

**CADDO PARISH TAX ASSESSOR**

**SHREVEPORT, LOUISIANA**

**DECEMBER 31, 2020**

CADDO PARISH TAX ASSESSOR

SHREVEPORT, LOUISIANA

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CADDO PARISH TAX ASSESSOR

SHREVEPORT, LOUISIANA

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**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**CADDO PARISH TAX ASSESSOR**

## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

This section presents readers of the financial statements of the Caddo Parish Tax Assessor's Office with a narrative overview and analysis of its financial activities for the fiscal year ended December 31, 2020. It is intended to serve as an introduction to the basic financial statements of the Caddo Parish Tax Assessor, which statements consist of government-wide financial statements, fund financial statements, notes thereto, and other financial information.

### *Financial Highlights*

The financial statements of the Assessor present the financial transactions of the Assessor's office. The Assessor assesses all real and movable property in the parish subject to ad valorem taxation. 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.

Total assets and deferred outflows increased by \$2,424,233 or 19.86%. This is due mainly to an increase in deferred outflows related to OPEB. Total liabilities and deferred inflows increased by \$2,986,175 or 15.34%. This was due to changes in the net pension liability, deferred inflows of resources and in the OPEB obligation for 2020.

Revenues for the current year exceeded prior year's revenues by \$81,424, which is due to an increase in assessment revenue. Expenditures increased by \$520,085 from the prior year. This is due mainly to changes in the net pension liability.

Capital assets had an increase of \$43,231, which is additional assets purchased during the year, and decreases in the amount of \$32,918. This was due to depreciation expense of \$31,260 and disposals of assets with a net book value of \$1,658.

### USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on Pages 8 and 9) provide information about the activities of the Assessor as a whole. Fund financial statements start on Page 10. For governmental activities, these statements tell how these services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the Assessor's operations in more detail than the government-wide statements by providing information about the Assessor's most significant funds. The Assessor is a component unit of the Parish of Caddo, Louisiana. The accompanying financial statements present information only on the funds maintained by the Assessor.

### *Reporting the Funds Maintained by the Assessor as a Whole*

#### *The Statement of Net Assets and the Statement of Activities*

Our analysis of the funds maintained by the Assessor as a whole begins on Page 8. The Statement of Net Position and the Statement of Activities report information about the funds maintained by the Assessor as a whole and about its activities. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. These two statements report the Assessor's *net position* and changes in it. The Assessor's net position – the

difference between assets and deferred outflows and liabilities and deferred inflows – is one way to measure the Assessor's financial health, or *financial position*. Over time, *increases or decreases* in the Assessor's net position is one indicator of whether its financial health is improving or deteriorating.

In the Statement of Net Position and the Statement of Activities, we record the funds maintained by the Assessor as governmental activities.

### THE FUNDS MAINTAINED BY THE ASSESSOR AS A WHOLE

A comparative analysis of the funds maintained by the Assessor is presented below.

**Table 1**  
**Net Position**

	Government-Wide Activities 2020	Government-Wide Activities 2019
Cash and cash equivalents	2,486,859	1,755,300
Investments	5,681,958	5,631,697
Accrued interest receivable	328	328
Accounts receivable	39,654	32,222
Capital assets, net of accumulated depreciation	105,416	95,102
Deferred outflow of resources	6,314,459	4,689,792
Total assets and deferred outflows of resources	14,628,674	12,204,441
Total liabilities	20,403,686	17,270,980
Deferred inflows of resources	2,053,639	2,200,170
Total liabilities and deferred inflows of resources	22,457,325	19,471,150
Net position:		
Invested in capital assets, net of related debt	105,416	95,102
Unrestricted (deficit)	(7,934,067)	(7,361,811)
Total net position (deficit)	(7,828,651)	(7,266,709)

Net position of the funds maintained by the Assessor decreased by \$561,942 or 7.73%. Deferred outflows of resources increased by \$1,624,667. Deferred inflows of resources decreased by \$146,531. OPEB liability and pension liability are included in total liability and increased (decreased) by \$3,596,630 and (\$464,033), respectively. The changes in deferred outflows and inflows of resources and the OPEB and pension liabilities are due to changes in actuarial valuations, number of participants and contributions made to each plan.

**Table 2**  
**Change in Net Position**

	Government-Wide Activities 2020	Government-Wide Activities 2019
Revenues		
Caddo Assessment District	4,210,068	4,105,045
State revenue sharing	94,245	100,614
Other	<u>736,442</u>	<u>753,672</u>
Total revenues	5,040,755	4,959,331
Expenses		
General governmental	<u>5,602,697</u>	<u>5,082,612</u>
Increase (decrease) in net position	(561,942)	(123,281)
Beginning net position (deficit)	<u>(7,266,709)</u>	<u>(7,143,428)</u>
Ending net position (deficit)	<u>(7,828,651)</u>	<u>(7,266,709)</u>

For the funds maintained by the Assessor, total revenues increased \$81,424 in 2020, from total revenues in 2019 of \$4,959,331. The increase was the result of an increase assessment revenue.

**CAPITAL ASSETS**

During 2004, the Assessor adopted the provisions of Governmental Accounting Standards Board Statement No. 34 as pertaining to capital assets and depreciation. This resulted in a change in the format and content of the basic financial statements. At the end of 2020, the Assessor had invested \$1,210,463 in capital assets with a net book value of \$105,416. At the end of 2019, the Assessor had invested \$1,222,923 in capital assets with a net book value of \$95,102.

**Table 3**  
**Capital Assets At Year End**

	Government-Wide Activities 2020	Government-Wide Activities 2019
Furniture, office equipment and GIS equipment	265,269	267,081
Computer Equipment	945,195	955,843
	1,210,464	1,222,924
<u>Less - accumulated depreciation</u>	<u>(1,105,048)</u>	<u>(1,127,822)</u>
Capital assets, net	<u>105,416</u>	<u>95,102</u>
 Major additions included:		
Computer equipment	35,903	40,092
Furniture, office equipment and GIS equipment	7,328	6,551
Total	<u>43,231</u>	<u>46,643</u>

***Expectations for Future Operations***

The Assessor expects that the financial status will continue to be favorable in the future. Management will replace computer equipment as necessary.

Management will continue to monitor the economic uncertainties of COVID-19 and the impact on available financial resources.

***Requests for Information***

This financial report is designed to provide a general overview of the Caddo Parish Tax Assessor's finances for all those with an interest in the Assessor's financial operations. Questions concerning any of the information provided in this report, or requests for additional information, should be addressed to the Caddo Parish Tax Assessor, 501 Texas Street, Room 102, Shreveport, Louisiana, 71101.



**AUDITED FINANCIAL STATEMENTS**

# HEARD, McELROY, & VESTAL

LLC

CERTIFIED PUBLIC ACCOUNTANTS

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June 25, 2021

Mr. Charles R. Henington, Jr.  
Caddo Parish Tax Assessor  
Shreveport, Louisiana

## Independent Auditor's Report

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and each major fund of the Caddo Parish Tax Assessor as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Caddo Parish Tax 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 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.

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

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Caddo Parish Tax 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 1 through 4, and the schedules on Pages 29 through 34 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 opinions on the financial statements that collectively comprise the Caddo Parish Tax Assessor's basic financial statements. The accompanying other financial information consisting of the schedule of compensation, reimbursements, benefits, and other payments to agency head on Page 35 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The schedule of compensation, reimbursements, benefits, and other payments to agency head on Page 35 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of compensation, reimbursements, benefits, and other payments to agency head on Page 35 is 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 25, 2021 on our consideration of the Caddo Parish Tax 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 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 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 Caddo Parish Tax Assessor's internal control over financial reporting and compliance.

Heard, McElroy + Vestal, LLC

Shreveport, Louisiana

CADDO PARISH TAX ASSESSOR

STATEMENT OF NET POSITION

DECEMBER 31, 2020

<u>ASSETS</u>	<u>Governmental Activities</u>
Cash and cash equivalents	2,486,859
Investments, at cost	5,681,958
Accrued interest receivable	328
Accounts receivable	39,654
Furniture, office equipment and GIS equipment, net of accumulated depreciation	20,923
Computer equipment, net of accumulated depreciation	84,493
Total assets	<u>8,314,215</u>
 <u>DEFERRED OUTFLOWS OF RESOURCES</u>  	
Deferred outflows of resources - OPEB	4,950,044
Deferred outflows of resources - pension	1,364,415
Total deferred outflows of resources	<u>6,314,459</u>
 Total assets and deferred outflows of resources	 <u>14,628,674</u>
 <u>LIABILITIES</u>  	
Accounts payable and accrued expenses	72
Long-term liabilities-net OPEB obligation	19,817,501
Long-term liabilities-net pension liability	586,113
Total liabilities	<u>20,403,686</u>
 <u>DEFERRED INFLOWS OF RESOURCES</u>  	
Deferred inflows of resources - OPEB	1,072,541
Deferred inflows of resources - pension	981,098
Total deferred inflows of resources	<u>2,053,639</u>
 Total liabilities and deferred inflows of resources	 <u>22,457,325</u>
 <u>NET POSITION</u>  	
Investment in capital assets, net of related debt	105,416
Unrestricted (deficit)	<u>(7,934,067)</u>
Total net position (deficit)	<u>(7,828,651)</u>
 Total liabilities, deferred inflows of resources and net position	 <u>14,628,674</u>

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

CADDO PARISH TAX ASSESSOR

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Governmental Activities</u>
<u>Expenses:</u>	
Insurance	884,866
General office expense	75,370
Professional fees	197,534
Equipment maintenance	190,161
Postage	70,392
Education and travel	26,396
Automobile	58,922
Office forms	4,594
Office supplies	19,793
Salaries and benefits	1,979,253
Retirement fund expense, net of pension liability adjustments	369,306
Depreciation	31,260
Loss on disposal of fixed assets	1,658
OPEB obligation	<u>1,693,192</u>
Total expenses	5,602,697
 <u>Program revenue:</u>	
Charges for services	<u>110,090</u>
Net (expense)	(5,492,607)
 <u>General revenue:</u>	
Caddo Assessment District	4,210,068
State revenue sharing	94,245
Interest income	64,085
Miscellaneous income	2,254
Non-employer pension contributions	<u>560,013</u>
	<u>4,930,665</u>
 Change in net position	 (561,942)
 Net position (deficit)-beginning of year	 <u>(7,266,709)</u>
 Net position (deficit)-end of year	 <u>(7,828,651)</u>

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

CADDO PARISH TAX ASSESSOR

BALANCE SHEET-GOVERNMENTAL FUND TYPE

DECEMBER 31, 2020

<u>ASSETS</u>	<u>Governmental Fund Type</u> <u>Salary and Expense Fund</u>
Cash and cash equivalents	2,486,859
Investments, at cost	5,681,958
Accrued interest receivable	328
Accounts receivable	<u>39,654</u>
Total assets	<u>8,208,799</u>
 <u>LIABILITIES AND FUND EQUITY</u>  	
<u>Liabilities:</u>	
Accounts payable and accrued expenses	<u>72</u>
Total liabilities	72
<u>Fund balance - unassigned</u>	<u>8,208,727</u>
Total liabilities and fund equity	<u>8,208,799</u>

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

CADDO PARISH TAX ASSESSOR

RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET TO THE

GOVERNMENT-WIDE FINANCIAL STATEMENT OF NET POSITION

DECEMBER 31, 2020

Total fund balance for the governmental fund	8,208,727
Cost of capital assets, less accumulated depreciation	105,416
Retirement payments are reported as expenditures in the governmental funds. In the government-wide statements the payments represent net deferred outflow of resources	4,260,820
Long-term liabilities-net OPEB obligation	(19,817,501)
Long-term liabilities-net pension obligation	<u>(586,113)</u>
Total net position (deficit) of governmental activities	<u>(7,828,651)</u>

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



CADDO PARISH TAX ASSESSOR

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-

GOVERNMENTAL FUND TYPE

FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Governmental Fund Type</u> <u>Salary and Expense Fund</u>
<u>Revenues:</u>	
Caddo Assessment District	4,210,068
State revenue sharing	94,245
Charges for services	110,090
Interest income	64,085
Miscellaneous	2,254
Total revenues	<u>4,480,742</u>
<u>Expenditures:</u>	
Insurance	884,866
General office expense	75,371
Professional fees	197,534
Equipment maintenance and purchases	233,392
Postage	70,392
Education and travel	26,396
Automobile	58,922
Office forms	4,594
Office supplies	19,793
Salaries- assessor	169,512
Salaries- deputies	1,758,365
Salaires- other	51,376
Retirement fund expense	141,086
Total expenditures	<u>3,691,599</u>
<u>Excess of revenue over expenitures</u>	789,143
<u>Beginning fund balance</u>	<u>7,419,584</u>
<u>Ending fund balance</u>	<u>8,208,727</u>

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

CADDO PARISH TAX ASSESSOR

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUND TO THE  
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2020

Net change in fund balance- governmental fund	789,143
OPEB obligation expense	(1,693,192)
Retirement expenditures paid	(228,219)
Non-employer pension retirement contributions	560,013
Equipment purchases	43,231
Depreciation expense	(31,260)
Gain/(loss) on disposal of fixed assets	<u>(1,658)</u>
Change in net position of governmental activities	<u>(561,942)</u>

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

CADDO PARISH TAX ASSESSOR  
STATEMENT OF FIDUCIARY NET ASSETS

DECEMBER 31, 2020

ASSETS

Investment in deferred compensation	<u>1,164,730</u>
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NET ASSETS

Net assets	<u>1,164,730</u>
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The accompanying notes are an integral part of these financial statements.

CADDO PARISH TAX ASSESSOR

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2020

Balance beginning of year		1,058,648
<u>Increases:</u>		
Contributions	32,281	
Gains on investments	103,940	
Transfers in	230	
	<u>                    </u>	136,451
<u>Decreases:</u>		
Withdrawals	26,201	
Administrative fees	4,168	
	<u>                    </u>	<u>30,369</u>
Balance end of year		<u><u>1,164,730</u></u>

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

CADDO PARISH TAX ASSESSOR

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

**Introduction**

As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, the Assessor is elected by the voters of the parish and serves a four-year term. The Assessor 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 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 pecuniarily responsible for the actions of the deputies. The Assessor is a component unit of the Caddo Parish Commission, as it meets all applicable criteria established by GASB standards.

The Assessor's office is located in the Caddo Parish Courthouse in Shreveport, Louisiana. The Assessor employs 58 employees, including 37 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.

At December 31, 2020, there were 136,926 real property and movable property assessments totaling \$1,640,349,573 and \$535,357,320, respectively. This represents an increase of 248 assessments with an increase totaling \$17,370,959 in value over the prior year. The increase in the number of assessments is due to more subdivisions being on the tax roll and more equipment being assessed on the tax roll. The increase in value is due to an increase in the value of real estate and equipment and to reassessment in 2020.

**1. Summary of Significant Accounting Policies**

***Basis of Presentation***

The accompanying financial statements of the Caddo Parish Tax Assessor have been prepared in conformity with governmental accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing government accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, issued in June 1999, and GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, issued in February 2009.

The financial statements include:

- A Management Discussion and Analysis (MD&A) section providing an analysis of the Assessor's overall financial position and results of operations.
- Government-Wide Financial Statements
- Fund Financial Statements

## **1. Summary of Significant Accounting Policies (Continued)**

### ***Government-Wide and Fund Financial Statements***

The government-wide financial statements (GWFS) (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, if any, which rely to a significant extent on fees and charges for support.

The statement of net position presents information on all of the Assessor's assets and liabilities using the accrual basis of accounting, as well as the deferred outflows and inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Assessor is improving or deteriorating.

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

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

### ***Fund Accounting***

The Assessor uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

### ***Governmental Funds***

Governmental funds account for all or most of the Assessor's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities 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 of the Assessor.

The Salary and Expense Fund, as provided by Louisiana Revised Statute 47:1906, is the principal fund of the Assessor and accounts for the operation of the Assessor's office. Compensation received from the various taxing bodies prescribed by formula in Louisiana Revised Statutes 47:1907-08 is accounted for in this fund. General operating expenditures are paid from this fund.

### ***Fiduciary Funds***

Fiduciary funds account for resources that do not belong to the Assessor, but rather are subject to the claims of others.

## **1. Summary of Significant Accounting Policies (Continued)**

The Pension Trust Fund, which is a fiduciary fund type, accounts for assets held which are for employees who defer a portion of their compensation. Fiduciary funds are custodial funds (assets equal liabilities and net assets); therefore, they do not involve measurement of operations. There are two deferred compensation plans available to the employees. One is administered by the National Association of Counties, and the other is administered by Security Benefit Group of Companies. All assets of the plan are reported at fair market value. Plan assets remain the property of the Assessor until paid or made available to participants.

### ***Basis of Accounting***

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Salary and Expense Fund is accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The operating statement of the Salary and Expense Fund presents increases and decreases in net current assets. The modified accrual basis of accounting is used by the Salary and Expense Fund. The Salary and Expense Fund uses the following practices in recording revenues and expenditures:

#### ***Revenues***

Revenues are recognized when they become measurable and available as net current assets. The period of time used to define when resources become available is one year.

#### ***Expenditures***

Expenditures are recognized when the related fund liability is incurred.

### ***Equity Classifications***

In 2018, the Assessor implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. To implement this change, the beginning net position was restated.

### ***Budgets and Budgetary Accounting***

The Caddo Parish Tax Assessor follows these procedures in establishing the budgetary data reflected in these financial statements:

1. The Caddo Parish Tax Assessor prepares a proposed budget and holds a public hearing no later than fifteen days prior to the beginning of each fiscal year.
2. The budget is adopted at the public hearing.
3. All budgetary appropriations lapse at the end of each fiscal year.

### ***Cash and Cash Equivalents and Investments***

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Assessor may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

**1. Summary of Significant Accounting Policies (Continued)**

Under state law, the Assessor may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost, except for investments in the deferred compensation fiduciary fund, which are reported at market.

***Capital Assets***

The Assessor has adopted the provisions of Governmental Accounting Standards Board Statement No. 34 as pertaining to capital assets and depreciation.

Capital assets are capitalized at historical cost. Donated assets are recorded as capital assets at their acquisition value at the date of donation. The Assessor maintains a threshold level of \$300 or more for capitalizing capital assets.

The purchase or acquisition of capital assets is recorded in the Statement of Net Position and Statement of Revenues, Expenditures, and Changes in Fund Balance. 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>
Furniture and fixtures	7 - 10 years
Computer and office equipment	5 - 7 years

***Vacation and Sick Leave***

The Assessor has a written formal policy relating to vacation and sick leave, based on length of service. The policy does not provide for the accumulation of vacation leave. The policy provides for accumulation of sick leave that may be used for major illnesses. It does not provide for compensation for this sick leave upon termination.

***Risk Management***

The Assessor is subject to normal business and liability risk, including risk of loss of assets. These risks are managed through the purchase of insurance policies.

**2. Levied Taxes**

The Caddo Assessment District levies a tax on the assessed valuation of all taxable property appearing on the previous year's tax roll. The millage to be assessed is determined and certified by the legislative auditor by dividing the net tax roll as of January 1 of the year of implementation into the salary and expense account and salary and personal expense allowance of the Assessor for the current year. The millage adopted remains in effect in subsequent years unless changed as provided by law.

However, the total amount of ad valorem taxes received by the district is never less than that received by the district in the initial year. Taxes are due December 31.

Of the total taxes assessed by the Caddo Assessment District, \$4,266,765 were due to the Assessor for the year ended December 31, 2020. The taxes remitted to the Assessor in 2020 were primarily for the 2019 assessment year. For 2020, total taxes of \$4,210,068 were collected, of which \$4,147,337 relates



**2. Levied Taxes (Continued)**

to assessed taxes for the 2019 assessment year, \$65,108 relates to taxes assessed for other periods. Approximately 98% of the taxes assessed were collected for 2019 and the Assessor believes that the remaining 2%, \$62,731, will never be collected mainly as a result of bankruptcies and protested taxes.

The following is a summary of authorized and levied ad valorem taxes:

	<u>Authorized Millage</u>	<u>Levied Millage</u>
Caddo Assessment District	2.37	2.37

The following are the principal taxpayers for the parish:

<u>Taxpayer</u>	<u>Type of Business</u>	2020 <u>Assessed Valuation</u>	Percentage of Total <u>Assessed Valuation</u>
SWEPCO/AEP	Utility	124,941,470	6.80%
Chesapeake Operating, Inc.	Natural Gas	28,418,510	2.10%
Calumet Shreveport	Refinery	19,188,431	1.04%
Union Pacific Railroad Co.	Railroad	15,871,580	0.86%
Ternium, USA	Steel	13,006,760	0.71%
BPX Operating Company	Natural Gas	12,871,320	0.70%
Centerpoint Energy Arkla	Utility	12,483,950	0.68%
Walmart	Retail	12,110,590	0.66%
UOP LLC	Refinery	11,482,070	0.62%
Kansas City Southern Railway	Railroad	10,575,750	0.57%
		<u>260,950,431</u>	<u>14.74%</u>

**3. Cash and Cash Equivalents**

At December 31, 2020, the Assessor has cash and cash equivalents as follows:

Commercial interest checking accounts	<u>2,486,859</u>
Total cash and cash equivalents	<u>2,486,859</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These accounts were held at one institution and secured by \$250,000 in federal deposit insurance. In addition, the market value of securities pledged on these accounts was \$6,150,000 as of December 31, 2020.

4. **Investments**

The investments of all funds consisted of certificates of deposit and the LAMP Fund. A schedule of investments is presented below:

	<u>Rate of Interest</u>	<u>Salary and Expense Fund</u>
Home Federal Savings & Loan	1.50%	414,364
Home Federal Savings & Loan	1.25%	413,742
Home Federal Savings & Loan	1.25%	413,830
Home Federal Savings & Loan	1.25%	413,915
Home Federal Savings & Loan	1.00%	413,641
Home Federal Savings & Loan	0.30%	413,049
Home Federal Savings & Loan	0.30%	413,455
Home Federal Savings & Loan	0.30%	414,113
Red River Bank	0.35%	250,000
Red River Bank	0.35%	250,000
Red River Bank	0.35%	250,000
Red River Bank	0.35%	250,000
Cross Keys	2.32%	250,000
Cross Keys	2.32%	250,000
LAMP Investments		871,849
		<u>5,681,958</u>

The investments are in the name of the Assessor and are held at the financial institutions. The certificates of deposit are either fully insured or collateralized by securities held in the Assessor's name. The market value of securities and one letter of credit pledged on these accounts was \$10,039,151 as of December 31, 2020.

The Louisiana Asset Management Pool, Inc. (LAMP) issues separate audited financial statements that can be obtained by accessing their website at [www.lamppool.com](http://www.lamppool.com) or by calling (504) 525-5267.

In accordance with GASB Codification Section I50.126, the investment in LAMP is not categorized in the three risk categories provided by GASB Codification Section I50.125 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a nonprofit 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. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities.

**4. Investments (Continued)**

Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA-R.S. 33:2955(A)(1)(h) which allows all municipalities, parishes, school boards, and any other political subdivisions of the State to invest in "Investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 60 days and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on 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.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company. LAMP is rated AAAM by Standard & Poor's.

**5. Changes in Capital Assets**

A summary of changes in capital assets and accumulated depreciation for the year ended December 31, 2020, is as follows:

	Furniture, Office Equipment and GIS Equipment	Computer Equipment	Total
Balance January 1, 2020	267,081	955,843	1,222,924
Additions	7,328	35,903	43,231
Balance December 31, 2020	265,268	945,195	1,210,463
Less - accumulated depreciation	(244,345)	(860,702)	(1,105,047)
Capital assets, net	20,923	84,493	105,416

**6. Pension Plan**

Substantially all employees of the Caddo Parish Tax Assessor's office are members of the Louisiana Assessors Retirement Fund, a cost-sharing multiple-employer defined benefit pension plan that is controlled and administered by a separate board of trustees.

All full-time employees are required to participate in the Fund. Employees hired before October 1, 2013, can retire at age 55 with 12 years of experience or 30 years of credited service and are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3 percent of their final-average salary for each year of credited service, not to exceed 100 percent of their final-average salary.

For employees who were employed prior to October 1, 2006, final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. For employees hired on or after October 1, 2006, the final salary is the employee's average over 60 consecutive or joined months that produces the highest average.

**6. Pension Plan (Continued)**

For employees who were hired on or after October 1, 2013 the benefit is equal to 3 percent of their final average salary over the 60 consecutive or joined months that produce the highest average.

These employees may receive a retirement benefit of 3 1/3 percent if they retire with 30 years of service or more; otherwise it is 3 percent. These employees must be 55 years old with 30 years or more of service or 60 years old with 12 years of service.

Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 or age 60 depending on when hired and receive the benefit accrued to their date of termination. The Fund also provides death and disability benefits. Benefits are established by state statute.

All retirement benefits may be reduced by taking any one of the retirement options that are provided for, such as joint benefit for surviving spouse or back drop options.

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, P. O. Box 14699, Baton Rouge, Louisiana 70898-4699, or on the Louisiana Legislative Auditor's website, [www.la.gov](http://www.la.gov).

Contributions to the Fund include one-fourth of one per cent of the taxes shown to be collectible by the tax rolls of each parish including the homestead exemption plus revenue sharing funds appropriated by the legislature. State statute requires plan members to contribute 8% of their annual covered salaries to the Fund. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. For 2020, the rate was 8%. The Caddo Parish Tax Assessor's contributions to the Fund for the year ending December 31, 2020 was \$141,086, equal to the required employer contribution. The employee portion for the year ending December 31, 2020 was \$141,990, which is included in salaries and benefits expense.

Actuarially determined amounts regarding the net pension liability are subject to continual revision as actual results are compared to past expectations, and new estimates are made about the future. Key information on the actuarial valuation and assumptions is as follows:

Valuation Date	September 30, 2020
Actuarial Cost Method	Entry age normal.
Investment Rate of Return (discount rate)	5.75%, net of pension plan investment expense, including inflation.
Inflation Rate	2.12%
Salary Increases	3.0%
Annuitant and beneficiary mortality	RP 2000 Healthy Annuitant Table set forward one year and projected to 2030 for males and projected to 2030 for females with no set forward.
Active members mortality	RP 2000 Employee Table set back four years for males and three years for females.

6. **Pension Plan** (Continued)

Disabled Lives Mortality

RP-2000 Disabled Lives Mortality Tables set back five years for males and three years for females.

The long-term expected rate of return selected for this report by the Fund was 5.75%. 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 that contributions from the participating employers and non-employer contributing entities will be made at actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on 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%.

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 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 (ERSL) for 2020 is 6 years.

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 rate (assuming all other assumptions remain unchanged):

	1% Decrease (4.75%)	Current Discount Rate (5.75%)	1% Increase (6.75%)
Assessor's proportionate share of the net pension liability	<u>2,660,583</u>	<u>586,113</u>	<u>(1,177,509)</u>

Actuarial date and measurement date: September 30, 2020

6. **Pension Plan** (Continued)

Projected required contribution	141,086
Employer allocation percentage	3.836416%
Net pension liability	583,116
<b>Deferred Outflows</b>	
Differences between expected and actual experience	18,758
Changes in assumptions	1,301,214
Changes in proportion	8,712
Employer contributions subsequent to measurement date	35,731
Total Deferred Outflows	<u>1,364,415</u>
<b>Deferred Inflows</b>	
Differences between expected and actual experience	468,283
Net differences between projected and actual earnings	460,904
Changes in proportion	51,912
Total Deferred Inflows	<u>981,099</u>
<b>Pension Expense</b>	
Proportionate share of plan pension expense	396,525
Net amortization of deferred amounts from changes in proportion	<u>(25,956)</u>
Total Employer Pension Expense	<u>370,569</u>
<b>Proportionate Share</b>	
Employer contributions	141,899
Non-employer contributions	560,013
<b>Schedule of Net Pension Liability Sensitivity to Change in Discount Rate</b>	
Employer's proportionate share	586,113
1% Decrease	2,660,583
1% Increase	(1,177,509)
<b>Amortization Schedule</b>	
2021	19,060
2022	146,077
2023	132,020
2024	(24,217)
2025	74,645
Total	<u>347,585</u>

7. **Other Postemployment Benefits**

**Plan Description.** The Caddo Parish Tax Assessor contributes to a single-employer defined benefit healthcare plan (“the Retiree Health Plan”). The plan provides lifetime healthcare insurance for eligible retirees and their spouses through the Assessor’s group health insurance plan, which covers both active and retired members. Benefit provisions are established by the Caddo Parish Tax Assessor.

7. **Other Postemployment Benefits** (Continued)

Effective with the year ended December 31, 2018, the Caddo Parish Tax Assessor implemented Government Accounting Standards Board Statement Number 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (GASB 75). In accordance with GASB 75, the beginning OPEB liability was restated to reflect the full obligation of the Assessor.

**Funding Policy.** The Assessor pays 100% of retirees’ medical and life insurance premiums and 50% of the retirees’ dependent medical coverage. The eligibility requirement is that the former employee must have met the requirements of the retirement system. These requirements are at least twelve years of coverage service and at least fifty-five years of age or thirty years of service. The number of participants currently eligible to receive benefits is thirty-three. For the year ended December 31, 2020, the Assessor contributed \$326,416 to the plan.

**Total OPEB Liability.** The Assessor’s total OPEB liability of \$19,817,501 was measured as of December 31, 2019, and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and other inputs* – The total OPEB liability in the December 31, 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	2.2%
Salary increases	3.0%, including inflation
Discount rate	2.12% annually
Healthcare cost trend rates	Flat 6.4% annually

The discount rate was based on the average of the Bond Buyer General Obligation 20-Bond Municipal index as of December 31, 2020, the end of the applicable measurement period.

Mortality rates were based on the sex-distinct Pub-2010 Table, projected generationally using scale MP-2020.

The actuarial assumptions used in the December 31, 2020, valuation were based on the results of ongoing evaluations of the assumptions from January 1, 2009, to December 31, 2020.

***Changes in the Total OPEB Liability***

Balance at December 31, 2019	16,220,871
Changes for the year:	
Service cost	670,825
Interest	458,391
Effect of economic/demographic gains or losses	1,088,424
Changes in assumptions	1,705,406
Benefit payments and net transfers	<u>(326,416)</u>
Net changes	<u>3,596,630</u>
Balance at December 31, 2020	<u>19,817,501</u>

7. **Other Postemployment Benefits** (Continued)

*Sensitivity of the total OPEB liability to changes in the discount rate* – The following presents the total OPEB liability of the Assessor, 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 discount rate:

	1% Decrease (1.12%)	Current Discount Rate (2.12%)	1% Increase (3.12%)
Total OPEB liability	<u>23,705,359</u>	<u>19,817,501</u>	<u>16,766,120</u>

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates* – The following presents the total OPEB liability of the City, as well as what the City’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.40%) or 1-percentage-point higher (7.40%) than the current healthcare trend rates:

	1% Decrease (5.40%)	Current Discount Rate (6.40%)	1% Increase (7.40%)
Total OPEB liability	<u>16,879,273</u>	<u>19,817,501</u>	<u>23,683,832</u>

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

For the year ended December 31, 2020, the Assessor recognized OPEB expense of \$1,693,192. 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	1,053,798	-
Changes in assumptions	<u>3,896,246</u>	<u>(1,072,541)</u>
Total	<u>4,950,044</u>	<u>(1,072,541)</u>

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

Years ending December 31:	
2021	890,392
2022	890,392
2023	1,115,841
2024	822,738
2025	158,140
Thereafter	-



**8. Leases**

The Caddo Parish Tax Assessor has four operating lease agreements for automobiles and office equipment. The leases range in terms from 36 to 60 months. During 2020, total payments under these leases were \$27,312.

The following is a schedule of future minimum rental payments required under the operating leases as of December 31, 2020:

2021	8,872
2022	8,872
2023	6,469
2024	-
2025	-
	<u>24,213</u>

**9. Litigation**

At the balance sheet date, there was pending litigation against the Assessor which involved suits seeking either refund of taxes for prior years or reassessment of property values. As the Tax Assessor only assesses property and does not collect taxes, there should be no monetary loss to the Assessor because of this litigation.

**10. Deferred Compensation**

The Tax Assessor offers employees a deferred compensation plan created in accordance with Section 457 of the Internal Revenue Code of 1986. The assets of the plan are held in trust as described in IRC Section 457(g) for the exclusive benefit of the participants and their beneficiaries. The custodian thereof for the exclusive benefit of the participants holds the custodial account for the beneficiaries of this plan, and the assets may not be diverted to any other use. The administrators are agents of the employer for purposes of providing direction to the custodian of the custodial account from time to time for the investment of the funds held in the account, transfer of assets to or from the account, and all other matters. In accordance with provisions of GASB Statement No. 32, plan balances and activities are reflected in separate statements of fiduciary net assets and changes in fiduciary net assets in the Tax Assessor's financial statements.

**11. Subsequent Event**

The Assessor evaluated its December 31, 2020 financial statements for subsequent events through June 25, 2021, the date for which the financial statements were available for distribution, for potential recognition and disclosure.

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**

CADDO PARISH TAX ASSESSOR

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED DECEMBER 31, 2020

(Unaudited)

	<u>Government Fund Type</u>		Variance Favorable (Unfavorable)
	<u>Salary and Expense Fund</u>		
	<u>Actual</u>	<u>Budget</u>	
<u>Revenues:</u>			
Caddo Assessment District	4,210,068	4,266,764	(56,696)
State revenue sharing	94,245	94,000	245
Interest income	64,085	85,000	(20,915)
Other revenues	112,344	108,000	4,344
Total revenues	<u>4,480,742</u>	<u>4,553,764</u>	<u>(73,022)</u>
<u>Prior year surplus</u>	7,419,584	7,419,584	-
<u>Expenditures:</u>			
Insurance	884,866	1,132,900	248,034
General office expense	75,370	129,219	53,849
Professional fees	197,534	245,000	47,466
Equipment maintenance and purchases	233,392	399,085	165,693
Mapping	-	600	600
Postage	70,392	103,020	32,628
Education and travel	26,396	66,200	39,804
Automobile	58,922	88,800	29,878
Office forms	4,594	13,057	8,463
Office supplies	19,793	64,805	45,012
Salaries	1,979,253	2,600,000	620,747
Retirement fund expense	141,086	350,000	208,914
Total expenditures	<u>3,691,598</u>	<u>5,192,686</u>	<u>1,501,088</u>
<u>Fund balance:</u>			
December 31, 2020	<u>8,208,728</u>	<u>6,780,662</u>	<u>1,428,066</u>

CADDO PARISH TAX ASSESSOR

NOTES TO BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED DECEMBER 31, 2020

(Unaudited)

1. Budget

Refer to Note 1 of the financial statements for details regarding the budget process. The budget presented on Page 29 is the original budget with no amendments to the budget during the year.

CADDO PARISH TAX ASSESSOR

SCHEDULE OF PROPORTIONAL SHARE OF THE NET PENSION

LIABILITY AND RELATED RATIOS

FOR THE YEAR ENDED DECEMBER 31, 2020

(Unaudited)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Assessor's proportion of the net pension liability	3.836416%	3.981114%	4.124069%	4.262904%	4.140160%	4.393390%
Assessor's proportionate share of the net pension liability	586,113	1,050,146	801,734	748,016	1,460,936	2,299,161
Nonemployer's proportionate share of net pension liability	-	-	-	-	-	-
Total	<u>586,113</u>	<u>1,050,146</u>	<u>801,734</u>	<u>748,016</u>	<u>1,460,936</u>	<u>2,299,161</u>
Assessor's covered employee payroll	1,756,234	1,746,804	1,791,896	1,861,608	1,799,814	1,827,804
Assessor's proportionate share of the net pension liability as a percentage of its covered employee payroll	33.37%	60.12%	44.74%	40.18%	81.17%	125.79%
Plan fiduciary net position as a percentage of the the total pension liability	96.79%	94.12%	95.46%	95.61%	90.68%	85.57%

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

CADDO PARISH TAX ASSESSOR  
SCHEDULE OF REQUIRED CONTRIBUTIONS  
FOR THE YEAR ENDED DECEMBER 31, 2020  
(Unaudited)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	141,086	141,692	145,426	192,279	227,317	246,754
Contributions in relation to the contractually required contribution	141,086	141,692	145,426	192,279	227,317	246,754
Contribution deficiency (excess)	-	-	-	-	-	-
Assessor's covered-employee payroll	1,756,234	1,746,804	1,791,896	1,861,608	1,799,814	1,827,804
Contributions as a percentage of covered-employee payroll	8.03%	8.11%	8.12%	10.33%	10.00% *	13.50% *

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

\*Contribution rate was 13.50% until October 2016, at which point it decreased to 10.00%. The contribution rate decreased again to 8.00% effective October 2017.

CADDO PARISH TAX ASSESSOR

SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS

FOR THE YEAR ENDED DECEMBER 31, 2020

(Unaudited)

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability			
Service cost	670,825	348,940	467,233
Interest	458,391	488,184	462,637
Effect of economic/demographic gains or (losses)	1,088,424	-	384,157
Effect of assumption changes or inputs	1,705,406	3,990,625	(2,413,214)
Benefit payments	(326,416)	(326,416)	(322,886)
Net change in total OPEB liability	3,596,630	4,501,333	(1,422,073)
Total OPEB liability - beginning	16,220,871	11,719,538	13,141,611
Total OPEB liability - ending	<u>19,817,501</u>	<u>16,220,871</u>	<u>11,719,538</u>
Covered-employee payroll	1,852,496	1,892,819	1,791,895
Net OPEB liability as a percentage of covered-employee payroll	1069.77%	856.97%	654.03%

Notes to Schedule:

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

*Changes of Assumptions. The discount rate changed as follows: 2018 - 4.10%; 2019 - 2.74%; 2020 - 2.12%.*

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

CADDO PARISH TAX ASSESSOR

SCHEDULE OF EMPLOYER CONTRIBUTIONS - OPEB

FOR THE YEAR ENDED DECEMBER 31, 2020

(Unaudited)

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	141,086	141,692	145,426
Contributions in relation to the actuarially determined contribution			
Employer contributions to trust	<u>141,086</u>	<u>141,692</u>	<u>145,426</u>
Contribution deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>
Covered annual payroll	1,852,496	1,892,819	1,791,895
Contributions as a percentage of covered employee payroll	7.62%	7.49%	8.12%

Notes to Schedule:

Valuation date 1/1/2020

Actuarially determined contributions are calculated as of the last day of the fiscal year in which contributions are reported.

Actuarial cost method	Entry Age Normal
Amortization method	Level dollar, open
Amortization period	30 years
Asset valuation method	Market value
Inflation	2.2% annually
Healthcare trend	Flat 6.4% annually
Salary increases	3.0% annually
Discount rate	2.12% annually
Retirement age	30 years of service at any age; 12 years of service at age 55
Mortality	Sex-distinct Pub-2010 General Mortality projected generationally using scale MP-2020
Turnover	Age specific table with an average of 12% when applied to the active census
Decline Rate	0%

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



**OTHER FINANCIAL INFORMATION**

CADDO PARISH TAX ASSESSOR

SCHEDULE OF COMPENSATION, REIMBURSEMENTS, BENEFITS,

AND OTHER PAYMENTS TO AGENCY HEAD

FOR THE YEAR ENDED DECEMBER 31, 2020

Agency Head: Charles R. Hennington, Jr.

Salary and expense amount	172,515
Benefits - insurance	19,283
Benefits - retirement	27,602
Vehicle provided by government	5,710
Travel	3,209
Continuing professional education fees	1,590

**OTHER REPORTS**

# HEARD, McELROY, & VESTAL

LLC

CERTIFIED PUBLIC ACCOUNTANTS

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SHREVEPORT, LOUISIANA 71101  
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June 25, 2021

Mr. Charles R. Henington, Jr.  
Caddo Parish Tax Assessor  
Shreveport, Louisiana

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*

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 the governmental activities and each major fund of the Caddo Parish Tax Assessor, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Caddo Parish Tax Assessor's basic financial statements, and have issued our report thereon dated June 25, 2021.

## **Internal Control over Financial Reporting**

In planning and performing our audit, we considered the Assessor's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Assessor's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Assessor's internal control over financial reporting.

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

**HMV**

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### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the financial statements of Caddo Parish Tax Assessor are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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.

*Heard, McElroy + Vestal, LLC*

Shreveport, Louisiana

CADDO PARISH TAX ASSESSOR  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2020

We have audited the financial statements of Caddo Parish Tax Assessor as of and for the year ended December 31, 2020, and have issued our report thereon dated June 25, 2021. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 2020 resulted in an unmodified opinion.

Section I - Summary of Auditor's Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control - No material weakness was noted; no management letter was issued.

Compliance - No material noncompliance was noted.

b. Federal Awards – Not applicable.

Section II - Financial Statement Findings

No matters were reported.

CADDO PARISH TAX ASSESSOR  
SCHEDULE OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2020

No prior year findings were reported.