

**DESOTO PARISH TAX ASSESSOR  
MANSFIELD, LOUISIANA**

**ANNUAL FINANCIAL REPORT  
DECEMBER 31, 2020**

DeSoto Parish Assessor  
Mansfield, Louisiana

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**INDEPENDENT AUDITOR'S REPORT**

DeSoto Parish Tax Assessor  
212 Adams Street  
Mansfield, Louisiana 71052

We have audited the accompanying financial statements of the governmental activities and major fund of the DeSoto Parish Tax Assessor (Assessor), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Assessor's basic financial statements as listed in the table of contents.

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

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

**Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, 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.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the Assessor, as of December 31, 2020, 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 4 through 8 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Management's Discussion and Analysis in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

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

The Budgetary Comparison Schedule, Schedule of Proportionate Share of Net Pension Liability, Schedule of Employer Pension Contributions, Schedule of Changes in Net OPEB Liability and Related Ratios, and the Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Budgetary Comparison Schedule, Schedule of Proportionate Share of Net Pension Liability, Schedule of Employer Pension Contributions, Schedule of Changes in Net OPEB Liability and Related Ratios, and the Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer are fairly stated in all material respects in relation to the financial statements as a whole.

*Other Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2021, on our consideration of the Assessor's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Assessor's internal control over financial reporting and compliance.

*Thomas, Cunningham, Broadway & Todtenbier, CPA's*

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

June 21, 2021

**DESOTO PARISH TAX ASSESSOR**  
Mansfield, Louisiana

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
For the year ending December 31, 2020

Within this section of the DeSoto Parish Tax Assessor's (the Assessor or Office) annual financial report, the Assessor's management is pleased to provide this narrative overview and analysis of the financial activities of the Assessor as of and for the fiscal year ended December 31, 2020. The Assessor's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section. We encourage readers to consider the information presented here in conjunction with the Assessor's basic financial statements and supplementary information provided in this report in assessing the efficiency and effectiveness of our stewardship of public resources.

**FINANCIAL HIGHLIGHTS**

- The DeSoto Parish Tax Assessor's net position increased by \$898,448 or 7% in December 31, 2020 compared to an increase of \$887,447 or 8% in 2019.
- Property taxes increased \$34,875 (1.95%) to \$1,822,336 during the year ended December 31, 2020 compared to \$1,787,461 during 2019.
- The DeSoto Parish Tax Assessor's total general and program revenues decreased by \$42,353 or 2.14%.
- During the year ended December 31, 2020, the DeSoto Parish Tax Assessor had total expenses of \$1,029,331, excluding depreciation of \$8,790, compared to \$1,082,110 in 2019. This reflects a decrease of \$52,779 or 4.88% during the year ended December 31, 2020.

**OVERVIEW OF FINANCIAL STATEMENTS**

This Management Discussion and Analysis document introduces the basic financial statements which include government-wide financial statements and fund financial statements. These two types of financial statements present the Assessor's Office's financial position and results of operations from differing perspectives, which are described as follows:

**Government-Wide Financial Statements**

The government-wide financial statements report information about the Assessor's Office as a whole using accounting methods similar to those used by private-sector companies. These report all revenues and expenses regardless of when cash is received or paid. Furthermore, the government-wide statements include all of the Office's assets and all of its liabilities. All of the Office's activities are classified as governmental activities in the government-wide financial statements. The governmental activities are financed primarily by property taxes and related revenue sharing.

**Fund Financial Statements**

Fund financial statements provide detailed information regarding the Office's most significant activities and are not intended to provide information for the Office as a whole. Funds are accounting devices that are used to account for specific sources of funds. All of the Office's funds are limited to its general fund, which is classified as a Governmental Fund. This fund is used to account for essentially the same functions that are reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, the governmental fund uses a modified accrual basis of accounting that provides a short-term view of the Office's finances. Assets reported by the governmental fund are limited to amounts that are available for current needs.

In addition, liabilities are limited to amounts that are expected to be paid from currently available assets.

#### **Notes to the Financial Statements**

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

#### **Required Supplementary Information**

The basic financial statements are followed by a section of required supplementary information. This section includes the budgetary comparison schedule for the General Fund. Annual budgets are prepared on the cash basis. There is also a schedule of changes in net OPEB liability and related ratios. To comply with GASB 68, there are two schedules detailing the DeSoto Assessor's proportionate share of net pension liability and pension contributions.

**Other Supplementary Information.** The schedule of compensation, benefits and other payments to agency head or chief executive officer is presented to fulfil the requirements of Louisiana Revised Statute 24:513(A)(3).

#### **FINANCIAL ANALYSIS OF THE ASSESSOR'S OFFICE AS A WHOLE**

##### **Net Position**

Net position may serve over time as a useful indicator of the DeSoto Parish Tax Assessor's financial position. The total net position changed from a year ago, increasing from \$12,190,132 in 2019 to \$13,088,580 in 2020.

The DeSoto Parish Tax Assessor continues to maintain a high level of liquidity with \$14,083,526 (108%) of net position invested in demand deposits, LAMP securities, and certificates of deposit with various financial institutions as of December 31, 2020.

At December 31, 2020, \$6,953 (0.05%) of the Assessor's net position reflects capital assets with a historical cost of \$173,777 and accumulated depreciation of \$166,824.

Ad valorem taxes receivable increased by \$45,590.

The largest portion of the Assessor's net position \$13,081,627 (99.95%) as of December 31, 2020, and \$12,174,389 (99.87%) as of 2019, is unrestricted and may be used to meet the ongoing obligations to the citizens of DeSoto Parish.

The following table provides a summary of the Assessor's net position:

Assets	2020	2019	% Change
Cash	\$ 9,059,565	\$ 9,444,056	-4%
Investments	5,023,961	3,618,864	39%
Taxes Receivables	1,829,647	1,784,057	3%
Accrued Interest	6,849	4,221	62%
Prepaid Expenses	9,393	9,421	0%
Capital Assets, Net of Depreciation	6,953	15,743	-56%
Right of Use Assets, Net of Amortization	5,043	17,626	-71%
Total Assets	<u>15,941,411</u>	<u>14,893,988</u>	<u>7%</u>
Deferred Outflows of Resources			
OPEB related	820,416	766,363	7%
Pension related	348,649	272,605	28%
Total Deferred Outflows of Resources	<u>1,169,065</u>	<u>1,038,968</u>	<u>35%</u>
Liabilities			
Current Liabilities			
Accounts Payable	3,343	12,876	-74%
Salaries and Benefits Payable	14,721	28,226	-48%
Long-term Liabilities			
Accrued Compensated Absences	32,981	28,787	15%
Lease Obligations	6,217	18,225	-66%
Other Postemployment Benefit Obligation	3,057,385	3,242,363	-6%
Net pension liability	148,441	242,133	-39%
Total Liabilities	<u>3,263,088</u>	<u>3,572,610</u>	<u>-9%</u>
Deferred Inflows of Resources			
OPEB related	515,380	14,213	3526%
Pension related	243,428	156,001	56%
Total Deferred Inflows of Resources	<u>758,808</u>	<u>170,214</u>	<u>346%</u>
Net Position			
Unrestricted	13,081,627	12,174,389	7%
Net Investment in Capital Assets	6,953	15,743	-56%
Total Net Position	<u>\$ 13,088,580</u>	<u>\$ 12,190,132</u>	<u>7%</u>

### Changes in Net Position

An analysis of the government-wide Statement of Activities is presented as follows:

Revenues	2020	2019	% Change
Program Revenue			
Charges for Services	\$ 4,362	\$ 4,656	-6%
General Revenue			
Property taxes	1,822,336	1,787,461	2%
State Revenue Sharing	15,056	14,968	1%
Investment Earnings	94,734	171,762	-45%
Miscellaneous	81	75	8%
Total Revenue	<u>1,936,569</u>	<u>1,978,922</u>	<u>-2%</u>
 Program Expenses			
General Government	<u>1,038,121</u>	<u>1,091,475</u>	<u>-5%</u>
 Change in Net Position	898,448	887,447	1%
Net Position Beginning	<u>12,190,132</u>	<u>11,302,685</u>	<u>8%</u>
Net Position Ending	<u>\$ 13,088,580</u>	<u>\$ 12,190,132</u>	<u>7%</u>

As the above presentation demonstrates, the Assessor's Office has increased its reserves by \$898,448 or 7%.

The DeSoto Assessor received \$1,822,336 (94%) and \$1,787,461 (90%) of its total revenues through property taxes during 2020 and 2019, respectively.

Approximately 0.23% (\$4,362) of the Fund's total revenue was derived through charges for services compared to 0.24% (\$4,656) in 2019.

The Office continues to have a substantial amount of net position. This financial trend is expected to continue in the near future.

### FINANCIAL ANALYSIS OF THE ASSESSOR'S FUND

For the year ended December 31, 2020, differences between the government-wide presentation and the fund financial statements were due to acquisition of capital outlays, depreciation charges associated with capital assets, amortization charges and principal payments on leases of right of use assets, differences in unavailable property tax revenue and prepaid expenses, net pension liability and other postretirement benefit obligations.

### GENERAL BUDGET BUDGETARY HIGHLIGHTS

Formal budgetary integration is employed as a management control device during the fiscal year. The budget policy of the Assessor complies with state law, as amended, and as set forth in Louisiana Revised Statutes Title 39, Chapter 9, Louisiana Local Government Budget Act (LSA-RS 39:1301 et seq.). The Assessor's budget was not amended during 2020. The Assessor's budget is based on the Government Fund's Statement of Revenues, Expenditures, and Changes in Fund Balance. The actual revenues were \$37,537 (1.90%) less than the budgeted amounts. The actual expenditures were \$461,693 (35.34%) less than the budgeted amounts.

#### **CAPITAL ASSET ADMINISTRATION**

There were no capital asset purchases for the year ended December 31, 2020.

#### **DEBT ADMINISTRATION**

For the year ended December 31, 2020, there was no debt activity and no debts are outstanding at year-end.

#### **ECONOMIC FACTORS EXPECTED TO EFFECT FUTURE OPERATIONS**

The following economic factors were considered when the budget for the fiscal year ended December 31, 2021, was prepared:

- Revenues are expected to remain consistent with the prior year.
- Other expenditures are expected to remain consistent with the prior year.

#### **REQUEST FOR INFORMATION**

This report is designed to provide a general overview of the DeSoto Assessor's finances and seeks to demonstrate the Assessor's accountability for the money she receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Anne Gannon, Assessor, 212 Adams Street, Mansfield, Louisiana, 71052.

BASIC FINANCIAL STATEMENTS

STATEMENT A

## DESOTO PARISH TAX ASSESSOR

Mansfield, Louisiana

## GOVERNMENTAL FUNDS BALANCE SHEET / STATEMENT OF NET POSITION

December 31, 2020

	Governmental Funds Financial Statements		Adjustments	Government-wide Statements
	Balance Sheet			Statement of
	General Fund			Net Position
<b>ASSETS</b>				
Cash and cash equivalents	\$ 9,059,565	\$ -	\$ -	\$ 9,059,565
Investments	5,023,961	-	-	5,023,961
Ad valorem tax receivable	1,829,647	-	-	1,829,647
Accrued interest	6,849	-	-	6,849
Prepaid expenses	-	9,393	-	9,393
Capital assets, net of accumulated depreciation, (see note 4)	-	6,953	-	6,953
Right-of-use assets, net of accumulated amortization, (see note 7)	-	5,043	-	5,043
<b>TOTAL ASSETS</b>	<b>15,920,022</b>	<b>21,389</b>		<b>15,941,411</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
OPEB related	-	820,416	-	820,416
Pension related	-	348,649	-	348,649
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>-</b>	<b>1,169,065</b>		<b>1,169,065</b>
<b>LIABILITIES</b>				
Accounts payable	3,343	-	-	3,343
Salaries and benefits payable	14,721	-	-	14,721
Accrued compensated absences	-	32,981	-	32,981
Lease obligation	-	6,217	-	6,217
Other postemployment benefit obligations	-	3,057,385	-	3,057,385
Net pension liability	-	148,441	-	148,441
<b>TOTAL LIABILITIES</b>	<b>18,064</b>	<b>3,245,024</b>		<b>3,263,088</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable ad valorem taxes	54,489	(54,489)	-	-
OPEB related	-	515,380	-	515,380
Pension related	-	243,428	-	243,428
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>54,489</b>	<b>704,319</b>		<b>758,808</b>
<b>FUND BALANCE/NET POSITION</b>				
Fund Balances:				
Unassigned	15,847,469	(15,847,469)	-	-
<b>TOTAL FUND BALANCES</b>	<b>15,847,469</b>	<b>(15,847,469)</b>		<b>-</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 15,920,022</b>	<b>(11,898,126)</b>		
Net Position:				
Net investment in capital assets		6,953		6,953
Unrestricted		13,081,627		13,081,627
<b>TOTAL NET POSITION</b>		<b>\$ -</b>		<b>\$ 13,088,580</b>

The notes to the financial statements are an integral part of this statement.  
See the accompanying independent auditor's report.

**DESOTO PARISH TAX ASSESSOR**  
Mansfield, Louisiana  
**Reconciliation of Fund Balance on the Balance Sheet for Governmental Funds to  
Net Position of Governmental Activities on the Statement of Net Position**  
December 31, 2020

<b>Fund Balance - Governmental Fund</b>	<b>\$</b>	<b>15,847,469</b>
Amounts reported for governmental activities in the statement of net position are different because:		
Prepaid expenses involve payment with current financial resources that are attributable to fiscal periods beyond the end of the current year.		9,393
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		6,953
Right-of-use assets for equipment used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		5,043
Certain deferred outflows are reported in the governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Deferred outflows-OPEB		820,416
Deferred outflows-pension related		348,649
Unavailable ad valorem taxes are reported as deferred inflows of resources in the governmental funds, but are reflected as income in the Government-wide statement.		54,489
Long-term liabilities are not due and payable on the current period, and therefore, are not reported in the governmental fund:		
Lease obligations		(6,217)
Other postemployment obligations liability		(3,057,385)
Accrued compensated absences		(32,981)
Deferred inflows-OPEB		(515,380)
Deferred inflows-pension related		(243,428)
Net pension liability		(148,441)
<b>Total Net Position of Government Activities</b>	<b>\$</b>	<b><u>13,088,580</u></b>

The notes to the financial statements are an integral part of this statement.  
See the accompanying independent auditor's report.

## STATEMENT C

**DESOTO PARISH TAX ASSESSOR**  
Mansfield, Louisiana

**STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE /**  
**STATEMENT OF ACTIVITIES**  
For the year ended December 31, 2020

	Governmental Funds Financial Statements		Government-wide Statements
	Statement of Revenues, Expenditures, and Changes in Fund Balance		Statement of Activities
	General Fund	Adjustments	
<b>EXPENDITURES/EXPENSES</b>			
General Government-Taxation:			
Personnel services & related benefits	\$ 723,660	\$ 184,021	\$ 907,681
Operating expenses	84,938	(11,980)	72,958
Material & supplies	20,944	-	20,944
Travel & other charges	14,788	-	14,788
Capital outlays	-	-	-
Interest	377	-	377
Depreciation	-	8,790	8,790
Amortization	-	12,583	12,583
<b>TOTAL EXPENDITURES/EXPENSES</b>	<u>844,707</u>	<u>193,414</u>	<u>1,038,121</u>
<b>PROGRAM REVENUES</b>			
Charges for services	4,362	-	4,362
<b>TOTAL PROGRAM REVENUES</b>	<u>4,362</u>	<u>-</u>	<u>4,362</u>
<b>NET PROGRAM EXPENSE</b>	<u>(840,345)</u>	<u>(193,414)</u>	<u>(1,033,759)</u>
<b>GENERAL REVENUES</b>			
Property taxes	1,824,694	(2,358)	1,822,336
State revenue sharing	15,056	-	15,056
Miscellaneous income	81	-	81
Investment earnings	94,734	-	94,734
<b>TOTAL GENERAL REVENUES</b>	<u>1,934,565</u>	<u>(2,358)</u>	<u>1,932,207</u>
<b>NET CHANGE IN FUND BALANCE/ CHANGE IN NET POSITION</b>	1,094,220	(195,772)	898,448
<b>Other financing sources(uses):</b>			
Proceeds from capital leases	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS (Deficiency) of REVENUES OVER EXPENDITURES / CHANGE IN NET ASSETS</b>	1,094,220	(195,772)	898,448
<b>FUND BALANCE / NET POSITION</b>			
Beginning of the year	14,753,249		12,190,132
End of the year	<u>\$ 15,847,469</u>		<u>\$ 13,088,580</u>

The notes to the financial statements are an integral part of this statement.  
See the accompanying independent auditor's report.

**DESOTO PARISH TAX ASSESSOR**  
Mansfield, Louisiana  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes in  
Fund Balance of the Governmental Fund to the Statement of Activities**  
For the year ended December 31, 2020

<b>Net change in Fund Balance - Governmental Fund</b>	\$	1,094,220
<p>Governmental funds report expenses that involve payments with current financial resources, such as insurance and maintenance contracts, in the year in which it is paid. In the Statement of Activities, payments that are attributable in current periods are recognized.</p>		
Decrease in prepaid expenses		(28)
<p>Governmental funds report capital outlays as expenditures. However in the Statement of Activities, the cost of the assets are capitalized and allocated over their estimated useful lives and reported as depreciation expense. Therefore, capital expenditures are not recorded in the statement of</p>		
Capital outlays		-
Depreciation		(8,790)
<p>Revenue in the Statement of Activities that does not provide current financial resources are not reported as revenues in the funds. The change in unavailable ad valorem taxes is, therefore, not included.</p>		
		(2,358)
<p>Amortization expense on the Right of Use Assets is reported in the Government -wide financial statements, but does not require the use of current financial resources and is not reported in the fund financial statements.</p>		
Amortization		(12,583)
<p>Payments made on long-term leases are shown as expenditures in the Governmental Funds, but the payments reduce long-term liabilities in the Statement of Net Position.</p>		
Principal payments on capital leases		12,008
<p>In the Statement of Activities pension and other postemployment benefits are reported in the government-wide statements, but not in the governmental fund statements.</p>		
Pension expense	\$	(59,522)
Non-employer contributions to cost-sharing pension plan		141,831
Other postemployment benefits		(262,136)
Compensated absences		(4,194)
		(184,021)
<b>Net change in Net Position</b>	<b>\$</b>	<b>898,448</b>

The notes to the financial statements are an integral part of this statement.  
See the accompanying independent auditor's report.

NOTES TO FINANCIAL STATEMENTS

**DESOTO PARISH TAX ASSESSOR**  
**Mansfield, Louisiana**  
Notes to Financial Statements  
December 31, 2020

## INTRODUCTION

As provided by LSA-RS 47:1901, the Assessor is elected by the voters of the parish and serves a four-year term. The Assessor enumerates, lists, and assesses all real and movable property in the parish, subject to ad valorem taxation. The Assessor is authorized to appoint as many deputies as may be necessary for the efficient operation of the office and to provide assistance to the taxpayers of the parish. The deputies are authorized to perform all functions of the office, but the Assessor is officially and pecuniary responsible for the actions of the deputies.

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

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of the DeSoto Parish Tax Assessor have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements and Management's Discussion and Analysis—For State and Local Governments*, issued in June 1999; Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*; and Statement 65, *Items Previously Reported as Assets and Liabilities*. Such accounting and reporting policies also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the *Louisiana Government Audit Guide*. The more significant accounting policies established by GAAP and used by the DeSoto Parish Tax Assessor are discussed below.

#### A. REPORTING ENTITY

Governmental Accounting Standards Board Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. The basic criterion for including a potential component unit within the reporting entity is financial accountability. Although the DeSoto Parish Police Jury is required to provide office space, janitorial services and utilities for the DeSoto Assessor, the DeSoto Assessor is not financially accountable to the Police Jury since 1) the Assessor is a separately elected official; 2) the Assessor is a legally separate organization and holds its own corporate powers; and 3) the Assessor does not require approval from the Police Jury for its budget, to levy taxes, or to issue debt.

For financial reporting purposes, in conformance with GASB Statement No. 14, the DeSoto Parish Tax Assessor includes all funds that are within the oversight responsibility of the Assessor. Oversight responsibility is determined on the basis of appointment of governing body, ability to significantly influence operations, accountability for fiscal matters, and the nature and significance of an organization's relationship. Based on this criterion, the DeSoto Parish Tax Assessor has no component units.

#### B. MEASUREMENT FOCUS / BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" revenues, expenditures, expenses, and transfers—and assets, deferred outflows of resources, liabilities, and deferred inflows of resources—are recognized in the accounts and reported in the financial statements.

**DESOTO PARISH TAX ASSESSOR**  
**Mansfield, Louisiana**  
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**1.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**B. MEASUREMENT FOCUS / BASIS OF PRESENTATION (continued)**

On the government-wide Statement of Net Position and the Statement of Activities, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery) and financial position. All assets and liabilities (whether current or non-current) associated with its activities are reported. Government-wide fund equity is classified as net position.

In the fund financial statements, the "current financial resources" measurement focus is used. Only current financial assets and liabilities are generally included on its balance sheet. The statement of revenues, expenditures, and changes in fund balance reports sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of available spendable financial resources during a given period. This approach is then reconciled, through adjustment, to a government-wide view of the operations.

The DeSoto Parish Tax Assessor's basic financial statements consist of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

**Government-Wide Financial Statements**

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include the fund of the reporting entity, which is considered to be a governmental activity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Assessor's governmental activities. Direct expenses are those that are specifically associated with a program or function. Program revenues include (a) fees and charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

**Fund Financial Statements**

The accounts of the Assessor are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations. The major governmental fund of the Assessor is described below:

**General Fund.** The General Fund, as provided by Louisiana Revised Statute 47:1906 is the primary operating fund of the Assessor and is used to account for the operations of the Assessor. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to the Assessor's policy.

**DESOTO PARISH TAX ASSESSOR**  
**Mansfield, Louisiana**  
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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. BASIS OF ACCOUNTING**

In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

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. Revenues are classified by source and expenditures are classified by function and character. Expenditures (including capital outlays) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, attach as an enforceable lien, and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31, 2020. The taxes are normally collected in December of the current year and January and February of the ensuing year.

State revenue sharing is recorded in the year the Assessor is entitled to the funds. Fees for preparing tax rolls are recognized in the period in which they are paid. Interest income on demand deposits is recorded monthly when the interest is earned and credited to the Assessor's account. Interest income on time deposits is accrued at year end.

Expenditures

Salaries and related benefits are recorded when employee services are provided. Purchases of various operating supplies are recorded as expenditures in the accounting period in which they are purchased. Substantially all other expenditures are recognized when the related fund liability is incurred.

**D. CASH AND INVESTMENTS**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts or nonnegotiable certificates of deposit. Under state law, the Assessor may deposit funds with a fiscal agent organized under the laws of Louisiana, the laws of any other state in the union, or the laws of the United States. The Assessor may invest in United States bonds, treasury notes and bills, government-backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool.

**DESOTO PARISH TAX ASSESSOR**  
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December 31, 2020

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**E. PREPAID EXPENSES**

Payments made to vendors for services that will benefit periods beyond December 31, 2020, are recorded as prepaid expenses.

**F. ACCOUNTS RECEIVABLE**

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

**G. CAPITAL ASSETS**

Capital assets which include property, plant, equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost. The Assessor maintains a threshold level of \$2,500 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 asset lives are not capitalized. Capital assets are recorded in the Statement of Net Position and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Auto	5 years
Computers and Peripherals	5 years
Office Equipment, Furniture, and Fixtures	5 years

Depreciation of all exhaustible capital assets is reported as an expense in the statement of activities, with accumulated depreciation reflected in the statement of net position.

**H. COMPENSATED ABSENCES**

The Assessor has the following policy relating to vacation and sick leave:

Employees of the Assessor's office receive 5 to 10 days of noncumulative vacation leave each year. Full-time employees earn five days of sick leave each year. Upon termination, employees may be paid for sick leave up to thirty days. At December 31, 2020, there are no accumulated or vested benefits relating to vacation.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as current-year expenditures in the General Fund when leave is actually taken.

**I. EQUITY CLASSIFICATIONS**

Net Position

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

- a. Net investment in capital assets – consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increase by balances of deferred outflows of resources related to those assets.

**DESOTO PARISH TAX ASSESSOR**  
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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**I. EQUITY CLASSIFICATIONS (continued)**

- b. Restricted net position – net position is considered restricted if its use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or buyers of the Assessor's bonds. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.
- c. Unrestricted net position – consists of all other net position that does not meet the definition of the above two components and is available for general use by the Assessor.

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

Fund Balances

In accordance with GASB 54, the Assessor classifies fund balances in governmental funds as follows:

- Nonspendable--Amounts that are not in spendable form (such as prepaid expenses) or because they are legally or contractually required to be maintained intact.
- Restricted--Amounts constrained to specific purposes by their providers (such as grantors or higher levels of government), through constitutional provisions, or by enabling legislation.
- Committed--Amounts constrained by the Assessor. To be reported as committed, amounts cannot be used for any other purpose unless the Assessor takes the action to remove or change the constraint.
- Assigned--Amounts the Assessor intends to use for a specific purpose.
- Unassigned--All amounts not included in other spendable classifications.

The Assessor would typically apply an expenditure toward restricted fund balance and then to the other, less restrictive classifications – committed and then assigned fund balances before using unassigned fund balances.

**J. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

The Desoto Tax Assessor reports decreases in net assets that relate to future periods as deferred outflows of resources in a separate section of its government-wide statements of net position. Deferred outflows of resources reported in this year's financial statements include deferred outflow of resources for contributions made to the Assessor's defined benefit pension and OPEB plans between the measurement date of the net pension liabilities from those plans and the end of the Assessor's fiscal year. No deferred outflows of resources affect the governmental funds financial statement in the current year.

The DeSoto Tax Assessor's statements of net position and its governmental fund balance sheet report a separate section for deferred inflows of resources. This separate financial statement elements reflects an increase in net assets that applies to a future period(s). Deferred inflows of resources are reported in the Assessor's various statements of net position for actual pension investment earnings in excess of the expected amounts included in determining pension expense. The deferred inflows of resources is attributed to pension expense over a total of 6 years, including the current year. In its governmental funds, the only deferred inflow of resources is for revenues that are not considered available. The Assessor will not recognize the related revenues until they are available (collected not later than 60 days after the end of the Assessor's fiscal year) under the modified accrual basis of accounting. Accordingly, unavailable revenues from property taxes and grants are reported in the governmental funds balance sheet.

**DESOTO PARISH TAX ASSESSOR**  
**Mansfield, Louisiana**  
Notes to Financial Statements  
December 31, 2020

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**K. UNAVAILABLE AD VALOREM TAXES**

Under the modified accrual basis of accounting, the DeSoto Parish Assessor's governmental funds will not recognize revenue until they are available (collected not later than 60 days after the Assessor's year end).

**L. PENSION PLANS**

The DeSoto Parish Tax Assessor is a participating employer in a cost-sharing, multiple-employer qualified governmental defined benefit pension plan as described in Note 5. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to deductions for the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within the plan.

**M. OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

The DeSoto Parish Tax Assessor follows GASB Statement 75 "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*," which requires the accrual of other postemployment benefits for retired employees. The Assessor has recorded a liability for other postemployment benefits (see Note 6). In the government-wide financial statements, the other postemployment benefits liability is recorded as an expense and non-current liability and allocated on a functional basis. In the fund financial statements, other postemployment expenditures are recognized in the amount contributed to the plan or expected to be liquidated with expendable available financial resources. Expendable available financial resources generally refer to other postemployment benefit payments due and payable as of the end of the year.

**N. USE OF ESTIMATES**

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

**2. AD VALOREM TAXES**

The Assessor levies taxes on real and business personal property located within the boundaries of DeSoto Parish. Property taxes are levied by the Assessor on property values assessed by the Assessor and approved by the State of Louisiana Tax Commission. For the year ended December 31, 2020, the Assessor authorized ad valorem tax millages of 4.07 mills and levied taxes of 2.5 mills.

The DeSoto Parish Sheriff's office bills and collects property taxes for the Assessor. Collections are remitted to the Assessor monthly. The Assessor recognizes property tax revenues when levied.

**DESOTO PARISH TAX ASSESSOR**  
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December 31, 2020

**2. AD VALOREM TAXES (continued)**

The property tax calendar:

Assessment date	January 1, 2020
Levy date	June 30, 2020
Tax bills mailed	October 15, 2020
Total taxes are due	December 31, 2020
Penalties & interest added	January 31, 2021
Tax sale	May 16, 2021

A revaluation of all property is required to be completed not less than every four years. The last revaluation was completed for the roll of January 1, 2020. Total assessed value was \$757,797,295 in 2020. Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was a total of \$43,308,928 of the assessed value in 2020.

The following are the principal taxpayers for the Parish (2020 amounts):

TAXPAYER	TYPE OF BUSINESS	ASSESSED VALUATION	% OF TOTAL ASSESSED VALUATION	Ad Valorem Tax Revenue for Assessor
International Paper Co.	Manufacturing	\$ 78,392,930	10.34%	188,477
Indigo Minerals LLC	Oil & Gas	58,131,562	7.67%	139,764
Comstock Oil & Gas, LP	Oil & Gas	51,250,784	6.76%	123,220
Exco Operating Co.	Oil & Gas	48,295,767	6.37%	116,116
Chesapeake Operating	Oil & Gas	37,859,168	5.00%	91,023
Southwestern Electric Company	Utility	38,155,395	5.04%	91,736
Louisiana Midstream Gas	Oil & Gas	24,648,460	3.25%	59,261
Cleco Power LLC	Utility	29,906,737	3.95%	71,904
Enterprise Gathering LLC	Oil & Gas	22,565,258	2.98%	54,253
Acadian Gas Pipeline System	Oil & Gas	22,355,670	2.95%	53,749
Total		\$ 411,561,731	54%	989,501

**3. CASH AND INVESTMENTS***Cash:*

At December 31, 2020, the DeSoto Parish Tax Assessor has cash (book balances) totaling \$1,552,406 and LAMP deposits of \$7,507,159 for a total of \$9,059,565.

The LAMP deposits are stated at fair value based upon quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

*Investments:*

At December 31, 2020, the DeSoto Parish Tax Assessor has the following investments and maturities:

Type of Investment	Fair Value
One-year Certificates of Deposit	\$ 5,023,961

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**3. CASH AND INVESTMENTS (continued)**

The certificates of deposit are stated at cost, which approximates fair market value.

The cash and investments of the DeSoto Parish Tax Assessor 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 the amount on deposit with the fiscal agent. 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 of the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Assessor that the fiscal agent 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 Assessor's name.

At December 31, 2020, the Assessor had \$6,576,367 in deposits (collected bank balances). These deposits are secured from risk by \$754,264 of federal deposit insurance; \$5,822,103 is pledged by marketable securities held by the custodial bank with a market value of \$6,161,368.

*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 of its fair value is to changes in market interest rates. The Assessor 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 Assessor's certificates of deposit have maturities of one year or less which limits exposure to fair value losses arising from rising interest rates.

*Credit risk:* Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. The Assessor's investments comply with Louisiana Statutes (LSA R.S. 33:2955). Under state law, the Assessor may deposit funds with a fiscal agent organized under the laws of Louisiana, the laws of any other state in the union, or the laws of the United States. The Assessor may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

Cash equivalent investments held at December 31, 2020 include \$7,507,159 with the Louisiana Asset Management Pool (LAMP), a local government investment pool. The Louisiana Asset Management Pool is administered by LAMP Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds, in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP, Inc. is subject to the regulatory oversight of the state treasurer and a board of directors. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP is not registered with the SEC as an investment company.

**DESOTO PARISH TAX ASSESSOR**  
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#### 4. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2020, is as follows:

<u>Governmental Activities</u>	December 31, 2019	Additions	Deletions	December 31, 2020
Auto	\$ 16,453	\$ -	\$ -	\$ 16,453
Computers and Peripherals	124,261	-	-	124,261
Furniture and Fixtures	24,570	-	-	24,570
Office Equipment	8,493	-	-	8,493
Total	<u>173,777</u>	<u>-</u>	<u>-</u>	<u>173,777</u>
Less Accumulated Depreciation				
Auto	16,453	-	-	16,453
Computers and Peripherals	108,518	8,790	-	117,308
Furniture and Fixtures	24,570	-	-	24,570
Office Equipment	8,493	-	-	8,493
Total	<u>158,034</u>	<u>8,790</u>	<u>-</u>	<u>166,824</u>
Capital Assets, Net	<u>\$ 15,743</u>	<u>\$ (8,790)</u>	<u>\$ -</u>	<u>\$ 6,953</u>

Depreciation expense of \$8,790 was charged to the general government taxation function.

#### 5. PENSION PLAN

Plan Description - Substantially all employees of the DeSoto Parish Tax Assessor's office are members of the Louisiana Assessors Retirement Fund (Fund), a cost-sharing multiple-employer defined benefit pension plan administered by a separate board of trustees. The Fund issues an annual publicly available financial report that includes financial statements and required supplementary information for the Fund. That report may be obtained by writing to the Louisiana Assessors' Retirement Fund, Post Office Box 14699, Baton Rouge, LA 70898-4699, or by calling (225) 928-8886.

Eligibility Requirements - Employees who were hired before October 1, 2013 will be eligible for pension benefits once they have either reached the age of fifty-five and have at least twelve years of service or have at least thirty years of service, regardless of age. Employees who were hired on or after October 1, 2013, will be eligible for pension benefits once they have either reached the age of sixty and have at least twelve years of service or have reached the age of fifty-five and have at least thirty years of service.

Retirement Benefits - Employees who became members prior to October 1, 2006 are entitled to annual pension benefits equal to three and one third percent of their average final compensation based on the 36 consecutive months of highest pay, multiplied by their total years of service, not to exceed 100% of final compensation. Members whose first employment making them eligible for membership began on or after October 1, 2006, but before October 1, 2013, are entitled to annual pension benefits equal to three and one-third percent of their highest monthly average final compensation received during any 60 consecutive months, multiplied by their total years of service, not to exceed 100% of monthly average final compensation. Members whose first employment making them eligible for membership began on or after October 1, 2013, but who have less than thirty years of service, are entitled to annual pension benefits equal to three percent of their highest of their highest monthly average final compensation received during any 60 consecutive months, multiplied by their total years of service, not to exceed 100% of monthly average final compensation. Members whose first employment making them eligible for membership began on or after October 1, 2013 and have thirty or more years of service, are entitled to annual pension benefits equal to three and one-third percent of their highest monthly average final compensation received during any 60 consecutive months, multiplied by their total years of service, not to exceed 100% of monthly average final compensation. Employees who become members on or after October 1, 2006 will have their

**DESOTO PARISH TAX ASSESSOR**  
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**5. PENSION PLAN (continued)**

benefit based on the highest 60 months of consecutive service. Employees may elect to receive their pension benefits in the form of a joint/survivor annuity.

If employees terminate before rendering 12 years of service, they forfeit the right to receive the portion of their accumulated plan benefits attributable to the employer's contributions. Benefits are payable over the employees' lives in the form of a monthly annuity. Employees may elect a reduced benefit or any of four options at retirement.

Survivor Benefits – The Fund provides benefits for surviving spouses and minor children under certain conditions which are outlined in the Louisiana Revised Statutes.

Disability Benefits – The Board of Trustees shall award disability benefits to eligible members who have been officially certified as disabled by the State Medical Disability Board. The disability benefit shall be the lesser of the following: 1) A sum equal to the greater of 45% of final average compensation, or the members accrued retirement benefit at the time of termination of employment due to disability; or 2) The retirement benefit which would be payable assuming accrued creditable service plus additional accrued service, if any, to the earliest normal retirement age based on final average compensation at the time of termination of employment due to disability.

Upon approval for disability benefits, the member shall exercise an optional retirement allowance as provided in R. S. 11:1423 and no change in the option selected shall be permitted after it has been filed with the board. The retirement option factors shall be the same as those utilized for regular retirement based on the age of the retiree and that of the spouse, had the retiree continued in active service until the earliest normal retirement date.

Back-Deferred Retirement Option Plan (Back-DROP) – In lieu of receiving a normal retirement benefit pursuant to R.S. 11:1421 through 1423, an eligible member of the Fund may elect to retire and have their benefits structured, calculated, and paid as provided in this section.

An active, contributing member of the Fund shall be eligible for Bank-DROP if all the following apply: 1) the member has accrued more service credit than the minimum required for eligibility for a normal retirement benefit. 2) the member has attained an age that is greater than the minimum required for eligibility for a normal retirement benefit, if applicable, and 3) The member has revoked their participation, if any, in the Deferred Retirement Option Plan pursuant to R.S 11:1456.2.

At the time of retirement, a member who elects to receive a Bank-DROP benefits shall select a Back-DROP period to be specified in whole months. The duration of the Back-DROP period shall not exceed the lesser of thirty-six months or the number of months of creditable service accrued after the member first attained eligibility for normal retirement. The Bank-DROP benefit shall have two portions: a lump-sum portion and a monthly benefit portion. The Back-DROP monthly benefit shall be calculated pursuant to the provisions applicable for service retirement set forth in R.S. 11:1421 through 1423 and subject to conditions set forth therein.

Excess Benefit Plan – Under the provisions of this excess benefit plan, a member may receive a benefit equal to the amount by which the member's monthly benefit from the Fund has been reduced because of the limitations of Section 415 of the Internal Revenue Code.

Contributions – Contributions for all members are established by statute at 8.00% of earned compensation. The contributions are deducted are from the member's salary and remitted by the participating agency.

Administrative costs of the Fund are financed through employer contributions. According to state statute, contributions for all employers are actuarially determined each year. The actuarially-determined employer

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**5. PENSION PLAN (continued)**

contribution rate was 3.01% for the year ended September 30, 2020. The actual employer contribution rate was 8.00% of members earnings for the year ended September 30, 2020.

The Fund also received one-fourth of one percent of the property taxes assessed in each parish, plus revenue sharing funds appropriated by the legislature. According to state statute, in the event that contributions for ad valorem taxes and revenue sharing funds are insufficient to provide for the gross employer actuarially required contribution, the employer is required to make direct contributions as determined by the Public Retirement System's Actuarial Committee.

Beginning January 1, 2013, the DeSoto Parish Tax Assessor pays both the employee and employer portion of contributions to the Fund. The DeSoto Parish Tax Assessor's contributions to the System for the years ending December 31, 2020, 2019, and 2018, were \$72,521, \$66,539, and \$64,548, respectively, equal to the required contributions for each year.

Per R.S. 11:1481.2(a), each assessor in the State of Louisiana shall deduct eight percent from the salaries of the assessor and the assessor's employees who are eligible for membership in the Louisiana Assessors Retirement System. Per R.S. 11:1472.2(b), the assessor may elect to pay all or a portion of the contributions per R.S. 11:1481.2(a). The DeSoto Parish Tax Assessor has elected to pay all contributions required for the assessor and the assessor's employees. The total employees' portion paid for the years ended December 31, 2020, 2019, and 2018 were \$36,261, \$33,269, & \$32,274, respectively.

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

At December 31, 2020, the DeSoto Parish Tax Assessor reported a liability of \$148,441 for its proportionate share of the net pension liability of the Plan. The net pension liability was measured as of September 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Assessor's proportion of the net pension liability was based on a projection of the Assessor's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At September 30, 2020 (Plan's measurement date), the Assessor's proportion was 0.97162% which was an increase of 0.05369% from the proportion measured as of September 30, 2019.

For the year ended December 31, 2020, the Assessor recognized pension expense of \$95,783, representing its proportionate share of the Plan's net expense, including amortization of deferred amounts.

At December 31, 2020, the Assessor reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 4,750	\$ 118,600
Changes in assumptions	329,550	-
Net difference between projected and actual earnings on pension plan investments	-	116,730
Changes in employer's proportion of beg NPL	5,846	7,628
Differences between employer and proportionate share of contributions	-	470
Subsequent measurement contributions	8,503	-
Total	<u>\$ 348,649</u>	<u>\$ 243,428</u>

## DESOTO PARISH TAX ASSESSOR

Mansfield, Louisiana

Notes to Financial Statements

December 31, 2020

### 5. PENSION PLAN (continued)

The Assessor reported a total of \$8,503 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of September 30, 2020, which will be recognized as a reduction in net pension liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

December 31,			
2021	\$ 5,682	\$ (174)	\$ 5,508
2022	37,392	(116)	37,276
2023	36,699	(74)	36,625
2024	(3,453)	(63)	(3,516)
2025	20,871	(48)	20,823
Total	<u>\$ 97,191</u>	<u>\$ (475)</u>	<u>\$ 96,716</u>

*Actuarial Assumptions.* A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2020 is as follows:

Valuation Date	September 30, 2020
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return	5.75%, net of investment expense, including inflation
Projected Salary Increases	5.25%
Inflation Rate	2.10%
Annuitant and Beneficiary Mortality	Pub-2010 Public Retirement Plans Mortality Table for General Healthy Retirees multiplied by 120% with full generational projection using the appropriate MP-2019 improvement scale.
Active Members Mortality	Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 120% with full generational projection using the appropriate MP-2019 improvement scale.
Mortality, disabled lives	Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 120% with full generational projection using the appropriate MP-2019 improvement scale.

**DESOTO PARISH TAX ASSESSOR**  
**Mansfield, Louisiana**  
Notes to Financial Statements  
December 31, 2020

**5. PENSION PLAN (continued)**

Discount Rate – The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2020, are summarized in the following table:

Asset Class	Long-term expected real rate of return 2020
Domestic equity	7.50%
International equity	8.50%
Domestic onds	2.50%
International bonds	3.50%
Real estate	4.50%
Alternative assets	5.87%

The long-term expected rate of return selected for this report by the Fund was 8.37%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and contributions from the participating employers and non-employer contributing entities will be made at actuarially determined contributions rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement System's Actuarial Committee. Based on these assumptions and the other assumptions and methods as specified in this report, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. Thus, the discount rate used to measure the total pension liability was 5.75%.

Sensitivity to Changes in Discount Rate – The following presents the net pension liability of the fund calculated using the discount rate of 5.75%, as well as what the Fund's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (4.75%) or one percentage point higher (6.75%) than the current discount rate (assuming all other assumptions remain unchanged):

	Discount rate	Assessor's prop. share of net pension liability
1% decrease	4.750%	\$673,830
Current disc. rate	5.750%	\$148,441
1% increase	6.750%	(\$298,221)

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

**DESOTO PARISH TAX ASSESSOR**  
**Mansfield, Louisiana**  
Notes to Financial Statements  
December 31, 2020

**5. PENSION PLAN (continued)**

required to be included in pension expense in a systematic and rational manner over a closed period of five years, beginning with the current period. The Expected Remaining Service Lives for 2020 is six years.

Change in Net Pension Liability – The changes in the net pension liability for the year ended December 31, 2020 were recognized in the current reporting period as pension expense except as follows:

*Differences between Expected and Actual Experience:*

Differences between expected and actual experience with regard to economic or demographic factors in the measurement of total pension liability were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The difference between expected and actual experience resulted in a deferred outflow of resources of \$4,750 and a deferred inflow of resources in the amount of \$118,600 for the year ended December 31, 2020.

*Differences between Projected and Actual Investment Earnings*

Differences between projected and actual investment earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed five-year period. The difference between projected and actual investment earning resulted in a deferred inflow of resources in the amount of \$116,730 for the year ended December 31, 2020.

*Changes in Assumptions or Other Inputs*

Changes of assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. Changes of assumptions or other inputs resulted in a deferred outflow of resources in the amount of \$329,550 for the year ended December 31, 2020.

*Changes in Proportion*

Changes in the employer's proportionate shares of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in employer's pension expense (benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan. Changes in the employer's portion of the beginning net pension liability resulted in a deferred outflow of resources of \$5,846 and a deferred inflow of resources of \$7,628 for the year ended December 31, 2020.

**6. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS**

General Information about the OPEB Plan

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

**DESOTO PARISH TAX ASSESSOR**  
**Mansfield, Louisiana**  
Notes to Financial Statements  
December 31, 2020

**6. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (continued)**

*Benefits Provided.* The DeSoto Parish Tax Assessor provides the full cost of coverage for continuing medical and dental care and life insurance benefits for its retired employees. An employee is eligible to

elect medical coverage upon retiring or disability at the age of 55 with 12 years of service or any age with 30 years of service.

Spouses' coverage is also provided to those who are currently receiving benefits. If the retiree predeceases the spouse, coverage for the surviving spouse continues.

The Assessor pays 100% of the premium for retirees and covered spouses.

*Employees covered by benefit terms* – At December 31, 2020, the following employees were covered by the benefit terms:

Retirees	5
Spouses of Retirees	1
Active employees	6
Total participants	12

Total OPEB Liability

The Assessor's total OPEB liability of \$3,057,385 was measured as of December 31, 2020 and was determined by an actuarial valuation as of January 1, 2020.

*Actuarial Assumptions and other inputs* – The total OPEB liability in the December 31, 2020, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.20%
Salary increases	3.00%
Discount rate	2.12% per annum, compounded annually
Healthcare cost trend rates	Short-term rate for Pre-65 retirees starts at 6.4% and at 5.4% for Post-65 retirees and does not reflect the ACA Excise Tax effective 2022

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

Mortality rates were based on the following:

Healthy retirement	Sex-distinct Pub 2010 General Mortality with separate employee and healthy annuitant rates, projected generationally using scale MP-2020
Beneficiaries	Sex-distinct Pub-2010 General Contingent Survivors Mortality, projected generationally using scale MP-2020
Disability retirement	Sex-distinct Pub-2010 General Disabled Retirees Mortality, projected generationally using scale MP-2020

**DESOTO PARISH TAX ASSESSOR**  
**Mansfield, Louisiana**  
Notes to Financial Statements  
December 31, 2020

**6. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (continued)**

Changes in the Total OPEB Liability

Balance as of December 31, 2019	\$	3,242,363
Changes for the year:		
Service cost		110,258
Interest on total OPEB liability		91,114
Effect of plan changes		-
Effect of economic/demographic gains or losses		(592,912)
Effect of assumptions changes or inputs		
Change due to Claims Costs update	\$	2,465
Change due to Trend update		(35,163)
Change due to Mortality update		(36,541)
Change due to Discount Rate update		330,766
Total assumptions changes		261,527
Benefit payments		(54,965)
Balance as of December 31, 2020	\$	<u>3,057,385</u>

*Sensitivity of the total OPEB liability to changes in the discount rate*—The following presents the total OPEB liability of the Assessor, calculated using the discount rate of 2.12%, as well as what the Assessor's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.12%) or 1 percentage point higher (3.12%) than the current rate.

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
	1.12%	2.12%	3.12%
Total OPEB liability \$	3,717,942	\$ 3,057,385	\$ 2,548,149

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

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
		Trend Rate	
Total OPEB liability	\$2,583,383	\$3,057,385	\$3,694,958

For the year ended December 31, 2020, the Assessor recognized OPEB expense of \$262,136. At December 31, 2020, the Assessor reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (515,380)
Changes of assumptions	820,416	-
Employer contributions subsequent to the measurement date	-	-
Total	\$ 820,416	\$ (515,380)

**DESOTO PARISH TAX ASSESSOR**  
**Mansfield, Louisiana**  
Notes to Financial Statements  
December 31, 2020

**6. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (continued)**

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

Year ended December 31		
2021	\$	115,729
2022		115,729
2023		110,109
2024		48,654
2025		(49,240)
Thereafter		(35,945)
TOTAL:	\$	305,036

**7. LEASES**

Under GASB 87 the Assessor recognizes all leases over one year as right-of-use assets at the present value of future lease payments, amortized over the term of the leases. The Assessor has right-of-use asset leases of the following nature:

On March 8, 2019, the Assessor entered into an auto lease with Ally Bank Lease Trust for the right-of-use of a 2019 Chevrolet Equinox for a 24-month term, with monthly payments of \$838.16, at an implicit rate of 4.32%. The purchase option at the end of the lease is \$20,532. There is a possible early termination charge and mileage restrictions apply.

On March 9, 2017, the Assessor entered into a lease agreement with Konica Minolta for the right-of-use of a copier for a 60-month term, with monthly payments of \$276.00, at a rate of 2.15% per the Konica Minolta GSA schedule. The purchase option at the end of the lease is fair market value.

On November 8, 2016, the Assessor entered into a lease agreement with Pitney Bowes for the right-of-use of a postage meter for a 60-month term, with monthly billed amounts of \$98.84 paid quarterly, at an implicit rate of 2.13%. The purchase option at the end of the lease is fair market value.

Right-of-use assets and amortization activity as of and for the year ended December 31, 2020, is as follows:

	Balance December 31,			Balance December 31,		
<u>Governmental Activities</u>	2019	Additions	Deletions	2020		
Right-of-Use Assets	\$ 37,860	\$ -	\$ -	\$ 37,860		
Total	37,860	-	-	37,860		
Less Accumulated Amortization						
Right-of-Use Assets	20,234	12,583	-	32,817		
Total	20,234	12,583	-	32,817		
Right-of-Use Assets, Net	\$ 17,626	\$ (12,583)	\$ -	\$ 5,043		

At December 31, 2020, amortization expense of \$12,583 was charged to the general government taxation function.

**DESOTO PARISH TAX ASSESSOR**  
**Mansfield, Louisiana**  
Notes to Financial Statements  
December 31, 2020

**7. LEASES (continued)**

The changes in lease liabilities for December 31, 2020 are as follows:

Beginning Lease Liabilities	\$	18,225
Additions		-
Deductions		(12,008)
Ending Lease Liabilities	\$	<u>6,217</u>

Total interest expense on leases for the year ended December 31, 2020 was \$377.

The future minimum lease payments and interest required under the leases are as follows:

Year Ending December 31,	Principal	Interest	Total
2021	5,667	67	5,734
2022	550	2	552
Total	\$ <u>6,217</u>	\$ <u>69</u>	\$ <u>6,286</u>

**8. EXPENDITURES OF THE ASSESSOR NOT INCLUDED IN THE FINANCIAL STATEMENTS**

Certain operating expenditures of the Assessor's office are paid by the parish police jury as required by Louisiana Revised Statute 33:4714. These expenditures are summarized as follows and are not included in the accompanying financial statements:

Janitorial services, utilities, and capital—building expenditures

**9. COOPERATIVE ENDEAVOR AGREEMENT**

On November 24, 2014, the DeSoto Parish Tax Assessor entered into a cooperative endeavor with the Town of Stonewall to provide offices for a satellite Tax Assessor's office in northern DeSoto Parish. Authorization for such endeavor is allowed by statutes La. R.S. 33:1324 and Louisiana Constitution of 1974, Article 7, Section 14(C).

**10. COMMITMENTS AND CONTINGENCIES**

During 2020 the DeSoto Parish Tax Assessor was not involved in any litigation or aware of any unasserted claims.

**11. RISK MANAGEMENT**

The Assessor is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, and injuries to employees. To handle some risk of loss, the Assessor has workers' compensation insurance for any employee injured on the job and surety bond coverage. No settled claims from these risks have exceeded insurance coverage for the past three years. There are no significant reductions in insurance coverage from the prior year.

**DESOTO PARISH TAX ASSESSOR**  
**Mansfield, Louisiana**  
Notes to Financial Statements  
December 31, 2020

**12. DEFERRED COMPENSATION PLAN**

Certain employees of the DeSoto Parish Tax Assessor participate in the Louisiana Public Employees Deferred Compensation Plan adopted under the provisions of the Internal Revenue Cod Section 457. Complete disclosures relating to the Plan are included in the separately issued audit report for the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397.

**13. RELATED PARTY TRANSACTIONS**

There were no material related party transactions identified for the year ended December 31, 2020.

**14. LONG-TERM DEBT**

The following is a summary of changes in long-term debt for the year ended December 31, 2020:

	<u>12/31/2019</u>	<u>Additions</u>	<u>Reductions</u>	<u>12/31/2020</u>
Compensated absences	\$ 28,787	\$ 4,194	\$ -	\$ 32,981

**15. SUBSEQUENT EVENTS**

Management has performed an evaluation of the Assessor's activities through June 21, 2021, and has concluded that there are no significant events requiring recognition or disclosure through the date and time these financial statements were available to be issued.

OTHER REQUIRED SUPPLEMENTARY INFORMATION

**DESOTO PARISH TAX ASSESSOR**  
Mansfield, Louisiana

**BUDGETARY COMPARISON SCHEDULE -- GENERAL FUND**

For the year ended December 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
				Positive(Negative)
<b>REVENUES</b>				
Property taxes	\$ 1,791,114	\$ 1,791,114	\$ 1,824,694	\$ 33,580
State revenue sharing	14,000	14,000	15,056	1,056
Charges for services	6,100	6,100	4,362	(1,738)
Miscellaneous income	250	250	81	(169)
Investment earnings	165,000	165,000	94,734	(70,266)
<b>TOTAL REVENUES</b>	<u>1,976,464</u>	<u>1,976,464</u>	<u>1,938,927</u>	<u>(37,537)</u>
<b>EXPENDITURES</b>				
Personal services & related benefits	935,000	935,000	723,660	211,340
Operating expenses	202,900	202,900	84,938	117,962
Material & supplies	32,000	32,000	20,944	11,056
Travel & other charges	36,500	36,500	14,788	21,712
Capital outlays	100,000	100,000	-	100,000
Interest expense	-	-	377	(377)
<b>TOTAL EXPENDITURES</b>	<u>1,306,400</u>	<u>1,306,400</u>	<u>844,707</u>	<u>461,693</u>
<b>EXCESS (Deficiency) of REVENUES OVER EXPENDITURES</b>	670,064	670,064	1,094,220	424,156
<b>FUND BALANCE</b>				
Beginning of the year	14,753,249	14,753,249	14,753,249	-
End of the year	<u>\$ 15,423,313</u>	<u>\$ 15,423,313</u>	<u>\$ 15,847,469</u>	<u>\$ 424,156</u>

The notes to the financial statements are an integral part of this statement.  
See the accompanying independent auditor's report.

SCHEDULE 2

**DESOTO PARISH TAX ASSESSOR**  
**Mansfield, Louisiana**

**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY**  
For the year ended December 31, 2020

**Louisiana Assessors' Retirement Fund and Subsidiary:**

Fiscal Year*	Employer's Proportion of the Net Pension Liability (Asset)	Employer's Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered- Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	1.03736%	\$ 542,873	\$ 440,000	123.38%	85.57%
2016	0.98206%	\$ 346,539	\$ 450,973	76.84%	90.68%
2017	0.93235%	\$ 163,600	\$ 448,038	36.51%	95.61%
2018	0.91785%	\$ 178,434	\$ 403,426	44.23%	95.46%
2019	0.91793%	\$ 242,133	\$ 414,330	58.44%	94.12%
2020	0.97162%	\$ 148,441	\$ 453,254	32.75%	96.79%

\*Amounts presented were determined as of the measurement date: September 30.

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

The notes to the financial statements are an integral part of this statement.  
See the accompanying independent auditor's report.

**DESOTO PARISH TAX ASSESSOR**  
**Mansfield, Louisiana**

**SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS**  
For the year ended December 31, 2020

**Louisiana Assessors' Retirement Fund and Subsidiary:**

Fiscal Year*	Contractually required contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2015	\$ 59,206	\$ 59,206	-	\$ 440,000	13.46%
2016	53,440	53,440	-	450,973	11.85%
2017	39,108	39,108	-	448,038	8.73%
2018	32,274	32,274	-	403,426	8.00%
2019	33,269	33,269	-	414,330	8.03%
2020	36,260	36,260	-	453,254	8.00%

\*Amounts presented were determined as of the measurement date of the fiscal year.

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

The notes to the financial statements are an integral part of this statement.  
See the accompanying independent auditor's report.

**DESOTO PARISH TAX ASSESSOR**  
Mansfield, Louisiana

**Schedule of Changes in Net OPEB Liability and Related Ratios**  
For the year ended December 31, 2020

	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Total OPEB Liability</b>			
Service cost	\$ 110,258	\$ 78,863	\$ 70,412
Interest	91,114	103,639	72,421
Changes of benefit terms	-	-	-
Effect of economic/demographic gains or losses	(592,912)	-	(21,503)
Changes of assumptions	261,527	641,734	353,089
Benefit payments	<u>(54,965)</u>	<u>(60,994)</u>	<u>(59,842)</u>
<b>Net change in total OPEB liability</b>	<u>(184,978)</u>	<u>763,242</u>	<u>414,577</u>
<b>Total OPEB Liability - beginning</b>	<u>3,242,363</u>	<u>2,479,121</u>	<u>2,064,544</u>
<b>Total OPEB Liability - ending</b>	<u>\$ 3,057,385</u>	<u>\$ 3,242,363</u>	<u>\$ 2,479,121</u>
Covered-employee payroll	\$ 437,695	\$ 414,330	\$ 408,653
Net OPEB liability as a percentage of covered-employee payroll	698.52%	782.56%	606.66%

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

The notes to the financial statements are an integral part of this statement.  
See the accompanying independent auditor's report.

Schedule 5

**DESOTO PARISH TAX ASSESSOR**  
Mansfield, Louisiana

**Schedule of Compensation, Benefits and Other Payments  
to Agency Head or Chief Executive Officer  
For the year ended December 31, 2020**

**Anne Gannon, Assessor**

Purpose:

Salary	\$	144,976
Benefits- insurance		13,010
Benefits- retirement		11,598
Benefits- deferred compensation		13,000
Benefits- other		2,560
Vehicle provided by government		5,150
Per diem		-
Reimbursements		7,074
Travel		-
Registration fees		-
Conferences and seminars		-
Continuing professional education fees		-
Cell phone		-
Unvouchered expenses		-
Special meals		-

Supplemental information.

See the accompanying independent auditor's report.

**DESOTO PARISH TAX ASSESSOR**  
**Mansfield, Louisiana**

Notes to Required Supplementary Information  
As of and for the Year ended December 31, 2020

**Budgetary Information**

The Assessor uses the following budget practices:

The proposed budget for the General Fund, prepared on the modified accrual basis of accounting, is made available for public inspection at least fifteen days prior to the beginning of each fiscal year. The budget is then legally adopted by the Assessor and amended during the year, as necessary. The budget is established and controlled by the Assessor at the object level of expenditure. Appropriations lapse at year-end and must be reappropriated for the following year to be expended. All changes or amendments to the budget must be approved by the Assessor.

Formal budgetary integration is employed as a management control device during the year, and encumbrance accounting is not used by the Assessor. Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts. The budget was not amended during the year.

The DeSoto Parish Tax Assessor's budget is prepared in accordance with accounting principles accepted in the United States of America. The DeSoto Parish Tax Assessor's budget is adopted annually on the modified accrual basis of accounting.

The Louisiana Local Government Budget Act provides that "the total proposed expenditures shall not exceed the total of estimated funds available for the ensuing year." The "total estimated funds available" is the sum of the respective estimated fund balances at the beginning of the year and the anticipated revenues for the current year. Amendments to the adopted budget are required if total revenues fail to meet budgeted revenues by 5% or more, and/or total actual expenditures exceed total budgeted expenditures by 5% or more. Total revenues were 1.90% less than budgeted revenues. Actual expenditures were less than budgeted amounts. The DeSoto Tax Assessor is in compliance with the Local Government Budget Act.

**Pension Information**

*Changes of Benefit Terms*

There were no changes of benefit terms for the year ended December 31, 2020.

*Changes of Assumptions*

There were no changes of benefit assumptions for the year ended December 31, 2020.

**Schedule of Changes in Net OPEB Liability and Related Ratios**

*Changes of Benefit Terms*

There were no changes of benefit terms for the year ended December 31, 2020.

*Changes of Assumptions*

The discount rate decreased to 2.12% for the year ended December 31, 2020 from 2.74% the previous year.

OTHER REPORTS/SCHEDULES

**T | C | B | T**  
**THOMAS, CUNNINGHAM, BROADWAY & TODTENBIER**  
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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*

DeSoto Parish Tax Assessor  
212 Adams Street  
Mansfield, Louisiana 71052

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 and major fund as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the DeSoto Parish Tax Assessor's (Assessor) basic financial statements and have issued our report thereon dated June 21, 2021.

**Internal Control over Financial Reporting**

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

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

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

## Compliance and Other Matters

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

## Purpose of this Report

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

*Thomas, Cunningham, Broadway & Todtenbier, CPA's*

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

June 21, 2021

DeSoto Parish Tax Assessor  
Schedule of Audit Results  
Year Ended December 31, 2020

I. Summary of Audit Results

1. An unmodified opinion was issued on the financial statements of the DeSoto Parish Tax Assessor as of and for the year ended December 31, 2020.
2. The audit did not disclose any material weaknesses in the internal control.
3. The audit disclosed no instances of noncompliance that are required to be reported under *Governmental Auditing Standards*.

II. FINDINGS IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

None identified.

III. PRIOR YEAR AUDIT FINDINGS

None identified.