825,283	$4,542,624
Other Taxes	3,124	233,861
Intergovernmental-		
Federal	0	263,191
State	0	98,388
Other	20,604	105,132
Totals	$849,011	$5,243,196

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

6. Capital Assets

Capital assets and depreciation activity as of and for the year ended December 31, 2014, is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
General Fund:				
Capital Assets; not depreciated-				
Land	$ 423,373	$ 20,585	$ 0	$ 443,958
CIP	0	45,608	0	45,608
Capital Assets; depreciated-				
Building	4,973,966	206,505	0	5,180,471
Office Equipment	213,653	1,220	0	214,873
Other Equipment	58,155	0	0	58,155
Vehicles	230,923	0	0	230,923
Total Assets	$ 5,900,070	$273,918	$ 0	$ 6,173,988
Accumulated Depreciation-				
Building	$ 3,363,464	$ 71,387	$ 0	$ 3,434,851
Office Equipment	211,546	1,179	0	212,725
Other Equipment	47,199	1,994	0	49,193
Vehicles	230,921	2	0	230,923
Total Acc. Deprec.	$ 3,853,130	$ 74,562	$ 0	$ 3,927,692

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	Beginning Balance	Increases	Decreases	Ending Balance
Civil Defense:				
Capital Assets; depreciated				
Office Equipment	$ 38,504	$ 0	$ 0	$ 38,504
Other Equipment	18,265	0	0	18,265
Total Assets	$ 56,769	$ 0	$ 0	$ 56,769
Accumulated Depreciation-				
Office Equipment	$ 38,504	$ 0	$ 0	$ 38,504
Other Equipment	18,265	0	0	18,265
Total Acc. Deprec.	$ 56,769	$ 0	$ 0	$ 56,769
Criminal Court/DA:				
Capital Assets; depreciated				
Office Equipment	$ 38,580	$ 0	$ 0	$ 38,580
Other Equipment	36,564	0	0	36,564
Total Assets	$ 75,144	$ 0	$ 0	$ 75,144
Criminal Court/DA:				
Accumulated Depreciation-				
Office Equipment	$ 38,580	$ 0	$ 0	$ 38,580
Other Equipment	36,564	0	0	36,564
Total Acc. Deprec.	$ 75,144	$ 0	$ 0	$ 75,144
Health Unit:				
Capital Assets; depreciated				
Building	$ 846,415	$ 0	$ 0	$ 846,415
Office Equipment	56,354	0	0	56,354
Other Equipment	65,845	1,008	0	66,853
Vehicles	214,790	0	0	214,790
Total Assets	$ 1,183,404	$ 1,008	$ 0	$ 1,184,412
Accumulated Depreciation-				
Building	$ 549,060	$ 21,160	$ 0	$ 570,220
Office Equipment	51,135	2,921	0	54,056
Other Equipment	61,471	868	0	62,339
Vehicles	135,710	19,239	0	154,949
Total Acc. Deprec.	$ 797,376	$ 44,188	$ 0	$ 841,564
Government Building:				
Capital Assets; depreciated				
Other Equipment	$ 40,482	$ 0	$ 0	$ 40,482
Vehicles	12,993	0	12,993	0
Total Assets	$ 53,475	$ 0	$ 12,993	$ 40,482

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	Beginning Balance	Increases	Decreases	Ending Balance
Accumulated Depreciation-				
Other Equipment	$ 18,419	$ 3,526	$ 0	$ 21,945
Vehicles	12,473	260	12,473	260
Total Acc. Deprec.	$ 30,892	$ 3,786	$ 12,473	$ 22,205
Head Start:				
Capital Assets; depreciated				
Building	$ 135,848	$ 0	$ 0	$ 135,848
Office Equipment	161,387	0	6,178	155,209
Other Equipment	356,507	8,321	1,848	362,980
Vehicles	181,279	0	12,928	168,351
Total Assets	$ 835,021	$ 8,321	$ 20,954	$ 822,388
Accumulated Depreciation-				
Building	$ 117,618	$ 5,471	$ 0	$ 123,089
Office Equipment	158,848	689	6,178	153,359
Other Equipment	247,934	23,328	1,848	269,414
Vehicles	181,279	0	12,928	168,351
Total Acc. Deprec.	$ 705,679	$ 29,488	$ 20,954	$ 714,213
LIHEAP:				
Capital Assets; depreciated				
Office Equipment	$ 4,256	$ 0	$ 0	$ 4,256
Total Assets	$ 4,256	$ 0	$ 0	$ 4,256
Accumulated Depreciation-				
Office Equipment	$ 4,256	$ 0	$ 0	$ 4,256
Total Acc. Deprec.	$ 4,256	$ 0	$ 0	$ 4,256
Rural Transit:				
Capital Assets; depreciated				
Vehicles	$ 15,425	$ 0	$ 15,425	$ 0
Total Assets	$ 15,425	$ 0	$ 15,425	$ 0
Accumulated Depreciation-				
Vehicles	$ 15,425	$ 0	$ 15,425	$ 0
Total Acc. Deprec.	$ 15,425	$ 0	$ 15,425	$ 0

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	Beginning Balance	Increases	Decreases	Ending Balance
Library:				
Capital Assets; depreciated				
Office Equipment	$ 622,194	$ 28,441	$338,935	$ 311,700
Vehicles	20,730	254,771	0	275,501
CIP	29,054	0	29,054	0
Books, Recordings, etc.	1,915,839	171,569	149,388	1,938,020
Total Assets	$ 2,587,817	$454,781	$517,377	$ 2,525,222
Accumulated Depreciation-				
Office Equipment	$ 500,859	$ 10,858	$242,062	$ 269,655
Vehicles	8,292	200,836	0	209,128
Books, Recordings, etc.	1,578,390	172,003	149,388	1,601,005
Total Acc. Deprec.	$ 2,087,541	$383,697	$391,450	$ 2,079,788
Road Maintenance:				
Capital Assets; not depreciated				
Land	$ 48,112	$ 0	$ 0	$ 48,112
Building	511,216	0	0	511,216
Capital Assets; depreciated				
Office Equipment	16,250	0	0	16,250
Other Equipment	932,019	86,300	31,427	986,892
Vehicles	1,179,568	0	214,653	964,915
Bridges	10,859,351	0	0	10,859,351
Roads	10,229,452	2,837	1,275	10,231,014
Total Assets	$23,775,968	$ 89,137	$247,355	$23,617,750
Accumulated Depreciation-				
Building	$ 335,114	$ 15,866	$ 0	$ 350,980
Office Equipment	16,250	0	0	16,250
Other Equipment	687,398	51,376	32,429	706,345
Vehicles	867,416	65,687	213,113	719,990
Bridges	4,147,424	184,366	0	4,331,791
Roads	10,101,486	5,003	1,275	10,105,215
Total Acc. Deprec.	$16,155,089	$322,298	$246,817	$16,230,571
Total Capital Assets	$34,487,349	$827,165*	$814,104*	$34,500,410
Total Accumulated Depreciation	23,781,301	858,019*	687,119	23,952,201
Total Capital Assets, Net	$10,706,048	$ (30,854)	$126,985	$10,548,209

* Includes transfer of bookmobiles in library fund from office equipment to vehicles.

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Depreciation expense of $700,121 for the year ended December 31, 2014, was charged to the following governmental funds:

General Government	$ 3,786
Public Safety	74,562
Public Works	322,298
Health & Welfare	73,676
Recreation & Culture	225,799
Total	$700,121

7. Accounts, Salaries and Other Payables

The payables of $640,265 at December 31, 2014, are as follows:

Class of Payable	General Fund	Special Revenue Funds
Accounts Payable	$323,200	$241,089
Accrued Payroll	0	75,976
Totals	$323,200	$317,065

8. Long-Term Debt

The following is a summary of changes in long-term debt for the year ended December 31, 2014:

	Balance 1-1-14	Additions	Reduction	Balance 12-31-14
Compensated Absences	$142,184	$0	$7,545	$134,639

9. Pension Plans

Substantially all employees of the Natchitoches Parish Government are members of the Parochial Employee's Retirement System of Louisiana (System), a multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the Parish Government are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds are eligible to participate in the System. As of January 1, 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join the retirement system. Those elected officials enrolled as of January 1, 1997, will maintain membership as long as they hold office. Justices of the Peace have an option to join at any time within twelve months of taking the oath of office. Coroners may join at any time on a current basis and now have the option of purchasing prior service as coroners at actuarial cost. Under Plan A, employees hired prior to January 1, 2007 who retire at or after age 65 with at least 7 years of creditable service, at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service and employees hired January 1, 2007 and later who retire at or after age 67 with at least 7 years of creditable service, at or after age 62 with at least 10 years of creditable service, or at or after age 55 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final average compensation for each year of creditable service. However, for those employees who were members of the supplemental plan only prior to January 1, 1980, the benefit is equal to one percent of final average salary plus $2 for each month of supplemental-plan-only service earned prior to January 1, 1980.

Final average compensation shall be defined as the average of the highest consecutive thirty-six month salary for members hired prior to January 1, 2007. For members hired January 1, 2007 and later, final average compensation shall be defined as the average of the highest consecutive sixty month salary. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, P. O. Box 14619, Baton Rouge, LA 70898-4619, or by calling (225) 928-1461.

Funding Policy. Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary and the Natchitoches Parish Government is required to contribute at an actuarially determined rate. The current rate is 16 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Natchitoches Parish Government are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Natchitoches Parish Government's contributions to the System under Plan A for the years ending December 31, 2014, 2013 and 2012, were $626,348, $665,836, and $724,487, respectively, equal to the required contributions for each year.

10. 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, 2014, 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. In addition, the Office of Community Services, a component unit of the Parish Government, has overspent program revenues causing cash overdrafts and fund deficits that the Parish Government must fund.

  At December 31, 2014, the General Fund had a fund balance of $1,265,813. As per note disclosure number 3, the fund deficits of the Public Safety, Disposal Solid Waste, and Office of Community Services funds are $855,012. 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.

11. 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

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2014

The Parish Government is permitted to levy taxes up to 10% of the assessed property valuation for each specified purpose, or, in the aggregate for all purposes 25% of the assessed valuation for the payment of principal and interest on long-term debt after the approval by the voters of the Parish. Property taxes are recorded as receivables and revenues in the year assessed.

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

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

A revaluation of all property is required to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2012. Total assessed value was $374,812,870 in 2014. 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 $51,551,000 of the assessed value in 2014.

The distribution of the Parish Government's levy (tax rate per $1,000 assessed value) to its funds was as follows for 2014:

Fund	Inside City of Natchitoches	Outside City of Natchitoches
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 $6,071,458 for the year ended December 31, 2014.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2014

The following are the principal taxpayers for the Parish:

Taxpayer	Assessed Valuation	Percentage of Total Assessed Valuation
Acadian Gas Pipeline System	$ 57,738,470	15%
International Paper Co.	30,639,000	8%
Crosstex LIG., LLC	13,349,450	4%
Martco Limited Partners	11,670,940	3%
Tennessee Gas Pipeline, Co.	10,100,730	3%
Alliance Compressors	9,686,590	3%
Enable Midstream Partnership	7,007,530	2%
Cleco Corporation	5,020,480	1%
Weyerhaeuser Co.	5,069,340	1%
GulfSouth Pipeline	3,395,740	1%
Total	$153,678,270	41%

12. 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 2014.

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

Proceeds of the 1% Sales and Use Tax levied by the Natchitoches Parish Government (2014 collections $2,268,922) 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.

14. 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.

15. Schedule of Compensation Paid to Council Members

Member	Council
Christopher Paige	$ 6,000
John Salter	6,000
Rodney Bedgood	6,000
Rickey LaCour	6,000
Aaron Johnson	6,000
Total	$30,000

16. Subsequent Events

Management has evaluated events through June 19, 2015, the date which the financial statements were available for issue. There were no items to be reported as subsequent events.

17. Post-Employment Benefits

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

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

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

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

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2014

Contribution Rates. Employees do not contribute to their post-employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents.

Funding Policy. Until 2014, the Natchitoches Parish Government recognized the cost of providing post-employment medical and life insurance benefits (the Natchitoches Parish Government's portion of the retiree medical and life insurance benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. In 2014, the Natchitoches Parish Government's portion of health care and life insurance funding cost for retired employees totaled $222,912.

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

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

	2014
Normal Cost	$321,763
30-year UAL amortization amount	554,255
Annual required contribution (ARC)	$876,018

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

	2014
Beginning Net OPEB Obligation	$ 0
Annual required contribution	876,018
Interest on Net OPEB Obligation	0
ARC Adjustment	(0)
OPEB Cost	$ 876,018
Contribution to Irrevocable Trust	0
Current year retiree premium	(222,912)
Change in Net OPEB Obligation	$ 653,106
Ending Net OPEB Obligation	$ 653,106

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2014

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

Fiscal Year Ended	Annual OPEB Cost	Annual Cost Contributed	Net OPEB Liability
December 31, 2014	$876,108	25.45%	$653,106

Funded Status and Funding Progress. In 2014,, the Natchitoches Parish Government made no contributions to its post-employment benefits plan. The plan is not funded, has no assets, and hence has a funded ratio of zero. Based on the January 1, 2014 actuarial valuation, the most recent valuation, the Actuarial Accrued Liability (AAL) at the end of the year December 31, 2014 was $9,967,623, which is defined as that portion, as determined by a particular actuarial cost method (the Natchitoches Parish Government uses the Projected Unit Credit Cost Method), of the actuarial present value of post-employment plan benefits and expenses which is not provided by normal cost.

	2014
Actuarial Accrued Liability (AAL)	$9,967,623
Actuarial Value of Plan Assets (AVP)	0
Unfunded Act. Accrued Liability (UAAL)	$9,967,623
Funded Ratio (Act. Val. Assets/AAL)	0%
Covered Payroll (active plan members)	$4,213,654
UAAL as a percentage of covered payroll	236,56%

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

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

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

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

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

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

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

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

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

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

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

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

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

OTHER REQUIRED SUPPLEMENTAL INFORMATION

Natchitoches Parish Government
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance-
Budget (GAAP Basis) and Actual
Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance- Favorable (Unfavorable)
Revenues:				
Taxes	$ 963,400	$ 967,226	$ 962,355	$ (4,871)
Licenses & Permits	257,000	288,571	258,594	(29,977)
Intergovernmental-				
Federal Grants	0	15,373	0	(15,373)
State Grants	616,598	536,318	487,627	(48,691)
Other Grants	0	20,000	19,790	(210)
Charges for Services	10	10	4	(6)
Interest & Miscellaneous	99,800	105,750	144,075	38,325
Total Revenues	$ 1,936,808	$ 1,933,248	$ 1,872,445	$ (60,803)
Expenditures:				
General Government-				
Legislative	$ 111,128	$ 95,838	$ 91,749	$ 4,089
Elections	151,561	74,233	64,856	9,377
Finance & Administration	598,433	611,798	588,237	23,561
Public Safety	162,250	180,201	160,360	19,841
Health & Welfare	14,750	4,750	3,223	1,527
Economic Development	32,750	62,975	16,405	46,570
Total Expenditures	$ 1,070,872	$ 1,029,795	$ 924,830	$104,965
Excess of Revenues over Expenditures	$ 865,936	$ 903,453	$ 947,615	$ 44,162
Other Financing Sources (Uses):				
Operating Transfers In	$ 300,000	$ 301,300	$ 301,290	$ (10)
Operating Transfers Out	(1,644,000)	(1,593,500)	(1,413,955)	179,545
Total Other Financing	$(1,344,000)	$(1,292,200)	$(1,112,665)	$179,535
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	$ (478,064)	$ (388,747)	$ (165,050)	$223,697
Fund Balance-Beginning of Year	1,430,863	1,430,863	1,430,863	0
Fund Balance-End of Year	$ 952,799	$ 1,042,116	$ 1,265,813	$223,697

See 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, 2014

	Original Budget	Final Budget	Actual	Variance- Favorable (Unfavorable)
Revenues:				
Taxes-				
Ad Valorem Taxes	$ 1,047,703	$ 1,047,703	$1,045,977	$ (1,726)
Intergovernmental-				
Federal Grants	406,037	265,119	458,679	193,560
State Grants	516,432	517,932	538,693	20,761
Miscellaneous-				
Interest	500	1,700	1,461	(239)
Miscellaneous	100	27,083	25,968	(1,115)
Total Revenues	$ 1,970,772	$ 1,859,537	$2,070,778	$ 211,241
Expenditures:				
General Government-				
Finance & Administration-				
Telephone	$ 12,040	$ 11,040	$ 10,213	$ 827
Utilities	5,220	8,745	7,567	1,178
Public Works-				
Personnel Cost	1,181,001	1,232,736	1,144,281	88,455
Equipment Maintenance	25,000	46,000	44,784	1,216
Insurance	57,925	70,945	70,940	5
Fuel & Oil	293,000	293,000	243,790	49,210
Road & Bridge Materials	742,043	782,765	567,480	215,285
Other Supplies	136,500	161,126	112,208	48,918
Miscellaneous	316,129	212,624	55,013	157,611
Equipment Rental	146,105	189,080	171,210	17,870
Repairs & Maintenance	0	1,500	1,445	55
Capital Expenditures	100,000	24,225	2,837	21,388
Total Expenditures	$ 3,014,963	$ 3,033,786	$2,431,768	$ 602,018
Excess (Deficiency) of Revenues over Expenditures	$(1,044,191)	$(1,174,249)	$ (360,990)	$ 813,259
Other Financing Sources (Uses):				
Operating Transfer to Title III Kisatchie	$ 0	$ 0	$ (25,298)	$ (25,298)
Operating Transfers to FEMA	0)	0	(168,425)	(168,425)
Total Other Financing Sources (Uses)	$ 0	$ 0	$ (193,722)	$(193,722)
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	$(1,044,191)	$(1,174,249)	$ (554,712)	$ 619,537
Fund Balance-Beginning of Year	2,460,484	2,460,484	2,460,484	0
Fund Balance-End of Year	$ 1,416,293	$ 1,286,235	$1,905,772	$ 619,537

See 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, 2014

	Original Budget	Final Budget	Actual	Variance- Favorable (Unfavorable)
Revenues:				
Taxes-				
Sales & Use Tax	$ 1,975,000	$ 1,755,000	$ 2,268,292	$513,292
Miscellaneous-				
Interest	1,100	1,425	1,480	55
Total Revenues	$ 1,976,100	$ 1,756,425	$ 2,269,772	$513,347
Expenditures:				
General Government-				
Finance & Administration	50,000	39,000	37,561	1,439
Excess of Revenues over Expenditures	$ 1,926,100	$ 1,717,425	$ 2,232,211	$514,786
Other Financing Sources (Uses):				
Operating Transfers To-				
Road Maintenance	$(1,800,000)	$ 0	$ 0	$ 0
Solid Waste Disposal	0	(1,800,000)	(1,750,000)	50,000
Total Other Financing	$(1,800,000)	$(1,800,000)	$(1,750,000)	$ 50,000
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	$ 126,100	$ (82,575)	$ 482,211	$564,786
Fund Balance-Beginning of Year	1,672,036	1,672,036	1,672,036	0
Fund Balance-End of Year	$ 1,798,136	$ 1,589,461	$ 2,154,247	$564,786

See 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, 2014

	Original Budget	Final Budget	Actual	Variance- Favorable (Unfavorable)
Revenues:				
Taxes-				
Ad Valorem	$2,113,000	$2,258,600	$2,224,566	$ (34,034)
Intergovernmental-				
State Grants	11,000	22,000	21,875	(125)
Local Grants	3,970	3,970	3,970	0
Charges for Services	6,000	12,600	12,602	2
Fines & Forfeits	8,500	9,825	10,094	269
Miscellaneous	23,250	23,375	25,709	2,334
Total Revenues	$2,165,720	$2,330,370	$2,298,816	$ (31,554)
Expenditures:				
Recreation & Culture-				
Personnel Cost	$1,275,000	$1,503,800	$1,303,094	$200,706
Travel	15,000	15,000	10,468	4,532
Utilities & Telephone	90,000	83,500	66,337	17,163
Building & Equip. Maint.	60,000	86,500	60,326	26,174
Books, Magazines, etc.	245,000	188,000	169,925	18,075
Insurance	16,000	16,000	13,362	2,638
Supplies	320,000	187,600	116,913	70,687
Professional Services	30,000	30,000	42,042	(12,042)
Processing	35,000	26,500	18,973	7,527
Equipment Rental	7,000	7,200	7,165	35
Miscellaneous	26,520	27,420	17,859	9,561
Capital Expenditures	30,000	52,350	111,112	(58,762)
Total Expenditures	$2,149,520	$2,223,870	$1,937,576	$286,294
Excess (Deficiency) of Revenues over Expenditures	$ 16,200	$ 106,500	$ 361,240	$254,740
Fund Balance-Beginning of Year	3,248,488	3,248,488	3,248,488	0
Fund Balance-End of Year	$3,264,688	$3,354,988	$3,609,728	$254,740

See notes to financial statements.

Natchitoches Parish Government
Disposal Solid Waste
Statement of Revenues, Expenditures and Changes in Fund Balance-
Budget (GAAP Basis) and Actual
Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance-Favorable (Unfavorable)
Revenues:				
Taxes-				
Charges for Services	$ 31,500	$ 35,500	$ 39,937	$ 4,437
Expenditures:				
Public Works-				
Personnel Cost	$ 396,871	$ 516,644	$ 537,337	$(20,693)
Fuel & Oil	2,100	17,450	16,554	896
Solid Waste Operations	1,108,200	1,173,800	1,144,302	29,498
Repairs & Maintenance	50,000	50,000	23,576	26,424
Insurance	10,250	7,932	7,932	0
Operating Supplies	45,075	22,525	5,416	17,109
Equipment Rental	3,600	1,600	239	1,361
Miscellaneous	28,000	28,792	25,212	3,580
Capital Expenditures	0	86,300	86,300	0
Total Expenditures	$ 1,644,096	$ 1,905,043	$ 1,846,868	$ 58,175
Excess (Deficiency) of Revenues over Expenditures	$(1,612,596)	$(1,869,543)	$(1,806,931)	$ 62,612
Other Financing Uses:				
Operating Transfers From-				
Sales Tax Fund	1,564,049	1,820,996	1,750,000	(50,000)
Excess (Deficiency) of Revenues over Expenditures and Other Uses	$ (48,547)	$ (48,547)	$ (56,931)	$ 12,612
Fund Balance-Beginning of Year	48,547	48,547	48,547	0
Fund Balance-End of Year	$ 0	$ 0	$ (8,384)	$ 12,612

See 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, 2014

	Original Budget	Final Budget	Actual	Variance- Favorable (Unfavorable)
Revenues:				
Taxes-				
Ad Valorem	$ 795,000	$ 910,000	$ 905,302	$ (4,698)
Miscellaneous	1,400	2,900	5,634	2,734
Total Revenues	$ 796,400	$ 912,900	$ 910,936	$ (1,964)
Expenditures:				
General Government-				
Personnel Cost	$ 218,245	$ 238,845	$ 229,070	$ 9,775
Utilities & Telephone	190,000	190,000	130,610	59,390
Repairs & Maintenance	500,000	115,000	77,192	37,808
Insurance	35,000	27,636	27,635	1
Building & Grounds Supplies	88,700	55,500	21,246	34,254
Miscellaneous	10,000	9,333	8,882	451
Capital Expenditures	50,000	109,600	132,223	(22,623)
Total Expenditures	$1,091,945	$ 745,914	$ 626,858	$119,056
Excess of Revenues over Expenditures	$ (295,545)	$ 166,986	$ 284,078	$117,092
Fund Balance-Beginning of Year	1,523,112	1,523,112	1,523,112	0
Fund Balance-End of Year	$1,227,567	$1,690,098	$1,807,190	$117,092

See notes to financial statements.

Natchitoches Parish Government
Office of Community Services-Head Start Fund
Statement of Revenues, Expenditures and Changes in Fund Balance-
Budget (GAAP Basis) and Actual
Year Ended December 31, 2014

	Grant in Progress 3-1-13 to 6-30-14				
	Budget Program Year 2012-14	Prior Years Actual	Current Year Actual	Total 2012-2014 Actual	Variance Favorable (Unfavorable)
Revenues:					
Intergovernmental-					
Federal Grant – DHHS	$5,074,137	$3,942,495	$1,149,360	$5,091,855	$ 17,718
Miscellaneous/In Kind	0	1,128	378,460	379,588	379,588
Total Revenues	$5,074,137	$3,943,623	$1,527,820	$5,471,443	$ 397,306
Expenditures:					
Program Administration-					
Salaries	$ 341,507	$ 259,749	$ 61,185	$ 320,934	$ 20,573
Fringe	106,092	59,399	15,071	74,470	31,622
Travel	3,417	3,477	225	3,702	(285)
Operating Services	65,461	44,809	18,558	63,367	2,094
Operating Supplies	6,334	328	1,123	1,451	4,883
Program Services-					
Salaries	2,533,902	2,002,546	485,487	2,488,033	45,869
Fringe	1,270,948	998,303	268,452	1,266,755	4,193
Travel	43,370	11,099	2,015	13,114	30,256
Operating Services-					
Utilities	188,204	154,799	38,512	193,311	(5,107)
Telephone	28,487	30,638	8,375	39,013	(10,526)
Maintenance & Repairs	83,260	71,708	15,189	86,897	(3,637)
Contract Payments	88,861	57,850	13,251	71,101	17,760
Other	12,341	71,747	27,318	99,065	(86,724)
Operating Supplies-					
Program Supplies	219,456	113,966	30,230	144,196	75,260
Office Supplies	6,250	16,087	95	16,182	(9,932)
Food	76,247	0	42,250	42,250	33,997
Capital Expenditures	0	5,734	0	5,734	(5,734)
In Kind Expenditures	0	0	378,460	378,460	(378,460)
Total Expenditures	$5,074,137	$3,902,239	$1,405,796	$5,308,035	$(233,898)
Excess of Revenues over Expenditures	$ 0	$ 41,384	$ 122,024	$ 163,408	$ 163,408
Other Financing Uses:					
Transfer (To)/From-					
Child Care Food Program	0	(56,334)	(115,782)	(172,116)	(172,116)
Excess (Deficiency) of Revenues over Expenditures and Other Uses	$ 0	$ (14,950)	$ 6,242	$ (8,708)	$ (8,708)
Fund Balance-Beginning of Year	0	(3,959)	(18,909)	(18,909)	(18,909)
Fund Balance-End of Year	$ 0	$ (18,909)	$ (12,667)	$ (27,617)	$ (27,617)

See notes to financial statements.

Grant in Progress 7-1-14 to 2-28-15			
Budget Program Year 2014-15	Current Year Actual	Remaining Budget	Total Actual All Grants
$2,264,069	$ 883,463	$1,380,606	$2,032,823
0	712,017	(712,017)	1,090,477
$2,264,069	$1,595,480	$ 668,589	$3,123,300
$ 190,841	$ 53,903	$ 136,938	$ 115,088
76,510	17,915	58,595	32,986
300	0	300	225
29,551	2,086	27,465	20,644
3,218	37	3,181	1,160
1,001,230	489,895	511,335	975,382
521,549	261,279	260,270	529,731
15,444	7,185	8,259	9,200
50,362	41,483	8,779	79,995
21,986	9,274	12,712	17,469
0	14,487	(14,487)	29,676
6,000	13,364	(7,364)	26,615
0	14,779	(14,779)	42,097
326,061	27,254	298,807	57,484
10,648	0	10,648	95
10,469	0	10,469	42,250
0	0	0	0
0	712,017	(712,017)	1,090,477
$2,264,069	$1,664,958	$ 599,111	$3,070,754
$ 0	$ (69,478)	$ (69,478)	$ 52,546
0	64,864	64,864	(50,918)
$ 0	$ (4,614)	$ (4,614)	$ 1,628
0	0	0	(26,362)
$ 0	$ (4,614)	$ (4,614)	$ (17,281)

Natchitoches Parish Government
Schedule of Compensation, Benefits and Other Payments to
Agency Head or Chief Executive Officer
For the Year Ended December 31, 2014

Agency Head Name: Rick Nowlin, Parish President

Purpose	Amount
Salary	$81,200
Benefits-Insurance	0
Benefits-Retirement	0
Deferred Compensation	0
Benefits-Other (Social Security/Medicare)	6,211
Car allowance	0
Vehicle provided by government	0
Cell phone	0
Dues	0
Vehicle rental	0
Per diem	0
Reimbursements (State & National Conferences)	790
Travel	0
Registration fees	0
Conference travel	0
Housing	0
Unvouchered expenses	0
Special meals	0
Other	0
Total	$88,201

See independent auditor's report.

OTHER SUPPLEMENTAL SCHEDULES

Natchitoches Parish Government
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2014

	Special Revenue Funds				
	Health Unit Maintenance	Criminal Court Fund	Civil Defense Fund	Natchitoches Parish Litter Court	Kisatchie Search & Rescue
Assets					
Cash	$ 572,644	$42,523	$36,731	$461	$21,509
Revenue Receivables	804,124	46,660	13,299	0	0
Total Assets	$1,376,768	$89,183	$50,030	$461	$21,509
Liabilities					
Cash Overdraft	$ 0	$ 0	$ 0	$ 0	$ 0
Accounts Payable	20,323	814	61	0	0
Accrued Payroll	9,699	2,624	1,500	0	0
Due to Other Governments	0	0	0	0	0
Total Liabilities	$ 30,022	$ 3,438	$ 1,561	$ 0	$ 0
Fund Balance					
Restricted	$1,346,746	$85,745	$48,469	$461	$21,509
Unassigned	0	0	0	0	0
Total Fund Balance	$1,346,746	$85,745	$48,469	$461	$21,509
Total Liabilities & Fund Balance	$1,376,768	$89,183	$50,030	$461	$21,509

See notes to financial statements.

Special Revenue Funds						
Recreation & Fitness	Planning	Title III Kisatchie Search & Rescue	Public Safety	Criminal Law/ Juror Fees	OCS Operating	OCS Family Daycare
$772	$70,041	$25,298	$ 23,973	$7,551	$321	$0
0	0	38,892	0	0	0	0
$772	$70,041	$64,190	$ 23,973	$7,551	$321	$0
$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$0
0	287	0	15,518	1,776	0	0
0	0	0	993	0	0	0
0	0	0	834,223	0	0	0
$ 0	$ 287	$ 0	$ 850,734	$1,776	$ 0	$0
$772	$69,754	$64,190	$ 0	$5,775	$321	$0
0	0	0	(826,761)	0	0	0
$772	$69,754	$64,190	$(826,761)	$5,775	$321	$0
$772	$70,041	$64,190	$ 23,973	$7,551	$321	$0

Continued next page.

Natchitoches Parish Government
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2014

	Special Revenue Funds				
	OHD LIHEAP	DOL CSBG	OCS RSVP	CCIP CACFP	CHC Head Start Handicap
Assets					
Cash	$56,760	$21,431	$2,400	$ 996	$ 23
Revenue Receivables	0	4,910	0	41,901	0
Total Assets	$56,760	$26,341	$2,400	$42,897	$ 23
Liabilities					
Cash Overdraft	$ 0	$ 1,289	$ 0	$ 0	$ 71
Accounts Payable	729	537	0	0	0
Accrued Payroll	0	1,642	0	0	0
Due to Other Governments	0	0	0	0	0
Total Liabilities	$ 729	$ 3,468	$ 0	$ 0	$ 71
Fund Balance					
Restricted	$56,031	$22,873	$2,400	$42,897	$ 0
Unassigned	0	0	0	0	(48)
Total Fund Balance	$56,031	$22,873	$2,400	$42,897	$ (48)
Total Liabilities & Fund Balance	$56,760	$26,341	$2,400	$42,897	$ 23

See notes to financial statements.

Special Revenue Funds						
TTA/ CDA	OCS Food Bank	Elderly Entertainment	Senior Companion Program	Emergency Food & Shelter	Summer Feeding Program	Wal-Mart VAP Fund
$ 0	$0	$601	$ 7,158	$0	$14,354	$787
0	0	0	0	0	0	0
$ 0	$0	$601	$ 7,158	$0	$14,354	$787
$ 366	$0	$ 0	$ 3,836	$0	$ 0	$ 0
0	0	0	5,494	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
$ 366	$0	$ 0	$ 9,330	$0	$ 0	$ 0
$ 0	$0	$601	$ 0	$0	$14,354	$787
(366)	0	0	(2,172)	0	0	0
$(366)	$0	$601	$(2,172)	$0	$14,354	$787
$ 0	$0	$601	$ 7,158	$0	$14,354	$787

Continued next page.

Natchitoches Parish Government
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2014

	Special Revenue Funds	Capital Projects Funds			
	International Paper Grant	Old River Road	FEMA Grant	LCDBG LA STEP Grant	LCDBG Grant
Assets					
Cash	$426	$65,000	$183,797	$1	$1
Revenue Receivables	0	0	0	0	0
Total Assets	$426	$65,000	$183,797	$1	$1
Liabilities					
Cash Overdraft	$ 0	$ 0	$ 0	$0	$0
Accounts Payable	0	0	0	0	0
Accrued Payroll	0	0	0	0	0
Due to Other Governments	0	0	0	0	0
Total Liabilities	$ 0	$ 0	$ 0	$0	$0
Fund Balance					
Restricted	$426	$65,000	$183,797	$1	$1
Unassigned	0	0	0	0	0
Total Fund Balance	$426	$65,000	$183,797	$1	$1
Total Liabilities & Fund Balance	$426	$65,000	$183,797	$1	$1

See notes to financial statements.

Capital Projects Funds		
LCDBG Martco Grant	LA 480 State Grant Fund	Total Nonmajor Governmental Funds
$1	$25,000	$1,180,560
0	0	949,786
$1	$25,000	$2,130,346
$0	$ 0	$ 5,562
0	0	45,539
0	0	16,458
0	0	834,223
$0	$ 0	$ 901,782
$1	$25,000	$2,057,911
0	0	(829,347)
$1	$25,000	$1,228,564
$1	$25,000	$2,130,346

See notes to financial statements.

Natchitoches Parish Government
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
Year Ended December 31, 2014

	Special Revenue Funds				
	Health Unit Maintenance	Criminal Court Fund	Civil Defense Fund	Natchitoches Parish Litter Court	Kisatchie Search & Rescue
Revenues:					
Taxes-					
Ad Valorem	$ 933,258	$ 0	$ 0	$ 0	$ 0
Licenses & Permits	0	0	0	0	0
Intergovernmental-					
Federal Grants	0	0	0	0	0
State Grants	0	4,173	0	0	0
Other Grants	0	352,831	48,545	0	0
Charges for Services	0	0	0	0	0
Fines & Forfeits	0	79,765	0	0	0
Interest & Miscellaneous	1,220	55	0	0	363
Total Revenues	$ 934,478	$ 436,824	$48,545	$ 0	$ 363
Expenditures:					
Current-					
General Government	$ 0	$ 0	$ 0	$ 0	$ 0
Public Safety	0	640,847	51,386	0	0
Public Works	0	0	0	0	0
Health & Welfare	575,890	0	0	0	0
Total Expenditures	$ 575,890	$ 640,847	$51,386	$ 0	$ 0
Excess (Deficiency) of Revenues over Expenditures	$ 358,588	$(204,023)	$ (2,841)	$ 0	$ 363
Other Financing Sources (Uses):					
Operating Transfers In	$ 0	$ 125,000	$ 0	$ 0	$ 0
Operating Transfers Out	(300,000)	0	0	0	0
Total Other Financing	$ (300,000)	$ 125,000	$ 0	$ 0	$ 0
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	$ 58,588	$ (79,023)	$ (2,841)	$ 0	$ 363
Fund Balances (Deficit)- Beginning of Year	1,288,158	164,768	51,310	461	21,146
Fund Balances (Deficit)- End of Year	$1,346,746	$ 85,745	$48,469	$461	$21,509

See notes to financial statements.

Special Revenue Funds

Recreation & Fitness	Planning	Title III Kisatchie Search & Rescue	Public Safety	Criminal Law/ Juror Fees	OCS Operating	OCS Family Daycare
$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
0	137,764	0	0	0	0	0
0	0	38,892	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	24,530	0	0
0	52	0	7,200	0	107	0
$ 0	$137,816	$38,892	$ 7,200	$ 24,530	$107	$ 0
$ 0	$129,679	$ 1,000	$ 120,998	$ 0	$ 69	$ 0
0	0	0	1,078,298	49,246	0	0
0	0	0	0	0	0	0
0	0	0	75,214	0	0	0
$ 0	$129,679	$ 1,000	$ 1,274,510	$ 49,246	$ 69	$ 0
$ 0	$ 8,137	$37,892	$(1,267,310)	$(24,716)	$ 38	$ 0
$ 0	$ 0	$25,298	$ 1,250,902	$ 30,000	$ 0	$ 0
0	0	0	0	0	0	(55)
$ 0	$ 0	$25,298	$ 1,250,902	$ 30,000	$ 0	$(55)
$ 0	$ 8,137	$63,190	$ (16,408)	$ 5,284	$ 38	$(55)
772	61,617	1,000	(810,353)	491	283	55
$772	$ 69,754	$64,190	$ (826,761)	$ 5,775	$321	$ 0

Continued next page.

Natchitoches Parish Government
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
Year Ended December 31, 2014

	Special Revenue Funds				
	OHD LIHEAP	DOL CSBG	OCS RSVP	CCIP CACFP	CHC Head Start Handicap
Revenues:					
Taxes-					
Ad Valorem	$ 0	$ 0	$ 0	$ 0	$ 0
Licenses & Permits	0	0	0	0	0
Intergovernmental-					
Federal Grants	51,669	160,384	8,009	232,459	37,581
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	19,317	23,567	315	569	0
Total Revenues	$70,986	$183,951	$ 8,324	$233,028	$37,581
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	66,016	166,573	6,011	259,626	37,208
Total Expenditures	$66,016	$166,573	$ 6,011	$259,626	$37,208
Excess (Deficiency) of Revenues over Expenditures	$ 4,970	$ 17,378	$ 2,313	$ (26,598)	$ 373
Other Financing Sources (Uses):					
Operating Transfers In	$ 0	$ 840	$ 0	$ 48,620	$ 546
Operating Transfers Out	0	0	(1,291)	0	(977)
Total Other Financing	$ 0	$ 840	$(1,291)	$ 48,620	$ (431)
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	$ 4,970	$ 18,218	$ 1,022	$ 22,022	$ (58)
Fund Balances (Deficit)- Beginning of Year	51,061	4,655	1,378	20,875	10
Fund Balances (Deficit)- End of Year	$56,031	$ 22,873	$ 2,400	$ 42,897	$ (48)

See notes to financial statements.

Special Revenue Funds						
TTA/ CDA	OCS Food Bank	Elderly Entertainment	Senior Companion Program	Emergency Food & Shelter	Summer Feeding Program	Wal-Mart VAP Fund
$ 0	$ 0	$ 0	$ 0	$0	$ 0	$ 0
0	0	0	0	0	0	0
4,453	0	0	181,434	0	104,640	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
150	0	20	50,490	0	0	1,956
$ 4,603	$ 0	$ 20	$231,924	$0	$104,640	$1,956
$ 0	$ 0	$ 0	$ 0	$0	$ 0	$ 0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
7,697	0	0	229,880	0	98,655	1,472
$ 7,697	$ 0	$ 0	$229,880	$0	$ 98,655	$1,472
$(3,094)	$ 0	$ 20	$ 2,044	$0	$ 5,985	$ 484
$ 2,728	$ 0	$ 0	$ 10,756	$0	$ 0	$ 0
0	(786)	0	(2,701)	0	0	0
$ 2,728	$(786)	$ 0	$ 8,055	$0	$ 0	$ 0
$ (366)	$(786)	$ 20	$ 10,099	$0	$ 5,985	$ 484
0	786	581	(12,271)	0	8,369	303
$ (366)	$ 0	$601	$ (2,172)	$0	$ 14,354	$ 787

Continued next page.

Natchitoches Parish Government
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
Year Ended December 31, 2014

	Special Revenue Funds	Capital Projects Funds			
	International Paper Grant	Old River Road	FEMA Grant	LCDBG LA STEP Grant	LCDBG Grant
Revenues:					
Taxes-					
Ad Valorem	$ 0	$ 0	$ 0	$0	$0
Licenses & Permits	0	0	0	0	0
Intergovernmental-					
Federal Grants	0	0	0	0	0
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	0	0	2,442	0	0
Total Revenues	$ 0	$ 0	$ 2,442	$0	$0
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	2,359	0	0	0	0
Total Expenditures	$ 2,359	$ 0	$ 0	$0	$0
Excess (Deficiency) of Revenues over Expenditures	$(2,359)	$ 0	$ 2,442	$0	$0
Other Financing Sources (Uses):					
Operating Transfers In	$ 0	$ 0	$168,425	$0	$0
Operating Transfers Out	0	0	0	0	0
Total Other Financing	$ 0	$ 0	$168,425	$0	$0
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	$(2,359)	$ 0	$170,867	$0	$0
Fund Balances (Deficit)- Beginning of Year	2,785	65,000	12,930	1	1
Fund Balances (Deficit)- End of Year	$ 426	$65,000	$183,797	$1	$1

See notes to financial statements.

Capital Projects Funds		
LCDBG Martco Grant	LA 480 State Grant Fund	Total Nonmajor Governmental Funds
$0	$ 0	$ 933,258
0	0	137,764
0	0	819,521
0	0	4,173
0	0	401,376
0	0	0
0	0	104,295
0	0	107,823
$0	$ 0	$ 2,508,210
$0	$ 0	$ 251,746
0	0	1,819,777
0	0	0
0	0	1,526,601
$0	$ 0	$ 3,598,124
$0	$ 0	$(1,089,914)
$0	$ 0	$ 1,663,115
0	0	(305,810)
$0	$ 0	$ 1,357,305
$0	$ 0	$ 267,391
1	25,000	961,173
$1	$25,000	$ 1,228,564

Natchitoches Parish Government
Supplementary Schedule of Expenditures of Federal Awards
Year Ended December 31, 2014

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Federal Assistance ID Number	Total Current Year Expenditures
DIRECT PROGRAMS:			
U. S. Department of Agriculture-			
Kisatchie National Forest	10.666	N/A	$ 259,282
Federal Emergency Management Agency- Disaster Grants – Public Assistance	97.036		168,424
Department of Health & Human Services-			
Retired Seniors Volunteer Program			
Program Year 7-1-10 - 3-31-14	94.002	10SRWLA006	8,009
Head Start Program			
Program Year 3-1-12 - 6-30-14	93.600	06CH0386	1,149,360
Program Year 7-1-14 - 6-30-15	93.600	06CH7148	883,462
Head Start-Handicap Program			
Program Year 3-1-12 - 6-30-14	93.600	06CH0386	19,409
Program Year 7-1-14 - 6-30-15	93.600	06CH7148	18,171
Head Start TTA/CDA			
Program Year 7-1-14 - 6-30-15	93.600	06CH7148	4,453
Senior Companion Program			
Program Year 9-1-12 - 8-31-14	94.016	13SC155321	133,705
Program Year 9-1-14 – 8-31-15	94.016	14SC167426	47,729

Continued next page.

Natchitoches Parish Government
Supplementary Schedule of Expenditures of Federal Awards-continued
Year Ended December 31, 2014

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Federal Assistance ID Number	Total Current Year Expenditures
PASS-THROUGH PROGRAMS:			
Louisiana Department of Labor-			
Community Services Block Grant-			
Program Year 10-1-14 – 9-30-15	93.569	2013P0079	119,159
Program Year 10-1-13 - 9-30-15	93.569	2014P0079	41,224
Louisiana Housing Finance Agency-			
U.S. Department of Agriculture	93.568		51,669
Louisiana Department of Education-			
Child Care Food Program-			
Program Year 10-1-13 - 9-30-14	10.558		160,084
Program Year 10-1-14 - 9-30-15	10.558		72,375
Summer Food Service Program	10.559		104,639
U. S. Department of Transportation-			
Louisiana Department of Transportation	20.607/20.608		69,865
Totals			$3,311,019

See notes to financial statements.

Natchitoches Parish Government
Notes to the Schedule of Expenditures of Federal Awards
Year Ended December 31, 2014

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 OMB Circular A-133, *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.

OTHER REPORTS

Johnson, Thomas & Cunningham

Certified Public Accountants

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

Mark D. Thomas, CPA – A Professional Corporation
Roger M. Cunningham, CPA – A Professional Corporation
Jessica H. Broadway, CPA – A Professional Corporation
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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, 2014, and the related notes to the financial statements, which collectively comprise the Natchitoches Parish Government's basic financial statements and have issued our report thereon dated June 19, 2015.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Natchitoches Parish Government's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Natchitoches Parish Government's internal control. Accordingly, we do not express an opinion on the effectiveness of the Natchitoches Parish Government's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses.

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

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.

Johnson, Thomas + Cunningham, CPA's

Johnson, Thomas & Cunningham, CPA's

June 19, 2015
Natchitoches, Louisiana

Johnson, Thomas & Cunningham
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

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 Circular A-133 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, 2014. 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 of laws, regulations, contracts, and grants 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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, 2014.

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 OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Natchitoches Parish Government's internal control over compliance.

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

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

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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Johnson, Thomas + Cunningham, CPA's

Johnson, Thomas & Cunningham, CPA's

June 19, 2015
Natchitoches, Louisiana

Natchitoches Parish Government
Schedule of Findings and Questioned Costs
Year Ended December 31, 2014

I. SUMMARY OF AUDIT RESULTS

The following summarize the audit results in accordance with OMB Circular A-133:

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, 2014.

2. The audit disclosed no significant deficiencies in internal control.

3. The audit did not disclose any instances of noncompliance that are required to be reported under *Government Auditing Standards*.

4. The audit did not disclose instances of a material weakness in internal control over major programs.

5. An unmodified opinion was issued on compliance for major programs.

6. The audit did not disclose findings related to federal awards that are required to be reported under OMB Circular A-133.

7. The following program was major for the year ended December 31, 2014:

    - Health and Human Services (CFDA #93.600)

8. $300,000 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*

No findings were identified that were required to be reported in accordance with *Government Auditing Standards*.

Natchitoches Parish Police Jury
Schedule of Prior Year Audit Findings
Year Ended December 31, 2014

Internal Control Findings from Prior Year-

13-01 *Internal Controls over Program Revenues and Expenditures*

Finding – OCS personnel are not reconciling requests for funds to the general ledgers for all OCS funds. As a result, we are unable to determine expenditures by program year based on the general ledgers and other books of account for the CSBG fund.

Current Status – At December 31, 2014, this condition was cleared.

13-02 *Record Retention-Head Start CFDA # 93.600*

Finding – The record keeping policy of the Head Start program does not allow employees, management, and auditors to research and reconcile substantive documents to reported amounts on grant financial statements without detailed explanations provided by the Head Start accountant. Questioned costs are unknown.

Current Status – At December 31, 2014, this condition was cleared.

Compliance Findings from Prior Year-

13-03 *Compliance with Local Government Budget Act*

Finding – For the year ended December 31, 2013 actual revenues were less than budgeted revenues by more than 5% for the Library, and the budget was not amended accordingly.

Current Status – At December 31, 2014, this condition was cleared.