

Natchitoches Parish Tax Assessor
A Component Unit of the Natchitoches Parish Police Jury
Natchitoches Parish, Louisiana

Annual Financial Statements

As of and For the Year Ended
December 31, 2013
With Supplemental Information Schedules

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Natchitoches, Louisiana

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INDEPENDENT AUDITOR'S REPORT

Natchitoches Parish Tax Assessor
Natchitoches, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Natchitoches Parish Tax Assessor, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Natchitoches 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.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities of the Natchitoches Parish Tax Assessor, as of December 31, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof 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 and budgetary comparison information on pages 5 through 7 and 31 through 32 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2014 on our consideration of the Natchitoches 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Natchitoches Parish Tax Assessor's internal control over financial reporting and compliance.

Kenneth D. Folden & Co., CPAs

Jonesboro, Louisiana

June 20, 2014

**REQUIRED SUPPLEMENTARY
INFORMATION**

PART I

Natchitoches Parish Tax Assessor
Natchitoches, Louisiana

Management's Discussion and Analysis
For the Year Ended December 31, 2013

As Management of the Natchitoches Parish Tax Assessor, we offer readers of the Natchitoches Parish Tax Assessor financial statements this narrative overview and analysis of the financial activities of the Natchitoches Parish Tax Assessor as of and for the year ended December 31, 2013. We encourage readers to consider the information presented here in conjunction with the Assessor's basic financial statements and supplementary information provided in this report in assessing the efficiency and effectiveness of our stewardship of public resources.

FINANCIAL HIGHLIGHTS

- The assets of the Assessor exceeded its liabilities by \$2,572,882 (net position), at December 31, 2013. This is an increase from prior year of \$425,974.
- Unrestricted net position of \$2,549,636 represents the portion available to maintain the Assessor's obligations to both citizens and creditors.
- At year end, the Assessor had an other post employment benefit payable of \$731,636. This payable increased by \$146,681 for the year ended December 31, 2013. No new debt was incurred during the year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Assessor as a whole and presents a longer-term view of the Assessor's finances. These statements tell how these services were financed in the short-term as well as what remains for future spending. The Fund Statements provide a more detailed look at the Assessor's activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Assessor uses fund accounting to ensure and reflect its compliance with finance-related legal requirements. The Assessor has one fund, a governmental fund, which is the general fund.

A summary of the basic government-wide financial statements is as follows:

Summary of Statement of Net Position

	<u>Governmental Activities</u>	
	<u>2013</u>	<u>2012</u>
Assets:		
Current assets	\$ 3,294,674	\$ 2,709,965
Capital assets (net of accumulated depreciation)	23,246	40,223
Total Assets	<u>3,317,920</u>	<u>2,750,188</u>
Liabilities:		
Accounts payable	4,182	8,477
Payroll liabilities	9,220	9,848
Net Other Post Employment Benefits	731,636	584,955
Total Liabilities	<u>745,038</u>	<u>603,280</u>
Net Position:		
Invested in capital assets, net of related debt	23,246	40,223
Unrestricted	2,549,636	2,106,685
Total Net Position	<u>\$ 2,572,882</u>	<u>\$ 2,146,908</u>

Summary Statement of Activities

	Governmental Activities	
	2013	2012
General Revenues:		
Ad valorem taxes	\$ 1,200,657	\$ 1,098,584
Charges for services	29,581	24,046
State revenue sharing	36,667	55,984
Interest income	25,656	7,642
Loss on sale of investment	(90)	-
Total Revenues	1,292,471	1,186,256
Expenses:		
General Government		
Personnel services	751,203	749,936
Operating services	22,116	48,397
Materials and supplies	17,267	29,731
Travel and other charges	28,018	7,135
Professional services	30,915	86,978
Depreciation	16,977	20,103
Total Expenses	866,496	942,280
Change in Net Position	425,975	243,976

GENERAL FUND BUDGETARY HIGHLIGHTS

The budget was amended during the year. Actual revenues were \$116,905 more than the budgeted amount for the year. Actual expenses were less than the budgeted amount by \$117,161.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Natchitoches Parish Tax Assessor's elected officials considered the following factors and indicators when setting next year's budget, rates, and fees: taxes, state revenue sharing, and interest income. The Assessor does not expect any significant changes in next year's results as compared to the current year.

CONTACTING THE ASSESSOR

This financial report is designed to provide our citizens, taxpayers and creditors with a general overview of the Assessor's finances and to show the Assessor's accountability for the money it receives. Any questions about this report or requests for additional information may be directed to Assessor Dollie Mahoney at Post Office Box 201, Natchitoches, Louisiana 71458.

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS**

Natchitoches Parish Tax Assessor
Natchitoches, Louisiana

Statement of Net Position
As of December 31, 2013

	Governmental Activities
ASSETS	
Current Assets:	
Cash and cash equivalents	\$ 320,838
Investments	1,877,790
Receivables	1,083,218
Prepaid Expenses	<u>12,829</u>
TOTAL CURRENT ASSETS	3,294,674
Non-Current Assets:	
Capital assets (net of accumulated depreciation)	<u>23,246</u>
TOTAL ASSETS	<u>\$ 3,317,921</u>
LIABILITIES	
Current Liabilities:	
Accounts payable	\$ 4,182
Payroll liabilities	<u>9,220</u>
TOTAL CURRENT LIABILITIES	13,402
Non-Current Liabilities:	
Net pension obligation	<u>731,636</u>
TOTAL LIABILITIES	<u>745,038</u>
NET POSITION	
Invested in capital assets, net of related debt	23,246
Unrestricted	<u>2,549,636</u>
TOTAL NET POSITION	<u>\$ 2,572,882</u>

The accompanying notes are an integral part of these statements.

Natchitoches Parish Tax Assessor
Natchitoches, Louisiana

Statement of Activities
For the Year Ended December 31, 2013

EXPENSES	MAJOR FUNDS			Net (Expense) Revenue and Changes in Net Position
	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	Governmental Activities
Primary government:				
Governmental activities:				
General Government				
Personnel services	\$ 751,203	\$ -	\$ -	\$ (751,203)
Operating services	22,116	29,581	-	7,465
Materials and supplies	17,267	-	-	(17,267)
Travel and other charges	28,018	-	-	(28,018)
Professional services	30,915	-	-	(30,915)
Depreciation	16,977	-	-	(16,977)
Total governmental activities	<u>\$ 866,496</u>	<u>\$ 29,581</u>	<u>\$ -</u>	<u>\$ (836,915)</u>

General Revenues:

Taxes	
Ad valorem	1,200,657
Intergovernmental - State Revenue Sharing	36,667
Interest	25,656
Miscellaneous	-
Realized gain (loss) on the sale of investments	(90)
Total general revenues	<u>1,262,890</u>
Change in Net Position	425,974
Net Position - December 31, 2012	<u>2,146,908</u>
Net Position - December 31, 2013	<u>\$ 2,572,882</u>

The accompanying notes are an integral part of these statements.

FUND FINANCIAL STATEMENTS

Natchitoches Parish Tax Assessor
Natchitoches, Louisiana

Balance Sheet - Governmental Funds
As of December 31, 2013

	General Fund
ASSETS	
Cash and equivalents	\$ 320,838
Investments	1,877,790
Receivables, net	1,083,218
Prepaid expenses	<u>12,829</u>
TOTAL ASSETS	<u><u>\$ 3,294,674</u></u>
LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable	\$ 4,182
Payroll liabilities	<u>9,220</u>
TOTAL LIABILITIES	<u>13,402</u>
Fund Balances:	
Nonspendable	12,829
Unassigned	<u>3,268,443</u>
TOTAL FUND BALANCE	<u>3,281,272</u>
TOTAL LIABILITIES AND FUND BALANCE	<u><u>\$ 3,294,674</u></u>

Statement D

Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
As of December 31, 2013

Total Fund Balances of General Fund (Statement C) at December 31, 2013	\$ 3,281,272
Total Net Position reported for Governmental Activities in the Statement of Net Position (Statement A) are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the Governmental Funds Balance Sheet (Statement C)	
Capital Assets	104,336
Less Accumulated Depreciation	(81,090)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the Governmental Funds Balance Sheet (Statement C)	
Net Other Post-Employment Benefits	<u>(731,636)</u>
Net Position of governmental activities (Statement A) at December 31, 2013	<u><u>\$ 2,572,882</u></u>

The accompanying notes are an integral part of these statements.

Natchitoches Parish Tax Assessor
Natchitoches, Louisiana

Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund
For the Year Ended December 31, 2013

	General Fund
REVENUES	
Taxes:	
Ad valorem	\$ 1,200,657
Intergovernmental - State Revenue Sharing	36,667
Charges for services	<u>29,581</u>
TOTAL REVENUES	<u>1,266,905</u>
EXPENDITURES	
General Government	
Personnel services	604,522
Operating services	22,116
Materials and supplies	17,267
Travel and other charges	28,018
Professional services	<u>30,915</u>
TOTAL EXPENDITURES	<u>702,839</u>
EXCESS (Deficiency) OF REVENUES OVER (Under) EXPENDITURES	<u>564,066</u>
OTHER FINANCING SOURCES (USES)	
Interest income	25,656
Realized gain (loss) on the sale of investments	<u>(90)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>25,566</u>
NET CHANGES IN FUND BALANCE	589,632
FUND BALANCES - December 31, 2012	<u>2,691,640</u>
FUND BALANCES - December 31, 2013	<u>\$ 3,281,272</u>

The accompanying notes are an integral part of these statements.

Natchitoches Parish Tax Assessor
Natchitoches, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2013

Total net change in fund balances - governmental funds (Statement E) at December 31, 2013	\$	589,632
Amount reported for governmental activities in the Statement of Activities (Statement B) are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities (Statement B), the cost of those assets is allocated over their estimated useful lives as depreciation expense. The cost of capital assets recorded in the current period is		
		-
Depreciation expense is reported in the government-wide Statement of Activities, but does not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in the governmental funds. Current year depreciation expense is		
		(16,977)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. These timing differences are summarized below:		
Net Other Post Employment Benefits		<u>(146,681)</u>
Change in net position of governmental activities (Statement B) at December 31, 2013	\$	<u>425,974</u>

The accompanying notes are an integral part of these statements.

**NOTES TO THE
FINANCIAL STATEMENTS**

Notes to the Financial Statements
As of and For the Year Ended December 31, 2013

INTRODUCTION

As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, Assessors are elected by the voters of each parish and serve a term of four years beginning January 1 following the year in which elected. The Assessors assess property, prepare tax rolls, and submit tax rolls to the Louisiana Commission.

The Assessor's office is located in the Natchitoches Parish Courthouse in Natchitoches, Louisiana. The Assessor employs 5 deputies. In accordance with Louisiana law, the Assessor bases real and movable property assessments on conditions existing on January 1 of the tax year. The Assessor completes an assessment listing by May 1 of the tax year and submits the list to the parish governing authority and the Louisiana Tax Commission as prescribed by law. Once the assessment listing is approved, the Assessor submits the assessment roll to the parish tax collector who is responsible for collecting and distributing taxes to the various taxing bodies.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying general purpose financial statements of the Assessor have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Natchitoches Parish Police Jury is the financial reporting entity for Natchitoches Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Natchitoches Parish Police Jury for financial reporting purposes. Governmental Accounting Standards Board Statement No. 61 provides additional criteria for classifying entities as component units. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the police jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.

2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury and there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the police jury regardless of whether the organization has a separately elected governing board, a governing board appointed by a higher level of government, or a jointly appointed board.

3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Since the Assessor is fiscally dependent on the police jury, the Assessor has been determined to be a component unit of the Natchitoches Police Jury. The accompanying financial statements present information only on the funds maintained by the Assessor and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

B. BASIS OF PRESENTATION

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and Statement of Activities report information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

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

C. FUND ACCOUNTING

The accounts of the Assessor are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained is consistent with legal and managerial requirements.

The Assessor maintains only one fund. It is categorized as a governmental fund. The emphasis on fund financial statements is on major governmental and enterprise funds; each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity.

The major fund of the Assessor is described below:

Governmental Fund-

General Fund

The General Fund is the general operating fund of the Assessor. It is used to account for all financial resources except those required to be accounted for in another fund.

D. MEASUREMENT FOCUS / BASIS OF ACCOUNTING

Basis of accounting refers to when revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual Basis - Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the Assessor as a whole. Both of these statements have been prepared using the economic measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Modified Accrual Basis - Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Assessor considers all revenues "available" if they are collected within 60 days after year-end. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are that (1) unmatured principal and interest on long-term debt, if any, are recorded when due and (2) claims and judgments and compensated absences are recorded as expenditures when paid with expendable available financial resources.

E. ASSETS, LIABILITIES AND EQUITY

Cash and Interest-Bearing Deposits

For purposes of the Statement of Net Position, cash and interest-bearing deposits include all demand accounts, savings accounts, certificates of deposit, and investments in U.S. government securities of the Assessor.

Capital Assets

Capital assets, which include property, plant and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Assessor maintains a threshold level of \$500 or more for capitalizing capital assets.

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

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of useful lives by type of asset is as follows:

Furniture, fixtures, equipment	5-10 years
Buildings, improvements	10-20 years

Compensated Absences

Employees earn annual and sick leave at various rates depending on the number of years in service, but annual and sick leave do not accrue or "carry forward" from year to year. Therefore, no liability is recorded for compensated absences.

Equity Classification

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

- a. Net investment in capital assets---consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets.
- b. Restricted net position---consists of assets that are restricted by the Assessor's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.
- c. Unrestricted---All other net position that do not meet the definition of "restricted" or "net investment in capital assets."

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

- a. Nonspendable fund balance---amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact.
- b. Restricted fund balance---amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- c. Committed fund balance---amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority (Assessor); to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.
- d. Assigned fund balance---amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;

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

The Natchitoches Parish Tax Assessor establishes (and modifies or recinds) fund balance commitments and assignments by passage of an ordinance or resolution.

When an expense is incurred for the purposes for which both restricted and unrestricted net positions are available, the Assessor applies unrestricted first, unless a determination is made to use restricted. The policy concerning which to apply first varies with the intended use and legal requirements. This decision is typically made by the Assessor at the incurrence of the expense.

In the General Fund, the Assessor strives to maintain an unassigned fund balance.

F. BUDGET

Formal budgetary accounting is employed as a management control. Prior to the beginning of each fiscal year, the Natchitoches Parish Tax Assessor adopts a budget for the next fiscal year for its general fund in accordance with Louisiana Revised Statutes. The budget is open for public inspection, and it can be amended before the end of the fiscal year under the same process used to adopt a budget. All budgetary appropriations lapse at the end of the fiscal year. The budget is prepared on the modified accrual basis of accounting.

G. ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

2. CASH AND CASH EQUIVALENTS

At December 31, 2013, the Natchitoches Parish Tax Assessor has cash and cash equivalents (collected book balances) totaling \$320,838 as follows:

Interest-bearing demand deposits	<u>\$ 320,838</u>
Total	<u><u>\$ 320,838</u></u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At December 31, 2013, the Assessor has \$346,630 in deposits (collected bank balances). These deposits are secured from risk by \$250,000 of federal deposit insurance and \$926,269 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Assessor that the fiscal agent has failed to pay deposited funds upon demand.

3. INVESTMENTS

The Natchitoches Parish Tax Assessor maintains investment accounts as authorized by the Louisiana Revised Statutes. Under state law, the Assessor may invest in obligations of the U.S. Treasury and U.S. Agencies, or certificates of deposit. Investments are carried at fair market value as of the balance sheet date.

Investments can be classified according to the level of risk to the entity. Investments made by the Natchitoches Parish Tax Assessor as of December 31, 2013 are summarized below by the category of risk.

Category 1---Insured or registered in the entity's name, or security held by the entity or its agent in the entity's name.

Category 2---Uninsured or registered with securities held by the counterparty's trust department or agent in the entity's name.

Category 3---Unsecured and unregistered with securities held by the counterparty, or by its trust department or agent but not in the entity's name.

Type of Investment	Amount Reported in Risk Category 3, If Any		Total Reported Amount - All Categories (including Category 3)	Total Fair Value - All Categories (including Category 3)
	Held by Counterparty	Held by Counterparty's Trust Dept. or Agent Not in Entity's Name		
Louisiana Asset Management Pool, Inc. (LAMP)	\$ -	\$ -	\$ 239,147	\$ 239,147
Money market accounts	-	-	219,845	219,845
U.S. Government securities	-	-	1,302,502	1,302,502
Total	\$ -	\$ -	\$ 1,761,494	\$ 1,761,494

4. ACCOUNTS RECEIVABLE

The following is a summary of accounts receivable as of December 31, 2013:

Class of Receivable		
Taxes		\$ 1,079,419
Interest		3,799
Total		<u>\$ 1,083,218</u>

5. PREPAID ITEMS

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. Prepaid items are categorized in the following schedule.

<u>Class of Prepaid Items</u>	
Maintenance of Equipment	\$ 5,427
Professional Services	4,500
Insurance	2,901
Total	<u>\$ 12,829</u>

6. CAPITAL ASSETS

Capital asset balances and activity for the year ended December 31, 2013 is as follows:

	Balance January 1, 2013	Additions	Deletions	Balance December 31, 2013
Governmental Activities:				
Equipment, furniture, and fixtures	\$ 84,439	\$ -	\$ -	\$ 84,439
Vehicles	19,897	-	-	19,897
Total Capital Assets Depreciated	<u>104,336</u>	-	-	<u>104,336</u>
Less accumulated depreciation:				
Equipment, furniture, and fixtures	48,196	12,997	-	61,193
Vehicles	15,918	3,979	-	19,897
Total Capital Assets Depreciated	<u>64,113</u>	<u>16,977</u>	-	<u>81,090</u>
Net capital assets	<u>\$ 40,223</u>	<u>\$ (16,977)</u>	<u>\$ -</u>	<u>\$ 23,246</u>

Depreciation expense of \$16,977 was charged to the general government function.

7. ACCOUNTS PAYABLE

The following is a summary of accounts payable as of December 31, 2013:

<u>Class of Payable</u>	
Vendor	\$ 4,182
Salaries and benefits	9,220
Total	<u>\$ 13,402</u>

8. EMPLOYEE RETIREMENT SYSTEM

Substantially all employees of the Natchitoches Parish Tax Assessor's office are members of the Louisiana Assessor's Retirement System (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All full-time employees who are under the age of 60 at the time of original employment and are not drawing retirement benefits from any other public retirement system in Louisiana are required to participate in the System. Employees who retire at or after age 55 with at least 12 years of credited service or at or after age 50 with at least 30 years of credited service 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 that 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-average salary is the employee's average salary over the 60 consecutive or joined months that produces the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Assessors' Retirement System, P. O. Box 14699, Baton Rouge, Louisiana, 70898-4699, or by calling (800) 925-4446.

Funding Policy

Plan members are required by state statute to contribute 8.0 percent of their annual covered salary and the Natchitoches Parish Tax Assessor is required to contribute at an actuarially determined rate. The current rate is 13.5 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (one percent for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each parish, plus revenue sharing funds appropriated by the legislature. The contribution requirements of plan members and the Natchitoches Parish Tax Assessor are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Natchitoches Parish Tax Assessor's contributions to the System for the years ending December 31, 2013, 2012, and 2011, were \$72,455, \$75,400, and \$65,037, respectively, equal to the required contributions for each year.

9. EXPENSES PAID BY THE NATCHITOCHE PARISH POLICE JURY

The Natchitoches Parish Tax Assessor's office is located in the parish courthouse. Expenditures for the operations and maintenance of the parish courthouse, as required by state statute, are paid by the Natchitoches Parish Police Jury and are not included in the accompanying financial statements.

10. LEASES

The Natchitoches Parish Tax Assessor is a party to an operating lease of a 2012 Chevrolet Tahoe through Mears Motor Leasing. The terms of the lease call for payments of \$937 for 48 months with payments beginning January 1, 2013.

11. AD VALOREM TAXES

The Assessor levies taxes on real and business personal property located within the boundaries of Natchitoches Parish. Property taxes are levied by the Assessor on property values assessed by the Assessor and approved by the State of Louisiana Tax Commission.

The Natchitoches Parish Sheriff's office bills and collects property taxes. The Assessor recognizes property tax revenues when levied.

Property Tax Calendar

Assessment date	January 1
Levy date	June 30
Tax bills mailed	October 15
Total taxes are due	December 31
Penalties and interest added	January 31
Lien date	January 31
Tax Sale	May 15

The Assessor is permitted to levy taxes up to 10% of the assessed property valuation for each specified purpose after the approval by the voters of the Parish. Property taxes are recorded as receivables and revenues in the year assessed.

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

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

12. OTHER POST-EMPLOYMENT BENEFITS

On January 1, 2010, the Natchitoches Parish Tax Assessor implemented Governmental Accounting Standards Board Statement No. 45 entitled "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions" (GASB 45). The major change under GASB 45 is to attribute the cost of postretirement benefits (medical, dental and life insurance) to the time which the employee is working for the employer. This standard does not require the funding of these benefits, but it does require recognizing the liability and expense in the financial statements. The Assessor recognized a noncurrent liability of \$731,636 for 2013 in the Statement of Net Position. A \$146,681 expense is included in personnel services and related benefits expense in the Statement of Activities.

Plan Description

The Assessor provides certain continuing health insurance benefits for its retired employees and their spouses. Eligibility for medical coverage is based on the following:

- 55 years old and 12 years of service, or
- 30 years of service at any age

Funding Policy

These benefits for the retirees are provided through an insurance company on a pay-as-you-go basis. The Assessor contributes 100% of the cost of current-year premiums for the six retirees. The Assessor recognizes the cost of providing these benefits (Assessor's cost of premiums) as an expenditure when the monthly premiums are paid. For the year ended December 31, 2013, the total amount of premiums paid for retirees totaled \$46,245.

Annual OPEB Cost and Net OPEB Obligation

The Assessor's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The Assessor has elected to calculate the ARC and related information using the Unit Credit Actuarial Cost Method. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (of funding excess) over a period not to exceed thirty years.

The following table shows the components of the Assessor's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Assessor's net OPEB obligation to the Retiree Health Plan for year ended December 31, 2013:

Determination of Annual Required Contribution	
Normal Cost at Fiscal Year End	\$ 72,295
Amortization of UAAL	138,300
Annual Required Contribution (ARC)	<u>\$ 210,595</u>
Net OPEB Obligation – Beginning of Year	\$ 584,955
Determination of Net OPEB Obligation	
Annual Required Contribution	210,595
Interest on Prior Year Net OPEB Obligation	23,398
Adjustment to ARC	<u>(35,822)</u>
Annual OPEB Cost	198,171
Assumed Contributions Made	<u>(51,490)</u>
Estimated Increase in Net OPEB Obligation	\$ 146,681
Estimated Net OPEB Obligation – End of Year	<u>\$ 731,636</u>

The Assessor's estimated annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net obligation for year ended 2013 and the two preceding fiscal years assuming the plan is not prefunded (4% discount rate):

Fiscal Year Ended	Discount Rate	Annual OPEB Cost	Cost Contributed	Net OPEB Obligation
12/31/2011	4.00%	199,445	35.90%	429,732
12/31/2012	4.00%	201,468	23.00%	584,955
12/31/2013	4.00%	198,171	26.00%	731,636

Funded Status and Funding Progress

The Assessor's actuarial accrued liability for benefits was \$2,258,390, all of which was unfunded for the year ended 2013. The covered payroll (annual payroll of active employees covered by the plan) was \$296,156, and the ratio of the unfunded actuarial accrued liability (UAAL) to the covered payroll was 763 percent.

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about rates of interest, future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The unit credit actuarial cost method was used with the estimates based to an important degree on the assumptions made relative to various occurrences, such as rate of expected investment earnings by the fund, rates of mortality among active and retired employees, rates of termination from employment, and retirement rates. In the current valuation, the actuarial assumptions used for the calculation of costs and liabilities are:

MEASUREMENT DATE

Benefit liabilities are valued as of December 31, 2013

DISCOUNT RATE FOR VALUING LIABILITIES

Without prefunding - 4.0% per annum, compounded annually

MORTALITY RATES

Pre-retirement: Sex Distinct RP 2000 Combined Healthy Mortality Table projected to 2014 using Scale AA
Post-retirement: Sex Distinct RP 2000 Combined Healthy Mortality Table projected to 2014 using Scale AA

13. IMPACT OF RECENTLY ISSUED ACCOUNTING PRINCIPLES

In November 2010, the GASB issued Statement 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*. GASB 61 provides additional criteria for classifying entities as component units to better assess the accountability of elected officials by ensuring that the financial reporting entity includes only organizations for which the elected officials are financially accountable or that are determined by the government to be misleading to exclude. This statement is effective for periods beginning after June 15, 2012. Management has implemented the provisions of this Statement for the current audit period.

In June 2011, the GASB issued Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. GASB 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. The statement of net assets is renamed the statement of net position and includes four components: assets, deferred outflows of resources, liabilities and deferred inflows of resources. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2011. Management has implemented the provisions of this Statement for the current audit period.

In March 2012, the GASB issued Statement 65, *Items Previously Reported as Assets and Liabilities*. GASB 65 revises the treatment of a variety of transactions previously reported as either assets or liabilities on the statement of financial position to classification as either deferred outflows of resources or deferred inflows of resources, as required by GASBS No. 63. The Statement also amends the requirements for the determination of major funds. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012. The adoption of GASB 65 does not have any impact on the Assessor's current financial statements.

In March 2012, the GASB issued Statement 66, *Technical Corrections-2012-an amendment of GASB Statements No. 10 and No. 62*. GASB 66 resolves conflicting guidance that resulted from the issuance of two pronouncements, Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions* and Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements. Amending Statement 10, Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, this statement removes the provision that limits fund-based reporting of an entity's risk financing activities to the general fund and the internal service type fund. Governments should base their decisions about fund type classifications on the nature of the activity to be reported, as required by Statement 54 and Statement 34. This Statement also amends Statement 62 by modifying the specific guidance on accounting for operating lease payments that vary from straight-line basis, the difference between the initial investment and the principal amount of a purchased loan or group of loans, and servicing fees related to mortgage loans that are sold when the stated service fee rate differs significantly from a current servicing fee rate. These changes help the clarify and provide consistent guidance with Statement 13, *Accounting for Operating Leases with Scheduled Rent Increases* and Statement 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Equity Transfers of Assets and Future Revenues*. The provisions of this Statement are effective for financial statements for periods beginning after December 31, 2012. The adoption of GASB 66 does not have any impact on the Assessor's current financial statements.

In June 2012, the GASB issued Statement 67, *Financial Reporting for Pension Plans-an amendment of GASB Statement No. 25*. The objective of this Statement is to improve the usefulness of pension information in the general purpose financial reports of state and local governmental pension plans. This Statement replaces the requirements of Statement 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans* and Statement 50, *Pension Disclosures*, as they relate to pension plans that are administered through trusts that meet certain criteria. GASB issued Statement 68, *Accounting for Financial Reporting for Pensions*, at the same time. These two Statements are closely related and reference one another. Statement 68 establishes accounting and financial reporting requirements related to pensions for governments whose employees are provided with pensions through pension plans that are covered by the scope of Statement 67, as well as for non-employer governments that have a legal obligation to contribute to those plans. Statement 67 provisions are effective for financial statements for periods beginning after June 15, 2013. Statement 68 provisions are effective for financial statements for periods beginning after June 15, 2014. The adoption of GASB 67 and GASB 68 does not have any impact on the Assessor's current financial statements.

14. SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 20, 2014, and determined that no events occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

**REQUIRED SUPPLEMENTARY
INFORMATION**

PART II

Natchitoches Parish Tax Assessor
Natchitoches, Louisiana

Budgetary Comparison Schedule - General Fund
For the Year Ended December 31, 2013

	Budget - Original	Budget - Final	Actual	Variance Favorable (Unfavorable)
REVENUES				
Taxes:				
Ad valorem	\$ 1,000,000	\$ 1,100,000	\$ 1,200,657	\$ 100,657
Intergovernmental - Assessor's Compensation	35,000	35,000	36,667	1,667
Charges for services	15,000	15,000	29,581	14,581
TOTAL REVENUES	<u>1,050,000</u>	<u>1,150,000</u>	<u>1,266,905</u>	<u>116,905</u>
EXPENDITURES				
General Government				
Personnel services				
Salaries	350,000	340,000	342,219	(2,219)
Retirement	100,000	100,000	72,455	27,545
Insurance	160,000	160,000	161,766	(1,766)
Deferred compensation	50,000	50,000	23,781	26,219
Payroll taxes	-	-	4,300	(4,300)
Total personnel services	<u>660,000</u>	<u>650,000</u>	<u>604,522</u>	<u>45,478</u>
Operating services				
Dues and subscriptions	7,000	7,000	3,422	3,578
Advertising	500	500	458	42
Software license and maintenance	-	-	42	(42)
Bank charges	-	-	54	(54)
Telephone	4,000	4,000	3,110	890
Maintenance of equipment	25,000	25,000	15,031	9,969
Professional services	100,000	50,000	30,915	19,085
Total operating services	<u>136,500</u>	<u>86,500</u>	<u>53,031</u>	<u>33,469</u>
Materials and supplies				
Postage	6,000	3,500	1,247	2,253
Office equipment	-	-	141	(141)
Office supplies	35,000	20,000	15,880	4,120
Total materials and supplies	<u>41,000</u>	<u>23,500</u>	<u>17,267</u>	<u>6,233</u>

The accompanying notes are an integral part of these statements.

Natchitoches Parish Tax Assessor
Natchitoches, Louisiana

Budgetary Comparison Schedule - General Fund
For the Year Ended December 31, 2013

	Budget - Original	Budget - Final	Actual	Variance Favorable (Unfavorable)
Travel and other charges				
Automobile Expense				
Automobile fuel	4,000	4,000	3,622	378
Automobile repairs	1,000	1,000	890	110
Lease	16,000	16,000	12,808	3,192
Automobile insurance	6,000	6,000	3,860	2,140
Seminars	4,000	4,000	3,380	620
Other travel	4,000	4,000	3,459	541
Total travel and other charges	<u>35,000</u>	<u>35,000</u>	<u>28,018</u>	<u>6,982</u>
Capital Outlay				
Computer equipment and software	<u>40,000</u>	<u>25,000</u>	-	<u>25,000</u>
Total Capital Outlay	<u>40,000</u>	<u>25,000</u>	-	<u>25,000</u>
TOTAL EXPENDITURES	<u>912,500</u>	<u>820,000</u>	<u>702,839</u>	<u>117,161</u>
EXCESS (Deficiency) OF REVENUES OVER (Under) EXPENDITURES	<u>137,500</u>	<u>330,000</u>	<u>564,066</u>	<u>234,066</u>
OTHER FINANCING SOURCES (USES)				
Interest income	15,000	20,000	25,656	5,656
Realized gain (loss) on the sale of investments	-	-	(90)	(90)
TOTAL OTHER FINANCING SOURCES (USES)	<u>15,000</u>	<u>20,000</u>	<u>25,566</u>	<u>5,566</u>
NET CHANGES IN FUND BALANCE	<u>152,500</u>	<u>350,000</u>	<u>589,632</u>	<u>239,632</u>
FUND BALANCES - December 31, 2012	<u>2,691,640</u>	<u>2,691,640</u>	<u>2,691,640</u>	-
FUND BALANCES - December 31, 2013	<u>\$ 2,844,140</u>	<u>\$ 3,041,640</u>	<u>\$ 3,281,272</u>	<u>\$ 239,632</u>

The accompanying notes are an integral part of these statements.

**OTHER REQUIRED
SUPPLEMENTARY INFORMATION**

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Natchitoches Parish Tax Assessor
Natchitoches, Louisiana

We have audited the financial statements of the governmental activities and each major fund of the Natchitoches Parish Tax Assessor, a component unit of the Natchitoches Parish Police Jury, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Natchitoches Parish Tax Assessor's basic financial statements and have issued our report thereon dated June 20, 2014. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Natchitoches Parish Tax Assessor's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Natchitoches Parish Tax Assessor's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Natchitoches Parish Tax 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 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 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 material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit, we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result 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 Natchitoches Parish Tax Assessor's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Kenneth D. Folden & Co., CPAs

Jonesboro, Louisiana

June 20, 2014

Natchitoches Parish Tax Assessor
Natchitoches, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2013

We have audited the basic financial statements of the Natchitoches Parish Tax Assessor as of and for the year ended December 31, 2013, and have issued our report thereon dated June 20, 2014. 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 Governmental Auditing Standards, issued by the Comptroller General of the United States, and the provisions of OMB Circular A-133. Our audit of the financial statements as of December 31, 2013 resulted in an unqualified opinion.

SECTION 1. SUMMARY OF AUDITOR'S REPORT

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

Internal Control

Material Weaknesses __Yes XNo Other Conditions __Yes XNo

Compliance

Compliance Material to Financial Statements __Yes XNo

B. Findings - Financial Statements Audit

Current Year

No current year findings.

Prior Year

No prior year findings.