

LINCOLN PARISH ASSESSOR
RUSTON, LOUISIANA

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2003
(UNAUDITED)

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7-21-04

LINCOLN PARISH ASSESSOR
DECEMBER 31, 2003
(UNAUDITED)

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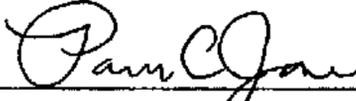
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LINCOLN PARISH ASSESSOR
RUSTON, LOUISIANA

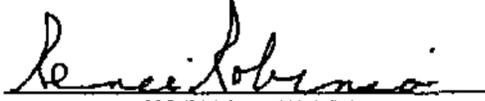
ANNUAL SWORN FINANCIAL STATEMENTS AS OF
AND FOR THE YEAR ENDED DECEMBER 31, 2003
WITH APPROPRIATE SUPPLEMENTAL INFORMATION

AFFIDAVIT

Personally came and appeared before the undersigned authority, Pam Jones, who, duly sworn, deposes and says that the financial statements herewith given present fairly the financial position of the Lincoln Parish Assessor as of December 31, 2003 and the results of operations for the year then ended, in accordance with the basis of accounting described within the accompanying financial statements.


Signature

Sworn to and subscribed before me, this 29th day of June, 2004.


NOTARY PUBLIC

Officer	<u>Pam Jones</u>
Address	<u>P O Box 1218</u> <u>Ruston, LA 71273</u>
Telephone No.	<u>318-251-5140</u>

Cochran, Clark & Robinson

A Corporation of Certified Public Accountants

905 Julia Street • P.O. Box 538 • Rayville, Louisiana 71269

Susan C. Cochran, CPA
A.C. Clark III, CPA
Reneé Robinson, CPA

(318) 728-4855
(318) 728-5670
Fax (318) 728-6618
cpaccr@bellsouth.net

The Honorable Pam Jones, CLA
Lincoln Parish Assessor
P O Box 1218
Ruston, LA 71273

We have compiled the accompanying financial statements of the governmental activities and major fund of the Lincoln Parish Assessor, a component unit of the Lincoln Parish Police Jury, as of and for the year ended December 31, 2003, which collectively comprise the Assessor's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the Lincoln Parish Assessor.

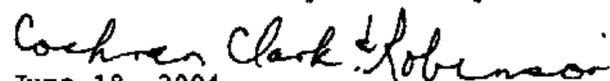
Our compilation was made in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants.

As described in Note 2 to the financial statements, the Lincoln Parish Assessor adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, Statement No. 37, *Basic Financial Statements - And Management's Discussion and Analysis - For State and Local Governments: Omnibus*, Statement No. 38, *Certain Financial Statement Note Disclosures*, and Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*. This results in a change in the format and content of the financial statements.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

The Management's Discussion and Analysis and the other required supplementary information on pages 4 through 11 and page 33, respectively, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We did not audit the information and express no opinion on it.

The accompanying financial information listed as "Supplementary Information" in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Lincoln Parish Assessor. We did not audit the information and express no opinion on it.


June 18, 2004

**REQUIRED SUPPLEMENTARY
INFORMATION**

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Management's Discussion and Analysis (Unaudited)

Within this section of the Lincoln Parish Assessor, Ruston, Louisiana (the Parish Assessor) annual financial report, the Parish Assessor's management is pleased to provide this narrative discussion and analysis of the financial activities of the Parish Assessor for the calendar year ended December 31, 2003. The Parish Assessor's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

FINANCIAL HIGHLIGHTS

- The Parish Assessor's assets exceeded its liabilities by \$1,258,640 (net assets) for the calendar year reported.
- Total net assets are comprised of the following:
 - (1) Capital assets of \$81,792 include property and equipment, net of accumulated depreciation.
 - (2) Unrestricted net assets of \$1,176,848 represent the portion available to maintain the Parish Assessor's continuing obligations to citizens and creditors.
- The Parish Assessor's governmental funds reported total ending fund balance of \$1,176,848 this year. The total fund balance is unreserved.
- At the end of the current calendar year, unreserved fund balance for the General Fund was \$1,176,846 or 179% of total General Fund expenditures.
- Overall, the Parish Assessor continues to maintain a strong financial position, in spite of a somewhat depressed economy.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

INDEPENDENT ACCOUNTANTS' COMPILATION

The first item in this report is the independent accountants' compilation report. This report tells the reader the characteristics of a compilation. The accountants' compilation report is signed by the independent accountant. The accountants' compilation report may be found on page 2 of this financial report.

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Management's Discussion and Analysis (Unaudited) (Continued)

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

This Management Discussion and Analysis document introduces the Parish Assessor's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The Parish Assessor also includes in this report additional information to supplement the basic financial statements, such as required supplementary information and supplementary information. Since the reporting format has changed in 2003, comparative data is not presented. All applicable tables will present comparative data in calendar year 2004.

Government-wide Financial Statements

The Parish Assessor's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Parish Assessor's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the Statement of Net Assets. This is the government-wide statement of position presenting information that includes all of the Parish Assessor's assets and liabilities, with the difference reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Parish Assessor as a whole is improving or deteriorating. Evaluation of the overall health of the Parish Assessor would extend to other nonfinancial factors such as diversification of the taxpayer base, in addition to the financial information provided in this report.

The second government-wide statement is the Statement of Activities, which reports how the Parish Assessor's net assets changed during the current calendar year. All current year revenues and expenses are included regardless of when the Parish Assessor receives or pays cash. An important purpose of the design of the statement of activities is to show the financial reliance of the Parish Assessor's distinct activities or functions on revenues provided by the Parish Assessor's taxpayers.

The government-wide financial statements are presented on pages 14 and 15 of this report.

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Management's Discussion and Analysis (Unaudited) (Continued)

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Parish Assessor uses a single fund to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Parish Assessor's only fund, the general fund.

The Parish Assessor uses only one fund type:

The Government fund is reported in the fund financial statements and encompass the same function reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the Parish Assessor's governmental fund. These statements report short-term calendar accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 17-20 of this report.

Notes to the basic financial statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 21 of this report.

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Management's Discussion and Analysis (Unaudited) (Continued)

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Parish Assessor's budget presentation. The general fund's budgetary comparison statement is included as "required supplementary information". Required supplementary information is information that the accounting rules strongly suggest be presented within the Assessor's financial report. This statement demonstrates compliance with the Parish Assessor's adopted and final budget. The required supplementary information can be found on page 33 of this report.

FINANCIAL ANALYSIS OF THE PARISH ASSESSOR AS A WHOLE

The Parish Assessor implemented the new financial reporting model used in this report beginning with the current year ended December 31, 2003. Over time, as we accumulate year-to-year financial information on a consistent basis, changes in net assets may be observed and used to discuss the changing financial position of the Parish Assessor as a whole.

The Parish Assessor's net assets at fiscal year end are \$1,258,640. The following table provides a summary of the Parish Assessor's net assets:

Summary of Net Assets

	<u>Governmental Activities</u>	<u>Percentage of Total</u>
Assets:		
Current Assets	1,261,252	94%
Capital Assets	<u>81,792</u>	<u>6%</u>
Total Assets	<u>1,343,044</u>	<u>100%</u>
Liabilities:		
Current Liabilities	1,952	2%
Deferred Revenue	<u>82,452</u>	<u>98%</u>
Total Liabilities	<u>84,404</u>	<u>100%</u>
Net Assets:		
Investment in Capital Assets, net of debt	81,792	6%
Unrestricted	<u>1,176,848</u>	<u>94%</u>
Total Net Assets	<u>1,258,640</u>	<u>100%</u>

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Management's Discussion and Analysis (Unaudited) (Continued)

The Parish Assessor continues to maintain an extremely high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 646 to 1. This ratio is strong.

The Parish Assessor reported a positive balance in net assets for its governmental activities. Net assets decreased by \$70,272 or 5%. Note that approximately 6% of the governmental activities net assets are tied up in capital. The Parish Assessor uses these capital assets to provide services to its citizens.

Since this is the first year in which government-wide information is available, comparative data is not presented. However, the Parish Assessor will accumulate comparative data and will present this data to assist analysis in future years. Remember, the following data is presented on the accrual basis of accounting which means that all costs are presented, however, the purchase of capital assets is not included but depreciation on the capital assets is included.

The following table provides a summary of the Parish Assessor's changes in net assets:

Summary of Changes in Net Assets

	<u>Governmental Activities</u>	<u>Percentage of Total</u>
Revenues:		
Program:		
Charges for Services	64,646	11%
General:		
Taxes	453,846	76%
State revenue sharing	45,394	8%
Interest	23,770	4%
Other	<u>4,306</u>	<u>1%</u>
Total Revenues	<u>591,962</u>	<u>100%</u>
Program Expenses:		
Operational:		
Salaries and benefits	471,337	71%
Operating Services	116,792	18%
Materials and Supplies	13,070	2%
Travel and Other	48,801	7%
Depreciation	<u>12,234</u>	<u>2%</u>
Total Expenses:	<u>662,234</u>	<u>100%</u>
Change in Net Assets	(70,272)	
Beginning Net Assets	<u>1,328,912</u>	
Ending Net Assets	<u>1,258,640</u>	

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Management's Discussion and Analysis (Unaudited) (Continued)

GOVERNMENTAL REVENUES

The Parish Assessor is heavily reliant on property taxes to support its operations. Property taxes provided 71% of the Parish Assessor's total revenues. Revenues from the State of Louisiana for revenue sharing totaled approximately 8% of the Parish Assessor's current year resources. Because of the Parish Assessor's healthy financial position, we have been able to earn \$23,770 in interest earnings to support our activities, in spite of the low interest rates available in 2003 for investments. Also, note that program revenues are only 11% of total revenue. This means that the Parish Assessor's taxpayers and the Parish Assessor's other general revenues fund 89% of the Parish Assessor's activities. As a result, the general economy and local businesses have a major impact on the Parish Assessor's revenue streams.

GOVERNMENTAL FUNCTIONAL EXPENSES

Since assessor operations are staff oriented, a little less than three-quarters of the budget is used for employee salaries and benefits. Operating services and materials and supplies make up 18% and 2% of the total expenses respectively.

FINANCIAL ANALYSIS OF THE PARISH ASSESSOR'S GENERAL FUND

The General Fund is the Parish Assessor's operating fund and the source of day-to-day service delivery. As discussed, the General Fund is reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Remember the data presented in the fund financial statements is presented on the modified accrual basis. This means that capital assets purchased during the year are reported as expenditures and no depreciation on these capital assets is reported as an expenditure in the same year.

The total ending general fund's fund balance is \$1,176,848, a decrease of \$65,879 from the prior year. This decrease is primarily the result of the expenditures required to gather data to perform the required reassessment for 2004.

Other key factors contributing to this change were revenues modestly in excess of projections and continued efforts to control operating costs. The total amount is unreserved indicating availability for continuing Parish Assessor service requirements.

Property taxes were \$453,846. State revenue sharing was \$45,394. The Assessor's office provided mapping services to the Communication District; this generated revenue of almost \$50,000 for the Assessor's office.

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Management's Discussion and Analysis (Unaudited) (Continued)

Salaries and benefits increased about 8%. Operating services expenditures increased approximately 23%. Materials and supplies decreased by 14%. Finally, capital outlay decreased 71%.

The General Fund's ending fund balance is considered very adequate, representing the equivalent of 179% of annual expenditures. Though some might consider this percentage high, it is necessary for the Parish Assessor to maintain a strong financial position in order to cover its cash flow needs and any unforeseen costs that might occur in the future. Note that the Parish Assessor is financing its operations on a "pay-as-you-go" system, which means currently there is no outstanding long-term debt (e.g., bonded debt) for capital purposes. In other words, all capital items are free and clear of debt.

BUDGETARY HIGHLIGHTS

The General Fund budget was not amended in 2003. At year end, the Parish Assessor realized just over 110% of the revenue budget.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Parish Assessor's investments in capital assets, net of accumulated depreciation, for governmental activities as of December 31, 2003 was \$81,792. In 2003, depreciation expense exceeded capital asset replacement by \$4,393.

Capital Assets

	<u>Governmental Activities</u> <u>2003</u>
Depreciable assets:	
Equipment, furniture and fixtures	181,825
Less accumulated depreciation	<u>100,033</u>
Book value-depreciable assets	<u>81,792</u>

At December 31, 2003 the depreciable capital assets for governmental activities were 75% depreciated. The total percentage of depreciated capital assets is quite high, (i.e. approximately three-fourths of the value of these assets is used) which means that additional resources will be required to replace these capital assets in the future.

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Management's Discussion and Analysis (Unaudited) (Continued)

Long-term debt

At year-end, the Parish Assessor had no long-term debt outstanding. The Parish Assessor may issue general obligation debt to meet its capital needs but has elected to fund these needs on a "pay-as-you-go" basis. Financing capital on a current basis eliminates the deferral of capital costs to future periods.

ECONOMIC CONDITIONS AFFECTING THE PARISH ASSESSOR

Since the primary revenue stream for the Parish Assessor is property taxes, this type of tax is not subject to changes in the economy, in the short-term. However, in the long-term property tax revenues suffer if the economy does not maintain growth. Obviously, the "911" tragedy in New York has had a nationwide negative impact on most places in our country, including the State of Louisiana.

CONTACTING THE PARISH ASSESSOR'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Parish Assessor's finances, comply with finance-related laws and regulations, and demonstrate the Parish Assessor's commitment to public accountability. If you have any questions about the contents of this report or would like to request additional information, please contact Ms. Pam Jones, at the Lincoln Parish Assessor's Office, Post Office Box 1218, Ruston, Louisiana, 71273.

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Statement of Net Assets
December 31, 2003

	<u>Governmental Activities</u>
ASSETS	
Cash and interest-bearing deposits	839,518
Accounts Receivable (net)	421,734
Capital assets (net)	<u>81,792</u>
Total Assets	<u>1,343,044</u>
LIABILITIES	
Accounts Payable	1,952
Deferred Revenue	<u>82,452</u>
Total Liabilities	<u>84,404</u>
NET ASSETS	
Invested in Capital Assets	81,792
Unrestricted	<u>1,176,848</u>
Total Net Assets	<u>1,258,640</u>

See Accountants' Compilation Report. The accompanying notes are an integral part of the basic financial statements.

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Statement of Activities
For the Year Ended December 31, 2003

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues</u> <u>Charges for</u> <u>Services</u>	<u>Net (Expense) Revenues and</u> <u>Changes in Net Assets</u> <u>Governmental</u> <u>Activities</u>
Governmental Activities:			
General Government	662,234	64,646	(597,588)
General revenues:			
Taxes:			
Property taxes, levied for general purposes			453,846
State revenue sharing			45,394
Interest and Investment Earnings			23,770
Miscellaneous			4,306
Total General Revenues			<u>527,316</u>
Change in Net Assets			(70,272)
Net Assets - January 1, 2003			<u>1,328,912</u>
Net Assets - December 31, 2003			<u>1,258,640</u>

See Accountants' Compilation Report. The accompanying notes are an integral part of the basic financial statements.

FUND FINANCIAL STATEMENTS (FFS)

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Balance Sheet - Governmental Fund
December 31, 2003

ASSETS

Cash and Interest bearing Deposits	839,518
Accounts Receivable	<u>421,734</u>
Total Assets	<u>1,261,252</u>

LIABILITIES AND FUND EQUITY

Liabilities:

Accounts Payable	1,952
Deferred Revenue	<u>82,452</u>
Total Liabilities	<u>84,404</u>

Fund Equity:

Fund balance - unreserved, undesignated	1,176,848
Fund balance - reserved	<u>-</u>
Total Fund Equity	<u>1,176,848</u>
Total Liabilities and Fund Equity	<u>1,261,252</u>

See Accountants' Compilation Report. The accompanying notes are an integral part of these financial statements.

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Assets
December 31, 2003

Total fund balance for the Governmental Fund at December 31, 2003	1,176,848
Total net assets reported for Governmental activities in the Statement of Net Assets is different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:	
Equipment, furniture and fixtures, net of \$100,033 accumulated depreciation	<u>81,792</u>
Total Net Assets of Governmental Activities at December 31, 2003	<u>1,258,640</u>

See Accountants' Compilation Report. The accompanying notes are an
integral part of these financial statements.

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Fund
For the Year Ended December 31, 2003

Revenues	
Intergovernmental Revenues -	
Ad Valorem Taxes	453,846
State Revenue Sharing	45,394
Other Revenue - preparing tax rolls, etc.	68,952
Interest	<u>23,770</u>
Total Revenues	<u>591,962</u>
Expenditures	
Current -	
General Government:	
Intergovernmental	25,191
Personnel Services and Related Benefits	471,337
Operating Service	116,792
Materials and Supplies	13,070
Travel and Other Charges	23,610
Capital Outlay	<u>7,841</u>
Total Expenditures	<u>657,841</u>
Excess (deficiency) of Revenues over expenditures	(65,879)
Fund Balance - Beginning of Year	<u>1,242,727</u>
Fund Balance - End of Year	<u>1,176,848</u>

See Accountants' Compilation Report. The accompanying notes are an integral part of these financial statements.

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balance of the Governmental Fund
to the Statement of Activities
For the Year Ended December 31, 2003

Total net changes in fund balance at December 31, 2003 per Statement of Revenues, Expenditures, and Changes in Fund Balances	(65,879)
The change in net assets reported for Governmental Activities in the Statement of Activities is different because:	
Add: Capital Outlay costs which are considered as expenditures on Statement of Revenues, Expenditures, and Changes in Fund Balances	7,841
Less: Depreciation expense for the year ended December 31, 2003	(12,234)
Total Changes in Net Assets at December 31, 2003 per Statement of Activities	(70,272)

See Accountants' Compilation Report. The accompanying notes are an
integral part of these financial statements.

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Notes to Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 term of four years. 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 necessary for the efficient operation of his office and to provide assistance to the taxpayers of the parish. The deputies are authorized to perform all functions of the office, but the Assessor is officially and pecuniarily responsible for the actions of the deputies.

The accounting and reporting policies of the Assessor conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:513, as well as any applicable requirements set forth by *Audits of State and Local Governments*, the industry audit guide issued by the American Institute of Certified Public Accountants; and the *Louisiana Governmental Audit Guide*.

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

As the governing authority of the parish, for reporting purposes, the Lincoln Parish Police Jury is the financial reporting entity for Lincoln 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.

Because the Police Jury maintains and operates the parish courthouse in which the Assessor's office is located, the Assessor was determined to be a component unit of the Lincoln Parish Police Jury, the financial reporting entity. 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 the Police Jury, or the other governmental units that comprise the financial reporting entity.

See Accountants' Compilation Report.

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Notes to Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net assets and statement of activities display 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 nonexchange 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 and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

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 is maintained 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 or meets the following criteria:

- a. Total assets, liabilities, or revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and.
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

See Accountants' Compilation Report.

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Notes to Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net assets and the statement of activities, governmental activities are presented using the economic resources measurement focus as defined in item b. below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

- a. The governmental fund utilizes a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on its balance sheet. Their operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of the period.
- b. The government-wide financial statement utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery) and financial position. All assets and liabilities (where current or noncurrent) associated with its activities are reported. Government-wide fund equity is classified as net assets.

Basis of Accounting

In the government-wide statement of net assets and statement of activities, the government activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses,

See Accountants' Compilation Report.

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Notes to Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

B. Assets, Liabilities And Equity

Cash and interest-bearing deposits

For purposes of the statement of net assets, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits 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 \$2,500 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives 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 assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Furniture, fixtures and equipment	5-10 years
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See Accountants' Compilation Report.

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Notes to Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Compensated Absences

All employees receive from ten to fifteen days of noncumulative vacation leave each year, depending on length of service. Sick leave, which is noncumulative, is earned at the rate of five days each year and one day for every working year over three years, not to exceed fifteen days. At December 31, 2003, there are no accumulated and vested benefits related to vacation and sick leave that require accrual or disclosure.

Equity Classifications

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

- a. Invested in capital assets, net of related debt - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets - Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions of enabling legislation.
- c. Unrestricted net assets - All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

F. Revenues, Expenditures, And Expenses

Revenues

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

See Accountants' Compilation Report.

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Notes to Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fees for preparing tax rolls are recorded in the year prepared. Interest income on time deposits is recorded when the time deposits have matured. Interest income on demand deposits is recorded monthly when the interest is earned and credited to the account.

Based on the above criteria, ad valorem taxes, state revenue sharing, and fees for preparing tax rolls have been treated as susceptible to accrual.

The Lincoln Parish Assessor reports deferred revenue on its balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by character and function. In the fund financial statements, expenditures are classified by character.

G. Budgetary Practices

The proposed budget for the General Fund, prepared on the modified accrual basis of accounting, is made available for public inspection at least fifteen days prior to the beginning of each fiscal year. The budget is then legally adopted by the Assessor and amended during the year, as necessary. The budget is established and controlled by the Assessor at the object level of expenditure. Appropriations lapse at year-end and must be reappropriated for the following year to be expended. All changes in the budget must be approved by the Assessor. Formal budgetary integration is employed as a management control device during the year. The budget was not amended for the fiscal year ended December 31, 2003.

H. Use of Estimates

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

See Accountants' Compilation Report.

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Notes to Financial Statements

NOTE 2 - CHANGES IN ACCOUNTING PRINCIPLES

For the year ended December 31, 2003, the Assessor has implemented GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. GASB Statement No. 34 creates new basic financial statements for reporting on the Assessor's financial activities. The financial statements now include government-wide financial statements prepared on the accrual basis of accounting, and fund financial statements which present information for individual major funds rather than by fund type which has been the mode of presentation in previously issued financial statements. The Assessor also implemented GASB Statement No. 37, *Basic*

Financial Statements - and Management's Discussion and Analysis - for State and Local Governments: Omnibus No. 38, Certain Financial Statement Note Disclosures, and Interpretation No. 6, Recognition and Measurement of Certain liabilities and Expenditures in Governmental Fund Financial Statements.

The implementation of GASB Statement No. 34 caused the opening fund balance at December 31, 2002 to be restated in terms of "net assets" as follows:

Total fund balance - Governmental Fund - at December 31, 2002		1,242,727
Add: Cost of capital assets at December 31, 2002	173,984	
Less: Accumulated depreciation at December 31, 2002	(87,799)	<u>86,185</u>
Net assets at December 31, 2002		<u>1,328,912</u>

NOTE 3 - PRINCIPAL TAXPAYERS

As provided by Louisiana Revised Statute 47:1925, the assessor is authorized to levy an ad valorem tax in lieu of pro rata deductions from ad valorem taxing authorities. The authorized millage should be an amount necessary to provide no less ad valorem taxes than that received by the assessor in the initial year. The maximum allowable rate is 2.51 mills; the Lincoln Parish Assessor levied 2.51 mills for 2003 to provide funding for the office.

See Accountants' Compilation Report.

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Notes to Financial Statements

NOTE 3 - PRINCIPAL TAXPAYERS (continued)

The following are the principal taxpayers for the parish and their 2003 assessed valuation:

	2003 Assessed Valuation	Percent of Total Assessed Valuation
Centerpoint Mississippi River	8,820,110	5%
Weyerhaeuser Co.	6,941,230	4%
LaCleve Gas Co.	5,742,290	3%
BellSouth	4,810,790	3%
Centerpoint Energy Gas	4,323,550	3%
Entergy Louisiana, Inc.	3,346,790	2%
Saint-Gobain Containers	2,701,000	2%
Community Trust Bank	2,693,110	2%
Banc One Management Corp.	1,713,490	1%
Centerpoint Energy - Arkla	1,603,700	1%
Healthsouth Corp Trust	1,444,450	1%
Green Clinic Management Co.	1,420,000	1%
Federal Home Products	1,371,300	1%
Duke Energy Field Services	1,243,410	1%
Wal-Mart Stores East, Inc. #23	1,236,610	1%
Wal-Mart Real Est, Bus. Trust	1,197,460	1%
Industrial Insulation Group	1,121,250	1%
Iberia Bank	997,870	1%
Claiborne Electric Corp.	<u>954,570</u>	<u>1%</u>
Total	53,682,980	35%

NOTE 4 - CASH AND INTEREST-BEARING DEPOSITS

Under state law, the Assessor may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Assessor may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2003, the Assessor has cash and interest-bearing deposits (book balances) totaling \$839,518 as follows:

Demand Deposits	\$ 89,518
Time Deposits	<u>750,000</u>
	<u>839,518</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

See Accountants' Compilation Report.

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Notes to Financial Statements

NOTE 4 - CASH AND INTEREST-BEARING DEPOSITS (continued)

on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at December 31, 2003 are secured as follows:

Bank Balances	\$ <u>864,242</u>
Federal deposit insurance	200,000
Pledged securities (Category 3)	<u>664,242</u>
Total	<u>864,242</u>

Pledged securities in Category 3 include uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the Assessor's name. Even though the pledged securities are considered uncollateralized (Category 3) Louisiana Revised State 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.

NOTE 5 - CAPITAL ASSETS

Capital asset balances and activity for the year ended December 31, 2003 is as follows:

	Balance <u>1/01/03</u>	Additions	Deletions	Balance <u>12/31/03</u>
Capital Assets:				
Equipment, furniture and fixtures	173,984	7,841	-	181,825
Less accumulated depreciation:				
Equipment, furniture and fixtures	<u>87,799</u>	<u>12,234</u>	-	<u>100,033</u>
Net Capital Assets	<u>86,185</u>	<u>(4,393)</u>	-	<u>81,792</u>

Depreciation expense of \$12,234 was charged to the general government function.

NOTE 6 - PENSION PLAN

Substantially all employees of the Lincoln Parish Assessor's office are members of the Louisiana Assessor's Retirement System (system), a multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees. The system provides retirement, death, and disability benefits to plan members and beneficiaries. Benefits are established by statute.

See Accountants' Compilation Report.

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Notes to Financial Statements

NOTE 6 - PENSION PLAN (continued)

The system issues an annual publicly available report that includes financial statements and required supplementary information for the system. That report may be obtained by writing to the Louisiana Assessor's Retirement System, Post Office Box 1786, Shreveport, Louisiana 71166-1866 or by calling (318)425-4446.

Plan members are required by state statute to contribute a percentage of their annual covered salary and the Lincoln Parish Assessor is required to contribute at an actuarially determined rate. During the year ended December 31, 2003 the employee rate was 8% and the employer rate was 14%. Contributions to the system include .0025% 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 Lincoln Parish 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 payroll covered by the plan totaled \$336,596, and the Lincoln Parish Assessor's required contribution to the system for the year ended December 31, 2003 was \$47,124.

NOTE 7 - DEFERRED COMPENSATION PLAN

The Lincoln Parish Assessor offers its employees participation in the State of Louisiana Public Employees Deferred Compensation Plan adopted by the Louisiana Deferred Compensation Commission and established in accordance with Internal Revenue Code Section 457. The plan is reported as an agency fund in the State of Louisiana's financial statements. The plan, available to all Assessor's employees, permits the employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or proof of hardship.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the state of Louisiana (without being restricted to the provisions of benefits under the plan) subject only to the claims of the general creditors of the State of Louisiana. Participants' rights under the plan are equal to those of general creditors of the State of Louisiana in an amount equal to the fair market value of the deferred account for each participant.

See Accountants' Compilation Report.

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Notes to Financial Statements

NOTE 8 - POST EMPLOYMENT BENEFITS

The Lincoln Parish Assessor provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the assessor's employees become eligible for these benefits if they reach normal retirement age while working for the assessor. These benefits for retirees are provided through an insurance company whose monthly premiums are paid by the assessor.

The assessor recognizes the cost of providing these benefits as an expenditure when the monthly premiums are paid. For the year ended December 31, 2003 the total amount of premiums paid for the three eligible retirees totaled \$10,709. These premiums are financed on a "pay-as-you-go" basis.

NOTE 9 - RELATED PARTY TRANSACTIONS

The Lincoln Parish Assessor entered into a cooperative endeavor agreement with the Lincoln Parish Police Jury, the City of Ruston, and the Lincoln Parish Communication District No. 1 to create the Lincoln Parish Geographic Information System (GIS). GIS is governed by a board of eight commissioners, including the Lincoln Parish Assessor and one representative appointed by the Assessor. The Lincoln Parish Assessor agreed to a one year commitment to provide funds up to \$25,000 plus internet costs for the next year. The Assessor paid \$25,191 in 2003 to GIS.

The Lincoln Parish Assessor's office is located in the court house of Lincoln Parish. The Police Jury provides the office space for the Assessor's office. Minor repairs, electricity, water, and sewer fees are all paid by the Police Jury.

NOTE 10 - LEASE

The Lincoln Parish Assessor leases a vehicle under a three year cancelable operating lease agreement. The agreement requires the assessor to buy and maintain liability and physical damage insurance and to maintain and repair the vehicle to keep it in good working order and condition. At the end of the lease, the assessor may be required to pay an additional charge to lessor for excess wear and excess mileage. If the lease is terminated before the three year term has expired, a similar charge may be required.

NOTE 11 - LITIGATION

There is no litigation pending against the Assessor's office at December 31, 2003.

NOTE 12 - RISK MANAGEMENT

The Assessor is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Assessor has obtained coverage from various commercial insurance companies to reduce his exposure to these risks.

See Accountants' Compilation Report.

**OTHER REQUIRED
SUPPLEMENTARY INFORMATION**

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Statement Of Revenues, Expenditures, And Changes In Fund Balance
Budget (Gaap Basis) And Actual - Governmental Fund Type
For The Year Ended December 31, 2003
(Unaudited)

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Ad Valorem Taxes	406,000	453,846	47,846
State Revenue Sharing	44,000	45,394	1,394
Commissions for Services	50,000	49,900	(100)
Fees for Preparing Tax Roll	9,600	14,746	5,146
Interest Income	25,000	23,770	(1,230)
Other Revenues	5,000	4,306	(694)
TOTAL REVENUES	<u>539,600</u>	<u>591,962</u>	<u>52,362</u>
EXPENDITURES			
Capital Outlay	25,000	7,841	17,159
Intergovernmental-GIS Commission	25,000	25,191	(191)
Material and Supplies			
Auto Expense	1,800	1,120	680
Library	1,000	501	499
Office Supplies	13,000	11,449	1,551
Operating Services			
Dues and Subscriptions	2,400	2,377	23
Equipment Maintenance	16,750	17,912	(1,162)
Insurance	3,000	3,053	(53)
Lease	5,550	5,298	252
Postage	2,500	1,615	885
Professional Fees	179,500	81,913	97,587
Publishing Notices	200	1,545	(1,345)
Telephone	3,500	3,079	421
Personnel Services and Related Cost			
Salaries	327,250	336,683	(9,433)
Fringe Benefits	128,000	127,006	994
Payroll Taxes	10,750	4,790	5,960
Workman's Compensation	2,400	2,858	(458)
Travel	20,525	23,610	(3,085)
TOTAL EXPENDITURES	<u>768,125</u>	<u>657,841</u>	<u>110,284</u>
EXCESS OF EXPENDITURES OVER REVENUES	<u>(228,525)</u>	<u>(65,879)</u>	<u>162,646</u>
FUND BALANCE - BEGINNING	<u>1,242,727</u>	<u>1,242,727</u>	<u>-</u>
FUND BALANCE - ENDING	<u>1,014,202</u>	<u>1,176,848</u>	<u>162,646</u>

See Accountants' Compilation Report. The accompanying notes are an integral part of these statements.

SUPPLEMENTARY INFORMATION

Susan C. Cochran, CPA
A.C. Clark III, CPA
Reneé Robinson, CPA

(318) 728-4855
(318) 728-5670
Fax (318) 728-6618
cpaccr@belsouth.net

INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

The Honorable Pam Jones, CLA
Lincoln Parish Assessor
P O Box 1218
Ruston, LA 71273

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Lincoln Parish Tax Assessor, Ruston, Louisiana, and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Assessor's compliance with certain laws and regulations during the year ended December 31, 2003, included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagements was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our applied procedures, together with any findings, follow:

Public Bid Law

1. Select all expenditures made during the year for materials and supplies exceeding \$15,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).
 - Our review of cash disbursement journals revealed no individual expenditure for materials and supplies exceeding \$15,000 and no expenditures in the period under examination for public works.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

3. Obtain from management a listing of all employees paid during the period under examination.
4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.
 - Management provided the required information. The employees included on the employees listing provided by management in agreed-upon procedure (3) did not appear on the listings provided by management in agreed-upon procedure (2).

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.
6. Trace the budget adoption and amendments to the minute book.
7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceeded budgeted amounts by 5% or more.
 - Management provided copies of the budget. We traced the adoption of the budget to the meeting held on December 13, 2002, which indicated that the budget was adopted as set forth in a public meeting.
 - We compared the revenues and expenditures of the final General Fund budget to actual revenues and expenditures. Actual revenues and expenditures for the year did not exceed budgeted amounts by more than 5%.

Accounting and Reporting

8. Randomly select six disbursements made during the period under examination and: (a) trace payments to supporting documentation as to proper amount and payee; (b) determine if payments were properly coded to the correct fund and general ledger account; and (c) determine whether payments received approval from proper authorities
 - We examined supporting documentation for the six selected disbursements and found that the payments were for the proper amounts and made to the correct payees; were properly coded to the correct fund and general ledger accounts; and received approval from the proper authorities.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1-12 (the open meetings law).

- The Assessor is only required to post a notice of each public hearing in the legal section of the local paper. Management has asserted that such hearings were properly posted.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of banks loans, bonds, or like indebtedness.

- We scanned cash receipt journals for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

- The Assessor maintains no minutes regarding bonuses or advances. We inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Lincoln Parish Tax Assessor, Ruston, Louisiana, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Cochran, Clark Robinson

June 18, 2004

LINCOLN PARISH ASSESSOR'S OFFICE
PAM C. JONES, CLA

MEMBER: LOUISIANA ASSESSOR'S ASSOCIATION
INTERNATIONAL ASSOCIATION OF ASSESSING OFFICERS

Reneé Robinson, CPA
Cochran, Clark & Robinson
P O Box 538
Rayville, LA 71269

Mrs. Robinson,

In accordance with the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on information available to us as of May 24, 2004.

PUBLIC BID LAW

1. The provision of the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office have been complied with.

Yes [X] No [] N/A []

CODE OF ETHICS FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES

2. It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone which would constitute a violation of LSA-RS 42:1101-1124.

Yes [X] No [] N/A []

3. It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980 under circumstances which would constitute a violation of LSA-RS 42:1119.

Yes [X] No [] N/A []

TELEPHONE: 318-251-5140 FAX: 318-251-5142 P.O. BOX 1218 RUSTON, LA 71273-1218

BUDGETING

4. We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:43.

Yes [X] No [] N/A []

ACCOUNTING AND REPORTING

5. All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes [X] No [] N/A []

6. We have filed our annual financial statements in accordance with LSA-RS 24:514, LSA-RS 33:463 and/or LSA-RS 39:92, as applicable.

Yes [X] No [] N/A []

7. We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes [X] No [] N/A []

MEETINGS

8. We have complied with the provisions of the Opening Meetings Law, LSA-RS 42:1-12.

Yes [X] No [] N/A []

DEBT

9. We have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 47:1410.60.

Yes [X] No [] N/A []

ADVANCES AND BONUSES

10. We have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes [X] No [] N/A []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

Paul Jones
Name

5-24-04
Date