

**Louisiana Assessors' Insurance Fund
Baton Rouge, Louisiana
Financial Report
December 31, 2020**

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Independent Auditor's Report

Ms. Kathy Bertrand, Executive Director,
and the Insurance Committee of
Louisiana Assessors' Insurance Fund
Baton Rouge, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of Louisiana Assessors' Insurance Fund, which comprise the balance sheets as of December 31, 2020 and 2019, and the related statements of revenues, expenses, and change in net position and cash flows for the years then ended, and the related notes to the financial statements, which collectively comprise Louisiana Assessors' Insurance Fund's basic financial statements.

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 an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Louisiana Assessors' Insurance Fund as of December 31, 2020 and 2019, and the changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedule of 1-10 year claims development information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Louisiana Assessors' Insurance Fund's basic financial statements. The schedules of per diem payments and schedule of compensation, benefits, and other payments to agency head or chief executive officer are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedules of per diem payments and 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 audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of per diem payments and 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 basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 5, 2021, on our consideration of Louisiana Assessors' Insurance Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and other matters. The purpose of that report is solely 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 the effectiveness of Louisiana Assessors' Insurance Fund's 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 Louisiana Assessors' Insurance Fund's internal control over financial reporting and compliance.

Hawthorn, Waymouth & Carroll, LLP.

June 5, 2021

**Louisiana Assessors' Insurance Fund
Management's Discussion and Analysis
December 31, 2020**

The following is management's discussion and analysis of Louisiana Assessors' Insurance Fund ("the Plan") for the year ended December 31, 2020, which highlights relevant aspects of the basic financial statements and provides an analytical overview of the Plan's financial activities.

FINANCIAL HIGHLIGHTS

Assets increased by approximately \$2,378,000 or 56%, from 2020 to 2019.

The Plan's net position increased approximately \$1,871,000 in 2020, compared to an increase in net position of approximately \$1,904,000 in 2019.

The amount of net premiums earned increased approximately \$528,000 and claims expenses increased approximately \$924,000 from the prior year amounts.

OVERVIEW OF THE FINANCIAL STATEMENTS

Management's Discussion and Analysis is intended to serve as an introduction to the Plan's basic financial statements, together with the related notes to the financial statements, required supplementary information, and the supporting schedules, all of which are described as follows.

Balance Sheets – These statements report the Plan's assets, liabilities, and net position as of December 31, 2020 and 2019.

Statements of Revenues, Expenses, and Change in Net Position – These statements report the Plan's revenues, expenses, and change in net position for the years ended December 31, 2020 and 2019.

Statements of Cash Flows – These statements report the net increase or decrease in cash and cash equivalents for the years ended December 31, 2020 and 2019.

Notes to the Financial Statements – The financial statement notes provide additional information that is essential to a complete understanding of the data set forth in the financial statements. They are considered an integral part of the financial statements. A description of the information provided in the notes is as follows:

Note 1 (Plan Description) provides a general description of the Plan. Information is included regarding the insurance committee, plan membership, and a description of the basic insurance benefits.

Note 2 (Summary of Significant Accounting Policies) provides information about the accounting methods and policies used in determining amounts shown on the financial statements. Information relative to the basis of accounting, premium revenue, unearned revenue, the determination of estimates, cash and cash equivalents, reinsurance and other receivables, furniture and equipment, unpaid claims liability, and income taxes is included in this note.

Note 3 (Deposits) provides information on cash and cash equivalents and the related custodial credit risk.

Note 4 (Furniture and Equipment) details the cost of the Plan's fixed assets as well as related depreciation expense and accumulated depreciation.

**Louisiana Assessors' Insurance Fund
Management's Discussion and Analysis
December 31, 2020**

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Note 5 (Claims Expense and Unpaid Claims Reserve) describes changes in the aggregate unpaid claims liabilities from December 31, 2019 to December 31, 2020.

Note 6 (Reinsurance Policy Coverage) outlines the reinsurance policy guidelines and limitations.

Note 7 (Administrative Expenses) details the expenses incurred throughout the year.

Note 8 (Related Party Transactions) provides descriptions of transactions between the Plan and its related parties, Louisiana Assessors' Association and Louisiana Assessors' Retirement Fund.

Note 9 (Risks and Uncertainties) describes uncertainties and possible effects the COVID-19 pandemic could have on the Plan.

Note 10 (Subsequent Events) provides the date through which subsequent events have been evaluated for disclosure in the financial statements.

LOUISIANA ASSESSORS' INSURANCE FUND'S FINANCIAL ANALYSIS

The Plan is a cost sharing, multiple-employer, qualified defined benefit insurance plan covering assessors and their employees employed by any parish of the state of Louisiana, under the provisions of Louisiana Revised Statute 47:1922, effective August 30, 1988. The Plan is a qualified plan as defined by the Internal Revenue Code, effective January 1, 1998. Insurance benefits are funded through premium income.

**Balance Sheets
December 31, 2020, 2019, and 2018**

Assets include cash and cash equivalents, reinsurance receivable, and other receivables. Liabilities include accounts payable, unearned revenue, and unpaid claims.

	2020	2019	2018	2020 Percentage Change
Assets	<u>\$ 6,645,545</u>	<u>\$ 4,266,832</u>	<u>\$ 2,662,431</u>	55.7%
Liabilities and Net Position				
Total liabilities	\$ 1,721,770	\$ 1,214,429	\$ 1,514,443	41.8%
Net position				
Unrestricted	<u>4,923,775</u>	<u>3,052,403</u>	<u>1,147,988</u>	61.3%
Total liabilities and net position	<u>\$ 6,645,545</u>	<u>\$ 4,266,832</u>	<u>\$ 2,662,431</u>	

**Louisiana Assessors' Insurance Fund
Management's Discussion and Analysis
December 31, 2020**

LOUISIANA ASSESSORS' INSURANCE FUND'S FINANCIAL ANALYSIS (Continued)

**Statements of Revenues, Expenses, and Change in Net Position
Years Ended December 31, 2020, 2019, and 2018**

Revenues include members' premiums, reinsurance proceeds and interest income.

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2020 Percentage Change</u>
Revenues and Expenses				
Revenues	\$ 16,112,564	\$ 15,003,643	\$ 14,965,706	7.4%
Administrative fees	<u>220,770</u>	<u>221,119</u>	<u>193,643</u>	-0.2%
Total revenues	<u>16,333,334</u>	<u>15,224,762</u>	<u>15,159,349</u>	7.3%
Claims expenses and insurance premiums	14,280,389	13,142,418	13,227,054	8.7%
Administrative expenses	<u>181,573</u>	<u>177,929</u>	<u>196,578</u>	2.0%
Total expenses	<u>14,461,962</u>	<u>13,320,347</u>	<u>13,423,632</u>	8.6%
Change in Net Position	<u>\$ 1,871,372</u>	<u>\$ 1,904,415</u>	<u>\$ 1,735,717</u>	

Requests for Information

This annual financial report is designed to provide a general overview of the Plan's finances for interested parties. Questions concerning any of the information provided herein or requests for additional financial information should be addressed to Louisiana Assessors' Insurance Fund, Post Office Box 14699, Baton Rouge, Louisiana 70898.

Financial Statements

Louisiana Assessors' Insurance Fund
Balance Sheets
December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Assets		
Assets		
Cash and cash equivalents	\$ 6,530,226	\$ 4,189,737
Reinsurance receivable	72,374	30,808
Other receivables	<u>42,945</u>	<u>46,287</u>
Total assets	<u>\$ 6,645,545</u>	<u>\$ 4,266,832</u>
Liabilities and Net Position		
Liabilities		
Accounts payable	\$ 3,419	\$ 276
Unearned revenue	43,014	43,373
Unpaid claims liability	<u>1,675,337</u>	<u>1,170,780</u>
Total liabilities	1,721,770	1,214,429
Net Position		
Unrestricted	<u>4,923,775</u>	<u>3,052,403</u>
Total liabilities and net position	<u>\$ 6,645,545</u>	<u>\$ 4,266,832</u>

The accompanying notes are an integral part of these financial statements.

Louisiana Assessors' Insurance Fund
Statements of Revenues, Expenses, and Change in Net Position
Years Ended December 31, 2020 and 2019

	2020	2019
Revenues		
Premiums earned	\$ 15,706,270	\$ 14,964,504
Premiums ceded	2,144,721	1,930,612
Net premiums earned	13,561,549	13,033,892
Interest income	11,107	39,139
Reinsurance proceeds	395,187	-
Administrative fees	220,770	221,119
Total revenues	14,188,613	13,294,150
Expenses		
Claims expenses	12,135,668	11,211,806
Administrative expenses	181,573	177,929
Total expenses	12,317,241	11,389,735
Change in Net Position	1,871,372	1,904,415
Net Position		
Beginning of year	3,052,403	1,147,988
End of year	\$ 4,923,775	\$ 3,052,403

The accompanying notes are an integral part of these financial statements.

Louisiana Assessors' Insurance Fund
Statements of Cash Flows
Years Ended December 31, 2020 and 2019

	2020	2019
Cash Flows from Operating Activities		
Receipts from premiums	\$ 15,709,612	\$ 14,927,869
Payments for claims	(11,631,111)	(11,542,580)
Payments for insurance premiums	(2,145,080)	(1,898,851)
Payments for administrative expenses	(178,430)	(178,930)
Receipts from reinsurance carriers	353,621	53,059
Receipts from administrative fees	220,770	221,119
Interest income received	11,107	41,083
Net cash provided by operating activities	2,340,489	1,622,769
Net Increase in Cash and Cash Equivalents	2,340,489	1,622,769
Cash and Cash Equivalents, beginning of year	4,189,737	2,566,968
Cash and Cash Equivalents, end of year	\$ 6,530,226	\$ 4,189,737
Reconciliation of Change in Net Position to Net Cash Provided by Operating Activities:		
Change in net position	\$ 1,871,372	\$ 1,904,415
Adjustments to reconcile change in net position to net cash provided by operating activities:		
(Increase) Decrease in assets:		
Accrued interest income	-	1,944
Reinsurance receivable	(41,566)	53,059
Other receivables	3,342	(36,635)
Increase (Decrease) in liabilities:		
Accounts payable	3,143	(1,001)
Unearned revenue	(359)	31,761
Unpaid claims liability	504,557	(330,774)
Net cash provided by operating activities	\$ 2,340,489	\$ 1,622,769

The accompanying notes are an integral part of these financial statements.

Louisiana Assessors' Insurance Fund
Notes to Financial Statements
December 31, 2020

Note 1-Plan Description

The following description of Louisiana Assessors' Insurance Fund (“the Plan”), a public entity risk pool, provides only general information. Participants should refer to the Plan agreement for a complete description of the Plan’s provisions.

The Plan provides health and other benefits covering all assessors and assessors’ employees throughout the state of Louisiana. Participation is voluntary and participants may withdraw by giving proper notice. The Plan’s general objective is to formulate, develop, and administer, on behalf of the participating members, a program of inter-local risk management to obtain lower cost for insurance coverage. Contributions required by the Plan are determined by the Insurance Committee of Louisiana Assessors’ Association (“the Association”). The Plan and related trust were established on August 30, 1988, pursuant to Louisiana Revised Statute 47:1922.

The Plan provides health benefits (medical, hospital, surgical, major medical, and dental), life insurance coverage, long-term disability benefits, vision, and death benefits to participants and to their beneficiaries and covered dependents. All members of the Plan hired on or before September 30, 2013, shall be eligible for participation in the benefits of the Plan upon written application for such allowance to the Insurance Committee if (1) the member has twelve years or more of creditable service and has attained the age of fifty-five, or (2) the member has thirty or more years of creditable service, regardless of age. All members of the Plan hired on or after October 1, 2013, shall be eligible for participation in the benefits of the Plan upon written application for such allowance to the Insurance Committee if (1) the member has twelve or more years of creditable service and has attained the age of sixty, or (2) the member has thirty or more years of creditable service and has attained the age of fifty-five.

Health and dental claims of active and retired participants, dependents, and beneficiaries are processed by The HealthPlan, the third-party administrator, but the responsibility for payments to participants and providers is retained by the Plan. Group life insurance and accidental death and dismemberment insurance are provided by Guardian Life Insurance Company. Disability coverage and supplemental life insurance are provided by Metropolitan Life Insurance Company. Vision coverage is provided by National Vision Administrators, LLC, and claims are processed by National Vision Administrators, Inc.

The Association provides bookkeeping support, as well as other administrative functions, for the Plan.

The Plan is affiliated through common membership and management control with the Association and Louisiana Assessors’ Retirement Fund (“the Retirement Fund”). Although these entities are related parties, their various net positions are available only to the individual entity for its operations. For this reason, each entity is presented as a separate “stand alone” entity in accordance with Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*.

The Plan’s Insurance Committee, as Administrator, has the right under the Plan to modify the benefits provided to active and retired employees. The Plan may be terminated at any time.

Total membership in the Plan at December 31 is as follows:

	<u>2020</u>	<u>2019</u>
Retirees and dependents receiving health care benefits	444	391
Active plan members	<u>633</u>	<u>645</u>
Total	<u>1,077</u>	<u>1,036</u>

Louisiana Assessors' Insurance Fund
Notes to Financial Statements
December 31, 2020

Note 2-Summary of Significant Accounting Policies

A. Basis of Accounting

The financial statements of the Plan have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units and promulgated by the GASB *Codification of Governmental Accounting and Financial Reporting Standards*.

The Plan is a proprietary fund type and is presented as a business type activity. Proprietary fund types are used to account for governmental activities that are similar to those found in the private sector where the determination of operating income and changes in net position are necessary or useful for sound financial administration. GAAP used for proprietary funds are generally those applicable to similar businesses in the private sector (accrual basis of accounting). Premiums are recognized on a monthly prorated basis over the respective terms of the policies. Premiums applicable to the unexpired terms of the policies in force are reported as unearned revenue at the balance sheet date.

B. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the Plan Administrator to make estimates and assumptions that affect certain assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results may differ from those estimates. Significant estimates made by management which might affect these financial statements include, but are not limited to, unpaid claims.

Unpaid claims liability is established by management based on a review of claims payment history and anticipated future claims. The evaluation is inherently subjective as it requires estimates that are susceptible to significant revision as more information becomes available, and it is reasonably possible that a change in this estimate will occur in the near term.

C. Cash and Cash Equivalents

Cash and cash equivalents include cash and short-term investments with original maturities of three months or less which are not under investment management for long-term purposes.

D. Reinsurance and Other Receivables

Reinsurance and other receivables are comprised of amounts due from members' reinsurance companies and other sources, stated at the amount the Plan expects to collect. The Plan provides for probable uncollectible amounts through a charge to the allowance for doubtful accounts based on its assessment of the current status of individual accounts. Balances are written off through a charge to the allowance for doubtful accounts and a credit to accounts receivable once amounts are determined to be uncollectible. As of December 31, 2020 and 2019, no allowance for doubtful accounts had been recorded.

E. Furniture and Equipment

Furniture and equipment as shown in Note 4 are stated at cost and depreciated over the estimated useful lives of the assets utilizing the straight-line method. It is the Plan's policy to capitalize expenditures for those items in excess of \$500. Lesser amounts are expensed. The estimated useful lives of the assets are as follows:

Furniture and Equipment	7-10 years
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Louisiana Assessors' Insurance Fund
Notes to Financial Statements
December 31, 2020

Note 2-Summary of Significant Accounting Policies (Continued)

F. Unpaid Claims Liability

The Plan establishes claims liabilities based on estimates of the ultimate cost of claims (including future claims adjustment expenses) that have been reported but not settled and of claims that have been incurred but not reported.

The methodology for developing self-insurance reserves is based on management estimates. The estimation process considers, among other matters, the cost of known claims over time, inflation, and incurred but not reported claims. These estimates may change based on, among other things, changes in claims history or receipt of additional information relevant to assessing the claims. Further, these estimates may prove to be inaccurate due to factors such as adverse judicial determinations or other claims settlements at higher than estimated amounts. Accordingly, the Plan may be required to increase or decrease its reserve levels.

G. Reinsurance

The Plan uses reinsurance to reduce its exposure to large losses on insured events. Further description of the reinsurance coverage is provided in Note 6. Reinsurance permits recovery of a portion of losses from reinsurers, although it does not discharge the primary liability of the Plan as direct insurer of the risk reinsured. The Plan does not report reinsured risks as liabilities unless it is probable that those risks will not be covered by reinsurers. Claims expenses consist of claims incurred during the current year, adjustments to the accounting estimate of prior years' claims expense, and a reduction for claims covered by the reinsurer in accordance with the reinsurance policy.

H. Income Taxes

The Plan is exempt from federal income taxes under Section 501(c)(9) of the Internal Revenue Code.

Note 3-Deposits

As of December 31, 2020, the carrying amount of the Plan's deposit accounts classified as cash and cash equivalents was \$6,530,226 and the bank balance was \$6,530,647, of which \$5,997,722 was protected from custodial credit risk by federal depository insurance. The remainder of the deposit balance was collateralized by a letter of credit issued by the Federal Home Loan Bank.

Note 4-Furniture and Equipment

Furniture and equipment as of December 31, 2020 and 2019, is as follows:

	2020	2019
Furniture and equipment	\$ 13,342	\$ 13,342
Accumulated depreciation	(13,342)	(13,342)
	\$ -	\$ -

Louisiana Assessors' Insurance Fund
Notes to Financial Statements
December 31, 2020

Note 5-Claims Expense and Unpaid Claims Reserve

The following represents changes in the aggregate unpaid claims liabilities for the Plan for the years ended December 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Unpaid claims and loss adjustment expenses at beginning of fiscal year	\$ 1,170,780	\$ 1,501,554
Incurred losses and loss adjustment expenses		
Provision for insured events of current fiscal year	12,095,508	11,263,012
Increases (decreases) in provision for insured events of prior fiscal years	<u>40,160</u>	<u>(51,206)</u>
Total incurred losses and loss adjustment expenses	<u>12,135,668</u>	<u>11,211,806</u>
Payments		
Losses and loss adjustment expenses attributable to insured events of current fiscal year	10,347,449	10,092,232
Losses and loss adjustment expenses attributable to insured events of prior fiscal years	<u>1,283,662</u>	<u>1,450,348</u>
Total payments	<u>11,631,111</u>	<u>11,542,580</u>
Unpaid claims and loss adjustment expenses at end of fiscal year	<u>\$ 1,675,337</u>	<u>\$ 1,170,780</u>

Note 6-Reinsurance Policy Coverage

The Plan and its reinsurers represent a cooperative program for group funding and risk management of accident and health claims of participating Louisiana assessors. Although premiums billed to the participants are determined on an actuarial basis, ultimate liability for claims remains with the participants, and the Plan has authority to assess the participants to fund any deficits incurred.

The Plan obtained reinsurance from a commercial insurer for specific stop loss coverage that will pay after \$300,000 per individual claim.

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Louisiana Assessors' Insurance Fund
Notes to Financial Statements
December 31, 2020

Note 7-Administrative Expenses

The following administrative expenses were incurred during the years ended December 31, 2020 and 2019:

	2020	2019
Administrative allocation	\$ 132,000	\$ 132,000
Other operating expenses	4,336	4,087
Bank service charges	300	-
Per diem	3,600	3,750
Professional fees	37,356	34,351
Travel	2,347	2,209
Copier reimbursement	1,634	1,532
	\$ 181,573	\$ 177,929

Note 8-Related Party Transactions

The Plan is related to the Association and the Retirement Fund through common membership and management. The Plan reimburses the Association for office space, utilities and other shared costs. For the years ended December 31, 2020 and 2019, these reimbursements which were included in administrative expenses were comprised of the following:

	2020	2019
Administrative allocation	\$ 132,000	\$ 132,000
Copier reimbursement	1,634	1,532
	\$ 133,634	\$ 133,532

Note 9-Risks and Uncertainties

The COVID-19 pandemic has caused extensive disruptions to the global, national and regional economy. Governments, businesses, and the public are taking unprecedented actions to contain the spread of COVID-19 and to mitigate its effects, including quarantines, travel bans, shelter-in-place orders, closures of businesses and schools, fiscal stimulus, and legislation designed to deliver monetary aid and other relief. While the scope, duration, and full effects of COVID-19 are rapidly evolving and not fully known, the pandemic and related efforts to contain it have disrupted economic activity. If these implications continue for a prolonged period or result in sustained economic stress or recession, there could be a material adverse effect on the Plan related to operations and liquidity.

Note 10-Subsequent Events

Management of the Plan evaluated all subsequent events through June 5, 2021, the date the financial statements were available to be issued. As a result, the Plan noted no subsequent events that required adjustment to, or disclosure in, these financial statements.

Required Supplementary Information

Louisiana Assessors' Insurance Fund
Schedule of 1-10 Year Claims Development Information
Years Ended December 31, 2011 – 2020

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Required contribution and investment revenue					
Earned	\$16,333,334	\$15,224,762	\$15,159,348	\$13,372,052	\$11,641,765
Ceded	<u>(2,144,721)</u>	<u>(1,930,612)</u>	<u>(1,823,268)</u>	<u>(2,043,093)</u>	<u>(1,714,579)</u>
Net earned	14,188,613	13,294,150	13,336,080	11,328,959	9,927,186
Unallocated expenses	181,573	177,929	196,577	169,217	184,838
Estimated claims and expenses end of policy year					
Incurred	12,095,508	11,263,012	11,597,471	11,432,935	11,004,189
Ceded	<u>(395,187)</u>	<u>-</u>	<u>(285,166)</u>	<u>(309,761)</u>	<u>(113,609)</u>
Net incurred	11,700,321	11,263,012	11,312,305	11,123,174	10,890,580
Net paid, cumulative as of					
End of policy year	10,347,449	10,092,232	9,810,750	10,297,917	9,416,883
One year later		11,303,172	11,261,099	11,214,655	10,751,360
Two years later			11,261,099	11,214,655	10,751,360
Three years later				11,214,655	10,751,360
Four years later					10,751,360
Five years later					
Six years later					
Seven years later					
Eight years later					
Nine years later					
Ten years later					
Re-estimated net incurred claims and expenses					
End of policy year	11,700,321	11,263,012	11,312,305	11,123,174	10,890,580
One year later		11,303,172	11,261,099	11,214,655	10,751,360
Two years later			11,261,099	11,214,655	10,751,360
Three years later				11,214,655	10,751,360
Four years later					10,751,360
Five years later					
Six years later					
Seven years later					
Eight years later					
Nine years later					
Ten years later					
Increase (Decrease) in estimated net incurred claims and expenses from end of policy year	-	40,160	(51,206)	91,481	(139,220)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Required contribution and investment revenue					
Earned	\$11,596,792	\$11,155,010	\$11,138,908	\$11,516,976	\$ 9,759,241
Ceded	<u>(1,595,315)</u>	<u>(1,594,023)</u>	<u>(1,751,929)</u>	<u>(1,522,965)</u>	<u>(1,345,719)</u>
Net earned	10,001,477	9,560,987	9,386,979	9,994,011	8,413,522
Unallocated expenses	144,062	141,416	140,959	142,565	129,491
Estimated claims and expenses end of policy year					
Incurred	9,578,437	10,876,492	9,601,183	11,106,590	8,751,503
Ceded	<u>(350,203)</u>	<u>(968,097)</u>	<u>(362,160)</u>	<u>(905,156)</u>	<u>(170,280)</u>
Net incurred	9,228,234	9,908,395	9,239,023	10,201,434	8,581,223
Net paid, cumulative as of					
End of policy year	8,239,994	8,706,596	7,637,797	8,807,974	7,708,473
One year later	9,172,434	9,928,053	9,214,548	10,127,680	8,498,102
Two years later	9,172,434	9,928,053	9,214,548	10,127,680	8,498,102
Three years later	9,172,434	9,928,053	9,214,548	10,127,680	8,498,102
Four years later	9,172,434	9,928,053	9,214,548	10,127,680	8,498,102
Five years later	9,172,434	9,928,053	9,214,548	10,127,680	8,498,102
Six years later		9,928,053	9,214,548	10,127,680	8,498,102
Seven years later			9,214,548	10,127,680	8,498,102
Eight years later				10,127,680	8,498,102
Nine years later					8,498,102
Ten years later					
Re-estimated net incurred claims and expenses					
End of policy year	9,228,234	9,908,395	9,239,023	10,201,434	8,581,223
One year later	9,172,434	9,928,053	9,214,548	10,127,680	8,498,102
Two years later	9,172,434	9,928,053	9,214,548	10,127,680	8,498,102
Three years later	9,172,434	9,928,053	9,214,548	10,127,680	8,498,102
Four years later	9,172,434	9,928,053	9,214,548	10,127,680	8,498,102
Five years later	9,172,434	9,928,053	9,214,548	10,127,680	8,498,102
Six years later		9,928,053	9,214,548	10,127,680	8,498,102
Seven years later			9,214,548	10,127,680	8,498,102
Eight years later				10,127,680	8,498,102
Nine years later					8,498,102
Ten years later					
Increase (Decrease) in estimated net incurred claims and expenses from end of policy year	(55,800)	19,658	(24,475)	(73,754)	(83,121)

The preceding table is Supplementary Information required by Governmental Accounting Standards Board Statement Number 30 (GASB 30). The Schedule illustrates how the Plan's earned revenue (net of reinsurance) plus investment income compare to related costs of loss (net of assumed reinsurance) plus other costs at the end of each year.

Supplementary Information

Louisiana Assessors' Insurance Fund
Schedules of Per Diem Payments
Years Ended December 31, 2020 and 2019

	<u>December 31, 2020</u>		<u>December 31, 2019</u>	
	<u>Number of Days</u>	<u>Amount Paid</u>	<u>Number of Days</u>	<u>Amount Paid</u>
Wendy Aguiard	1	\$ 75	1	\$ 75
Michael Bealer	4	300	5	375
Katherine P. Broadway	4	300	4	300
Thomas Capella	1	75	3	225
Lance Futch	1	75	-	-
Rickey Huval	5	375	5	375
Daniel Maxwell	5	375	4	300
Lawrence Patin	5	375	5	375
James Petitjean	5	375	5	375
Justin Phillips	5	375	5	375
Bob Robinson	2	150	5	375
Randy Sexton	4	300	4	300
Jeffrey Taylor	-	-	2	150
Tab Troxler	4	300	-	-
Shelia Walker	2	150	2	150
	<u>48</u>	<u>\$ 3,600</u>	<u>50</u>	<u>\$ 3,750</u>

**Louisiana Assessors' Insurance Fund
Schedule of Compensation, Benefits, and Other Payments to
Agency Head or Chief Executive Officer
Year Ended December 31, 2020**

Wendy Curphy Aguiard, President

<u>Purpose</u>	<u>Amount</u>
Salary	\$ -
Benefits - insurance	-
Benefits - retirement	-
Car allowance	-
Vehicle provided by fund	-
Per diem	75
Reimbursements	-
Travel	-
Registration fees	-
Conference travel	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special meals	-



**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***

Ms. Kathy Bertrand, Executive Director,
and the Insurance Committee of
Louisiana Assessors' Insurance Fund
Baton Rouge, Louisiana

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, the financial statements of Louisiana Assessors' Insurance Fund, as of and for the years ended December 31, 2020 and 2019, and the related notes to the financial statements, which collectively comprise Louisiana Assessors' Insurance Fund's basic financial statements, and have issued our report thereon dated June 5, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Louisiana Assessors' Insurance Fund's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Louisiana Assessors' Insurance Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of Louisiana Assessors' Insurance Fund'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. 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 Louisiana Assessors' Insurance Fund's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and contracts, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audits, 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.

Hawthorn, Waymouth & Carroll, LLP.

June 5, 2021

Louisiana Assessors' Insurance Fund
Schedule of Findings and Responses
Year Ended December 31, 2020

Part I. Summary of Audit Results

- 1) An unmodified opinion has been expressed on the financial statements of Louisiana Assessors' Insurance Fund as of and for the year ended December 31, 2020, and the related notes to the financial statements.
- 2) No deficiencies in internal control over financial reporting that we consider to be material weaknesses were identified.
- 3) No instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* were identified.
- 4) A single audit in accordance with *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* was not required.
- 5) A management letter was not issued.

Part II. Findings Related to an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

No findings were noted.

Louisiana Assessors' Insurance Fund
Summary Schedule of Prior Year Findings
Year Ended December 31, 2020

Part I. Findings Related to an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

No findings were noted.

Part II. Management Letter

A management letter was not issued for the year ended December 31, 2019.