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**LINCOLN PARISH ASSESSOR  
RUSTON, LOUISIANA**

**FINANCIAL STATEMENTS  
DECEMBER 31, 2000**

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 05/09/01

**LINCOLN PARISH ASSESSOR  
RUSTON, LOUISIANA**

FINANCIAL STATEMENTS  
DECEMBER 31, 2000

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## INDEPENDENT AUDITOR'S REPORT

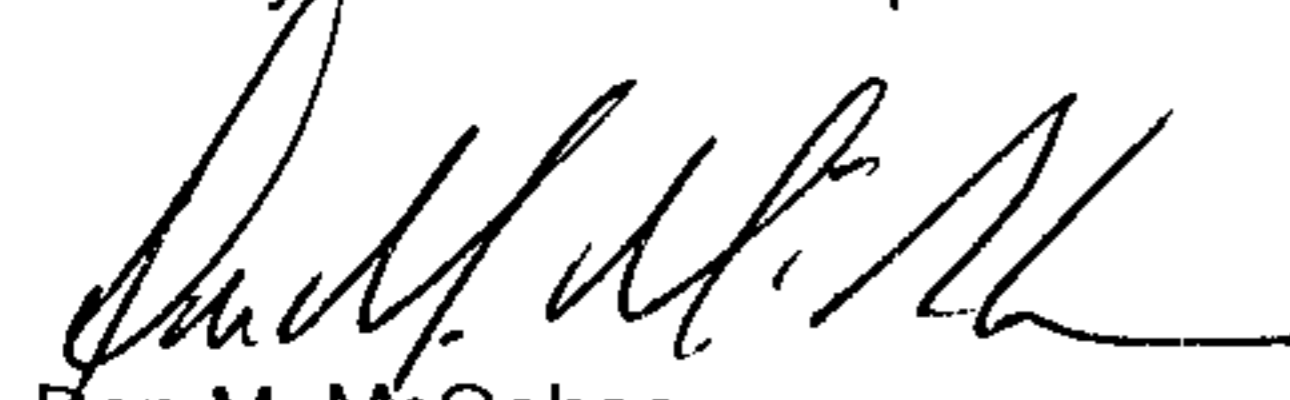
The Honorable Pam C. Jones, CLA  
Lincoln Parish Assessor  
P.O. Box 1218  
Ruston, Louisiana 71273

I have audited the accompanying general purpose financial statements of the Lincoln Parish Assessor, a component unit of the Lincoln Parish Police Jury, as of and for the two years ended December 31, 2000, as listed in the table of contents. These general purpose financial statements are the responsibility of Lincoln Parish Assessor's office management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards 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 I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Lincoln Parish Assessor as of December 31, 2000, and the results of its operations for the two years then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued my report dated February 20, 2001, on my consideration of Lincoln Parish Assessor's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants.



Don M. McGehee  
Certified Public Accountant  
February 20, 2001

**LINCOLN PARISH ASSESSOR**  
**RUSTON, LOUISIANA**  
 COMBINED BALANCE SHEETS--ALL FUND TYPES AND ACCOUNT GROUPS  
 DECEMBER 31, 2000  
 WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1999

	<u>Governmental</u> <u>Fund Type</u>	<u>Account</u> <u>Group</u>	<u>Totals</u> <u>(Memoran-</u> <u>dum Only)</u>	
	<u>General</u> <u>Fund</u>	<u>General</u> <u>Fixed</u> <u>Assets</u>	<u>1999</u>	
<b>ASSETS</b>				
Cash	\$ 161,641	\$ 0	\$ 161,641	\$ 35,797
Investments	952,288	0	952,288	1,195,020
Accounts Receivable, net	346,221	0	346,221	366,640
Interest Receivable	0	0	0	1,614
Furniture and Equipment	<u>0</u>	<u>160,191</u>	<u>160,191</u>	<u>151,520</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 1,460,150</u></b>	<b><u>\$ 160,191</u></b>	<b><u>\$ 1,620,341</u></b>	<b><u>\$ 1,750,591</u></b>
<b>LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ 4,541	\$ 0	\$ 4,541	\$ 1,674
Accrued Expenses	1,446	0	1,446	26
Deferred Revenue	<u>40,042</u>	<u>0</u>	<u>40,042</u>	<u>53,180</u>
<b>TOTAL LIABILITIES</b>	<b><u>46,029</u></b>	<b><u>0</u></b>	<b><u>46,029</u></b>	<b><u>54,880</u></b>
<b>FUND EQUITY</b>				
Investment in General Fixed Assets	0	160,191	160,191	151,520
Fund Balance-				
Unreserved and Undesignated	<u>1,414,121</u>	<u>0</u>	<u>1,414,121</u>	<u>1,544,191</u>
<b>TOTAL FUND EQUITY</b>	<b><u>1,414,121</u></b>	<b><u>160,191</u></b>	<b><u>1,574,312</u></b>	<b><u>1,695,711</u></b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b><u>\$ 1,460,150</u></b>	<b><u>\$ 160,191</u></b>	<b><u>\$ 1,620,341</u></b>	<b><u>\$ 1,750,591</u></b>

See accompanying notes to financial statements.

**LINCOLN PARISH ASSESSOR  
RUSTON, LOUISIANA**  
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE  
FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
<b>REVENUES</b>		
Ad Valorem Taxes	\$ 349,112	\$ 304,629
Intergovernmental-State Revenue Sharing	45,355	46,649
Commissions for Services	10,920	11,506
Fees for Preparing Tax Roll	9,419	8,579
Interest Income	66,784	62,205
Other Revenues	<u>2,984</u>	<u>3,771</u>
<b>TOTAL REVENUES</b>	<u>484,574</u>	<u>437,339</u>
<b>EXPENDITURES</b>		
Capital Outlay	8,671	18,174
Intergovernmental-GIS Commission	20,550	20,094
Material and Supplies		
Auto Expense	2,075	1,227
Library	753	621
Office Supplies	7,603	9,489
Operating Services		
Dues and Subscriptions	2,107	2,193
Equipment Maintenance	8,031	2,128
Insurance	1,298	1,256
Lease	6,355	7,809
Postage	7,741	1,763
Professional Fees	160,200	9,448
Publishing Notices	192	117
Telephone	4,283	4,365
Personal Services and Related Expenses		
Salaries	274,475	257,674
Fringe Benefits	81,838	56,807
Payroll Taxes	6,854	6,423
Workman's Compensation	1,745	1,256
Travel	<u>19,873</u>	<u>15,965</u>
<b>TOTAL EXPENDITURES</b>	<u>614,644</u>	<u>416,809</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	(130,070)	20,530
<b>FUND BALANCE-BEGINNING</b>	<u>1,544,191</u>	<u>1,523,661</u>
<b>FUND BALANCE-ENDING</b>	<u>\$ 1,414,121</u>	<u>\$ 1,544,191</u>

See accompanying notes to financial statements.

**LINCOLN PARISH ASSESSOR  
RUSTON, LOUISIANA**

STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE--  
BUDGET (GAAP BASIS) AND ACTUAL--GOVERNMENTAL FUND TYPE  
FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999

	2000		Variance Favorable (Unfavorable)
	Budget	Actual	
<b>REVENUES</b>			
Ad Valorem Taxes	\$ 343,000	\$ 349,112	\$ 6,112
State Revenue Sharing	48,043	45,355	(2,688)
Commissions for Services	12,800	10,920	(1,880)
Fees for Preparing Tax Roll	8,300	9,419	1,119
Interest Income	50,000	66,784	16,784
Other Revenues	<u>3,500</u>	<u>2,984</u>	<u>(516)</u>
<b>TOTAL REVENUES</b>	<u>465,643</u>	<u>484,574</u>	<u>18,931</u>
<b>EXPENSES</b>			
Capital Outlay	25,000	8,671	16,329
Intergovernmental-GIS Commission	20,000	20,550	(550)
Material and Supplies			
Auto Expense	1,000	2,075	(1,075)
Library	500	753	(253)
Office Supplies	9,500	7,603	1,897
Operating Services			
Dues and Subscriptions	2,400	2,107	293
Equipment Maintenance	3,500	8,031	(4,531)
Insurance	2,850	1,298	1,552
Lease	6,755	6,355	400
Postage	6,000	7,741	(1,741)
Professional Fees	209,900	160,200	49,700
Publishing Notices	200	192	8
Telephone	4,000	4,283	(283)
Personal Services and Related Expenses			
Salaries	298,650	274,475	24,175
Fringe Benefits	75,710	81,838	(6,128)
Payroll Taxes	9,200	6,854	2,346
Workman's Compensation	2,500	1,745	755
Travel	<u>18,525</u>	<u>19,873</u>	<u>(1,348)</u>
<b>TOTAL EXPENDITURES</b>	<u>696,190</u>	<u>614,644</u>	<u>81,546</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	(230,547)	(130,070)	100,477
<b>FUND BALANCE-BEGINNING</b>	<u>1,523,661</u>	<u>1,544,191</u>	<u>20,530</u>
<b>FUND BALANCE-ENDING</b>	<u>\$ 1,293,114</u>	<u>\$ 1,414,121</u>	<u>\$ 121,007</u>

See accompanying notes to financial statements.

1999

<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
\$ 318,398	\$ 304,629	\$ (13,769)
48,043	46,649	(1,394)
12,825	11,506	(1,319)
8,300	8,579	279
50,000	62,205	12,205
3,700	3,771	71
<u>441,266</u>	<u>437,339</u>	<u>(3,927)</u>
25,000	18,174	6,826
20,000	20,094	(94)
2,500	1,227	1,273
1,000	621	379
9,500	9,489	11
2,400	2,193	207
6,750	2,128	4,622
1,750	1,256	494
6,755	7,809	(1,054)
6,000	1,763	4,237
9,850	9,448	402
200	117	83
5,000	4,365	635
253,970	257,674	(3,704)
57,113	56,807	306
5,940	6,423	(483)
2,500	1,256	1,244
<u>14,355</u>	<u>15,965</u>	<u>(1,610)</u>
<u>430,583</u>	<u>416,809</u>	<u>13,774</u>
10,683	20,530	9,847
<u>1,293,114</u>	<u>1,523,661</u>	<u>230,547</u>
<u>\$ 1,303,797</u>	<u>\$ 1,544,191</u>	<u>\$ 240,394</u>

**LINCOLN PARISH ASSESSOR**  
**RUSTON, LOUISIANA**  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2000

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, prepares tax rolls, and submits the rolls to the Louisiana Tax Commission and other governmental bodies as prescribed by law. 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.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting and reporting policies of the Lincoln Parish Tax Assessor conform to generally accepted accounting principles as applied to governmental units. The accounting and reporting procedures conform to the requirements of Louisiana Revised Statutes 24:513 and to the guides set forth in the Louisiana Governmental Audit Guide and to the industry audit guide, Audits of State and Local Governmental Units, published by the American Institute of Certified Public Accountants.

**A. Reporting Entity**

For financial reporting purposes, in conformity with GASB Statement No. 14, the Lincoln Parish Assessor is a component unit of the Lincoln Parish Police Jury. For the purposes of this financial report, this component unit serves as the nucleus for its own financial reporting entity and issues separate financial statements.

**B. Fund Accounting**

The accounts of the Lincoln Parish Assessor are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The fund presented in the financial statements is described as follows:

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.

**C. Fixed Assets**

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in the General Fund. Fixed assets provided by the police jury are not recorded in the general fixed assets account group. Fixed assets are recorded at cost or estimated historical costs based on the actual costs of like items. No depreciation has been provided on general fixed assets.



**LINCOLN PARISH ASSESSOR**  
**RUSTON, LOUISIANA**  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2000

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Measurement Focus**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

**E. Basis of Accounting**

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become 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 be used to pay liabilities of the current period. The Assessor uses the following practices in recognizing and reporting revenues and expenditures:

Revenues

Ad valorem taxes and the related state revenue sharing 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.

Fees for preparing tax rolls are recognized in the period in which they are earned. Commissions on fire protection fees are recognized in the period in which they are earned. Other revenue is recognized when cash is received. The Lincoln Parish Assessor considers ad valorem taxes, state revenue sharing, commission on fire fees, fees for preparing tax rolls, and interest income as susceptible to accrual.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

The Lincoln Parish Assessor reports deferred revenue on its combined 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 combined balance sheet and revenue is recognized.

**F. Use of 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.

**LINCOLN PARISH ASSESSOR  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2000**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**G. Budgetary Practices**

The Lincoln Parish Assessor adopted an operating budget on a basis consistent with generally accepted accounting principles on its governmental fund type for the year ended December 31, 2000, as required by generally accepted accounting principles as applicable to governmental units and as required by Louisiana law.

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. Formal budgetary integration is employed as a management control device during the year.

**H. Vacation and Sick Leave**

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, 2000, there are no accumulated and vested benefits relating to vacation and sick leave that require accrual or disclosure.

**I. Memorandum Only - Total Columns**

Total columns on the general purpose financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**NOTE 2 - CASH AND INVESTMENTS**

Cash and investments consist of interest bearing demand deposits and time deposits, respectively. Under state law, the assessor may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. Deposits are carried at cost which approximates market value.

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 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.

At December 31, 2000, the carrying amount of deposits was \$1,113,929 and the bank balance was \$1,130,524. The bank balance was covered by federal depository insurance and securities pledged by the bank. Cash and investments (bank balances) at December 31, 2000, are secured as follows:

Federal Deposit Insurance	\$ 246,288
Pledged Securities	<u>884,236</u>
Total	<u>\$ 1,130,524</u>

**LINCOLN PARISH ASSESSOR  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2000**

**NOTE 2 - CASH AND INVESTMENTS (continued)**

Because the pledged securities are held by the custodial bank in the name of the fiscal agent bank rather than in the name of the assessor, they are considered uncollateralized (Category 3) under the provisions of GASB codification C20.106.

**NOTE 3 - LEVIED TAXES**

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 Lincoln Parish Assessor levied 2.43 mills and 2.51 mills for 2000 and 1999, respectively, to provide funding for his office.

The following are the principal taxpayers for the parish and their 2000 assessed valuation:

	2000 Assessed <u>Valuation</u>	Per Cent of Total Assessed <u>Valuation</u>
Mississippi River Transmission Corporation	\$ 7,969,250	5.64 %
Bell South Telecommunications	4,677,421	3.31 %
Reliant Energy Gas Trans.	4,328,990	3.06 %
Willamette Industries, Inc.	4,203,050	2.98 %
Laclede Gas Co.	4,174,940	2.96 %
Entergy Louisiana, Inc.	3,369,210	2.39 %
Ball-Foster Glass Container Corporation	3,085,910	2.18 %
Banc One Management Corp	2,227,400	1.58 %
Community Trust Bank	1,856,970	1.31 %
Calsilite-Ruston, Inc.	<u>1,766,420</u>	<u>1.25 %</u>
Total	<u>\$ 37,659,561</u>	<u>26.66 %</u>

**NOTE 4 - RECEIVABLES**

The general fund receivables, including the applicable allowance for uncollectible accounts, are as follows:

Ad valorem Taxes	\$ 338,848
Less: Allowance for Uncollectibles	<u>(1,915)</u>
Net Ad valorem Taxes Receivable	336,933
Fire Fees	<u>9,288</u>
Total	<u>\$ 346,221</u>

**NOTE 5 - CHANGES IN FIXED ASSETS**

A summary of changes in office furnishings and equipment is as follows:

Balance at January 1, 1999	\$ 133,346
Additions	<u>18,174</u>
Balance at December 31, 1999	151,520
Additions	<u>8,671</u>
Balance at December 31, 2000	<u>\$ 160,191</u>

**LINCOLN PARISH ASSESSOR**  
**RUSTON, LOUISIANA**  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2000

**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.

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 71166-1786 or by calling (318)425-4446.

Plan members are required by state statute to contribute 7.00% of their annual covered salary and the Lincoln Parish Assessor is required to contribute at an actuarially determined rate. The rate of annual covered payroll was 5.75% for 2000 and 1999. 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 Lincoln Parish Assessor's contributions to the system for the year ended December 31, 2000 and 1999, were \$16,817 and \$15,062, respectively, which were the required contributions for each year.

The employees' wages are also eligible for a voluntary Section 457 deferred compensation plan with the Louisiana Public Employees' Deferred Compensation Plan.

**NOTE 7 - 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 and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee and the assessor. The assessor paid 95% of the premiums and the retirees paid 5% of the premiums.

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, 2000 and 1999, the total amount of premiums paid was \$50,310 and \$39,537, respectively, while the amount paid for the two eligible retirees totaled \$7,530 and \$6,559, respectively. These premiums are financed on a "pay-as-you-go" basis.

**NOTE 8 - 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 him. The Lincoln Parish Assessor agreed to a one year commitment to provide funds up to \$20,000 plus internet costs for the next year, beginning in January, 2001. The Assessor paid \$20,550 and \$20,094 in 2000 and 1999, respectively, to GIS.

**LINCOLN PARISH ASSESSOR  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2000**

**NOTE 9 - 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.

## ADDITIONAL REPORTS

**DON M. McGEHEE**  
(A Professional Accounting Corporation)  
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Ruston, Louisiana 71273-1344

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

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

I have audited the general purpose financial statements of the Lincoln Parish Assessor, a component unit of the Lincoln Parish Police Jury, as of and for the two years ended December 31, 2000, and have issued my report thereon dated February 20, 2001. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

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

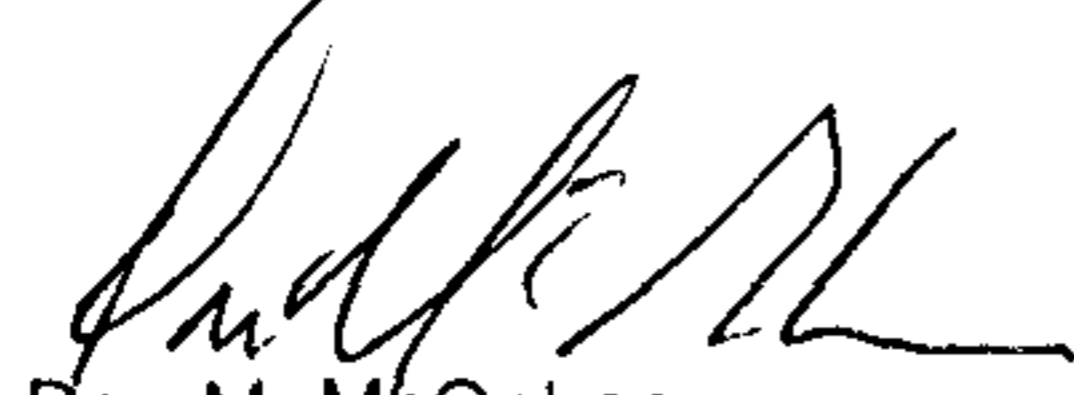
Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Lincoln Parish Assessor's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, I noted certain matters involving the internal control over financial reporting and its operation that I consider to be a reportable condition. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgement, could adversely affect the Lincoln Parish Assessor's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements. This reportable condition is described below:"

It came to my attention that the Lincoln Parish Assessor's Office has too few personnel involved in the accounting system to have adequate separation of duties for internal control.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, I consider the reportable condition described above to be a material weakness.

This report is intended for the information of the assessor, management, the Legislative Auditor of Louisiana, and the Lincoln Parish Police Jury. However, this report is a matter of public record and its distribution is not limited.



Don M. McGehee  
Certified Public Accountant  
February 20, 2001



**LINCOLN PARISH ASSESSOR  
RUSTON, LOUISIANA**  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE TWO YEARS ENDED DECEMBER 31, 2000

I have audited the financial statements of the Lincoln Parish Assessor as of and for the two years ended December 31, 2000, and have issued my report thereon dated February 20, 2001. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. My audit of the financial statements as of December 31, 2000 resulted in an unqualified opinion.

**Section I Summary of Auditor's Reports**

Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses  Yes  No      Reportable Conditions  Yes  No

Compliance

Compliance Material to Financial Statements  Yes  No

**Section II Financial Statement Findings**

1998-1. The Lincoln Parish Assessor Office has too few personnel involved in the accounting system to have adequate separation of duties for internal control.

**LINCOLN PARISH ASSESSOR  
RUSTON, LOUISIANA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2000**

**SECTION 1 INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENT**

FINDINGS

1998-1 Too few personnel involved in the accounting system to have adequate separation of duties for internal control.

RESPONSE

It would not be cost-effective to hire additional personnel to provide adequate separation of duties for internal control with such a small workload.

**LINCOLN PARISH ASSESSOR  
RUSTON, LOUISIANA  
MANAGEMENT'S CORRECTIVE ACTION PLAN  
FOR THE YEAR ENDED DECEMBER 31, 2000**

**SECTION 1 INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENT**

FINDINGS

2000-1 Too few personnel involved in the accounting system to have adequate separation of duties for internal control.

RESPONSE

It would not be cost-effective to hire additional personnel to provide adequate separation of duties for internal control with such a small workload.