

LINCOLN PARISH ASSESSOR
RUSTON, LOUISIANA

FINANCIAL STATEMENTS
DECEMBER 31, 2011

LINCOLN PARISH ASSESSOR
DECEMBER 31, 2011

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditors' Report	1-2
REQUIRED SUPPLEMENTARY INFORMATION	3
Management's Discussion and Analysis (Unaudited)	4-11
BASIC FINANCIAL STATEMENTS	12
GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)	13
Statement of Net Assets - Government Activities	14
Statements of Activities	15
FUND FINANCIAL STATEMENTS (FFS)	16
Balance Sheet - Governmental Fund	17
Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Assets	18
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Fund	19
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of the Government Fund to the Statement of Activities	20
Notes to Basic Financial Statements	21-34
OTHER REQUIRED SUPPLEMENTARY INFORMATION	35
Statements of Revenues, Expenditures, and Changes in Fund Balance Budget (GAAP Basis) and Actual General Fund	36
Schedule of Funding Progress for the Other Postemployment Benefits Plan	37
Additional Reports	
Independent Auditors' Report on Compliance and Internal Control	38-39
Schedule of Findings and Questioned Cost	40

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INDEPENDENT AUDITORS' REPORT

Honorable Pam C. Jones, C.L.A.
Lincoln Parish Assessor
Ruston, Louisiana

We have audited the accompanying financial statements of the governmental activities, and each major fund of Lincoln Parish Assessor, as of and for the year ended December 31, 2011, which collectively comprise the Assessor's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Lincoln Parish Assessor's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Lincoln Parish Assessor as of December 31, 2011, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2012, on our consideration of the Lincoln Parish Tax Assessor's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and other required supplementary information on pages 4 through 11 and 36 through 37 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Cochran, Clark & Robinson

Cochran, Clark & Robinson

Rayville, LA
June 22, 2012

**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, 2011. 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 (net assets) by \$1,287,172 for 2011.
- Total net assets are comprised of the following:

December 31, 2011

- (1) Capital assets of \$124,163 include property and equipment, net of accumulated depreciation.
- (2) Unrestricted net assets of \$1,163,009 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 \$1,772,960 for 2011. The total fund balance is unreserved.
- At the end of the current calendar year, unreserved fund balance for the General Fund was \$1,772,960 or 222% 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 AUDITORS' REPORT

The first item in this report is the Independent Auditors' Report. This report tells the reader what the auditor audited and if the Parish Assessor has followed the accounting and financial reporting rules. For the year ended in 2011, the auditor has given the Parish Assessor what is commonly called "a clean opinion". This means that the Parish Assessor is following the accounting rules and the following financial statements reflect the financial position and the financial activity for the year ended December 31, 2011. The auditors' report is signed by the independent auditor. The auditors' report may be found on pages 1 and 2 of this financial report.

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, (3) notes to the basic financial statements, and (4) other supplementary information as may be applicable. Other than the MD&A in the Assessor's case, the Schedule of Funding Progress for the Other Postemployment Benefits Plan is additional GASB required supplementary information applicable this year. The Parish Assessor also includes in this report additional information to supplement the basic financial statements, such as required supplementary information and other required supplementary information.

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 through 15 of this report.

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 encompasses 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 16 through 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.

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 "other required supplementary information". Other 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 pages 36-37 of this report.

FINANCIAL ANALYSIS OF THE PARISH ASSESSOR AS A WHOLE

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

Summary of Net Assets				
	2011		2010	
	Governmental Activities	% of Total	Governmental Activities	% of Total
Assets:				
Current Assets	1,857,515	94%	1,744,720	93%
Capital Assets	<u>124,163</u>	<u>6%</u>	<u>134,673</u>	<u>7%</u>
Total Assets	<u>1,981,678</u>	<u>100%</u>	<u>1,879,393</u>	<u>100%</u>
Liabilities:				
Current Liabilities	6,841	1%	3,798	1%
Long-Term Other Postemployment Benefits Payable	<u>687,665</u>	<u>99%</u>	<u>460,300</u>	<u>99%</u>
Total Liabilities	<u>694,506</u>	<u>100%</u>	<u>464,098</u>	<u>100%</u>
Net Assets:				
Investment in Capital Assets, net of debt	124,163	10%	134,673	10%
Unrestricted	<u>1,163,009</u>	<u>90%</u>	<u>1,280,622</u>	<u>90%</u>
Total Net Assets	<u>1,287,172</u>	<u>100%</u>	<u>1,415,295</u>	<u>100%</u>

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 are as follows:

	2011	2010
Current Ratio	272 to 1	459 to 1

These are strong ratios.

The Parish Assessor reports a positive balance in net assets for its governmental activities. Net assets have changed as follows:

2011 Decrease (128,123)
2010 Decrease (11,884)

Note that 6%-7% of the governmental activities net assets are tied up in capital in both years. The Parish Assessor uses these capital assets to provide services to its citizens.

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				
	2011		2010	
	Governmental Activities	% of Total	Governmental Activities	% of Total
Revenues:				
Program:				
Charges for Services	38,851	4%	34,296	4%
General:				
Taxes	803,950	89%	779,271	89%
State revenue sharing	47,217	5%	44,741	5%
Interest	16,725	2%	20,055	2%
Total Revenues	<u>906,743</u>	<u>100%</u>	<u>878,363</u>	<u>100%</u>
Program Expenses:				
Operational:				
Salaries and benefits	530,776	51%	506,598	57%
Other Postemployment Benefits	227,365	22%	226,313	25%
Operating Services	208,655	20%	99,117	11%
Materials and Supplies	23,829	2%	21,243	2%
Travel and Other	29,762	3%	25,414	3%
Depreciation	<u>14,479</u>	<u>1%</u>	<u>11,562</u>	<u>1%</u>
Total Expenses:	<u>1,034,866</u>	<u>100%</u>	<u>890,247</u>	<u>100%</u>
Change in Net Assets	(128,123)		(11,884)	
Beginning Net Assets	<u>1,415,295</u>		<u>1,427,179</u>	
Ending Net Assets	<u>1,287,172</u>		<u>1,415,295</u>	

GOVERNMENTAL REVENUES

The Parish Assessor is heavily reliant on property taxes to support its operations. As a result, the general economy and local businesses have a major impact on the Parish Assessor's revenue streams.

Sources of revenue are shown below by percentage:

	2011	2010
General Revenues	<u>89</u>	<u>89</u>
Property Tax	89	89
State Revenue Sharing	5	5
Interest	<u>2</u>	<u>2</u>
Total General Revenues	<u>96</u>	<u>96</u>
Program Revenues	<u>4</u>	<u>4</u>
Total Revenues	100%	100%

GOVERNMENTAL FUNCTIONAL EXPENSES

Since assessor operations are staff oriented, a major portion of the budget is used for employee salaries and benefits each year.

The following is a summary of the major operational expenses as a percentage of total expenses:

	<u>2011</u>	<u>2010</u>
Salaries and Benefits	51%	57%
Other Postemployment Benefits	22%	25%
Operating Services	20%	11%
Materials and Supplies	2%	2%

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.

In the three years of 2003 through 2005, the total ending general fund's fund balance decreased each year. This decrease was primarily the result of the expenditures needed to gather data and acquire and maintain the technology to perform the required reassessment of property values. In 2006 through 2011, the fund balance increased.

The total fund balance and change per year is reported in the following chart:

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Total fund balance	1,772,960	1,669,374	1,486,667	1,309,480
Change from prior year	103,587	182,707	177,187	39,497

The key factor contributing to the current year change is continued efforts to control operating costs. The total amount is unreserved indicating availability for continuing Parish Assessor service requirements.

As indicated below, property taxes and state revenue sharing provide most of the resources for the Assessor's office:

	<u>2011</u>	<u>2010</u>
Property Tax	797,784	804,057
State Revenue Sharing	47,217	44,741

The following table shows the % of change (+ increase or - decrease) in expenditures for each year:

	<u>2011</u>	<u>2010</u>
Salaries and Benefits	+5%	-7%
Operating services	+111%	-2%
Materials and supplies	+12%	-11%

As a percentage of annual expenditures the General Fund's ending fund balance is considered very adequate. The percentages each year are as follows:

	<u>2011</u>	<u>2010</u>
Fund balance as a % of Annual expenditures	222%	232%

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 2011, the Parish Assessor realized 103% of the revenue budget and the actual expenditures were only 96% of the budgeted amounts.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

	<u>Governmental Activities</u>	
	<u>2011</u>	<u>2010</u>
Depreciable assets:		
Equipment, furniture and fixtures	302,311	298,342
Less accumulated depreciation	<u>178,148</u>	<u>163,069</u>
Book value-depreciable assets	<u>124,163</u>	<u>134,673</u>

The depreciable capital assets for governmental activities were 76% depreciated at the end of 2011 and 70% depreciated at the end of 2010. The total percentage of depreciated capital assets is quite high, (i.e. over 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.

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.

Accrued cost for "other postemployment benefits" (OPEB payable and the related expense) were recorded pursuant to GASB No. 45. These calculations are determined by an actuary for presentation in the Assessors annual financial report. This liability is significant in comparison to the Assessor's total assets and has substantially reduced net assets.

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 - Government Activities
December 31, 2011

ASSETS

Cash and interest-bearing deposits	1,039,727
Accounts Receivable (net)	816,773
Interest Receivable	1,015
Capital assets (net)	<u>124,163</u>
Total Assets	<u>1,981,678</u>

LIABILITIES

Accounts Payable	6,841
Other Post Employment Benefits Payable	<u>687,665</u>
Total Liabilities	<u>694,506</u>

NET ASSETS

Invested in Capital Assets	124,163
Unrestricted	<u>1,163,009</u>
Total Net Assets	<u>1,287,172</u>

See Auditors' 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, 2011

<u>Activities</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>
<u>Governmental Activities:</u>	<u>Expenses</u>		
General Government	1,034,866	38,851	(996,015)
General revenues:			
Taxes:			
Property taxes, levied for general purposes			803,950
State revenue sharing			47,217
Interest and Investment Earnings			16,725
Total General Revenues			<u>867,892</u>
Change in Net Assets			(128,123)
Net Assets - January 1, 2011			<u>1,415,295</u>
Net Assets - December 31, 2011			<u><u>1,287,172</u></u>

See Auditors' 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, 2011

ASSETS

Cash and Interest bearing Deposits	1,039,727
Accounts Receivable (net)	816,773
Interest Receivable	<u>1,015</u>
Total Assets	<u>1,857,515</u>

LIABILITIES AND FUND BALANCE

Liabilities:

Accounts Payable	6,841
Deferred Revenue	<u>77,714</u>
Total Liabilities	<u>84,555</u>

Fund Balance:

Non-spendable fund balance	-
Restricted fund balance	-
Unrestricted fund balance	-
Committed fund balance	-
Assigned fund balance	-
Unassigned fund balance	<u>1,772,960</u>

Total Fund Balance	<u>1,772,960</u>
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Total Liabilities and Fund Balance	<u>1,857,515</u>
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See Auditors' 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, 2011

Total fund balance for the Governmental Fund	1,772,960
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 accumulated depreciation	124,163
Fund liabilities include deferred earned revenues. However, the following liabilities are excluded from the statement of net assets:	
Deferred Revenue	77,714
Long-term liabilities are not due and payable in the current period, and therefore, are not reported in the governmental funds. Those liabilities consist of:	
Other Post Employment Benefits Payable	<u>(687,665)</u>
Total Net Assets of Governmental Activities	<u>1,287,172</u>

See Auditors' 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, 2011

Revenues	
Ad Valorem Taxes	797,784
State Revenue Sharing	47,217
Other Revenue - preparing tax rolls, etc.	38,851
Interest	<u>16,725</u>
Total Revenues	<u>900,577</u>
Expenditures	
Current -	
General Government:	
Intergovernmental	25,000
Personnel Services and Related Benefits	530,776
Operating Service	183,655
Materials and Supplies	23,829
Travel and Other Charges	29,762
Capital Outlay	<u>3,968</u>
Total Expenditures	<u>796,990</u>
Excess (deficiency) of Revenues over expenditures	103,587
Fund Balance - Beginning of Year	<u>1,669,373</u>
Fund Balance - End of Year	<u>1,772,960</u>

See Auditors' 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, 2011

Total net changes in fund balance per Statement of Revenues, Expenditures, and Changes in Fund Balances	103,587
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The change in net assets reported for
Governmental Activities in the Statement
of Activities is different because:

Governmental funds report capital outlays as expenditures.
However, in the statement of activities the cost of those
assets is allocated over their estimated useful lives and
reported as depreciation expenses.

Expenditures for Capital Assets	3,968	
Less Current Year Depreciation	<u>(14,479)</u>	(10,511)

Governmental funds report deferred earned revenue
as liabilities. However, in the statement of
activities these revenues are fully accrued
as follows:

Current Year Deferrals	77,714	
Prior Year Deferrals	<u>(71,548)</u>	6,166

Other post-employment benefits are reported
in the governmental funds as expenditures
when paid. The unfunded annual contribution
is reported in the Statement of Activities
fully accrued as follows:

Prior Year Payable	460,300	
Current Year Payable	<u>(687,665)</u>	<u>(227,365)</u>

Total Changes in Net Assets per Statement of Activities	<u>(128,123)</u>
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See Auditors' 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 this 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 pecuniary 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 building 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 Auditors' 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 Auditors' 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 (whether 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 Auditors' 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.

E. 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 these 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.

Deprecation 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 Auditors' Report.

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Notes to Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Compensated Absences

Depending on length of service, all employees receive from ten to fifteen days of noncumulative vacation leave each year. 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. 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."

The Lincoln Parish Assessor implemented GASB 54 in the current year. The Assessor assumes that when amounts are expended for purposes for which funds in any of the unrestricted classifications could be used, committed amounts are reduced first, followed by assigned amounts and then unassigned amounts.

Committed Fund Balance: The Assessor's highest level of decision making authority is through the process of adopting an ordinance. As such, a proposed ordinance is advertised to be presented in an open session for discussion. Once the discussion session is closed, a vote is taken on the proposed ordinance.

Assigned Fund Balance: The Assessor has no assigned fund balance.

See Auditors' Report.

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Notes to Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

Fees for preparing tax rolls are recorded in the year prepared. Interest income 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, 2011.

See Auditors' Report.

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Notes to Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

I. Subsequent Events

Management has evaluated subsequent events through June 22, 2012, the date the financial statements were available to be issued.

NOTE 2 - ACCOUNTS RECEIVABLE AND PRINCIPAL TAXPAYERS

Accounts Receivable is reported net of an allowance for uncollectible accounts of \$1,915.

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 2.22 mills; the Lincoln Parish Assessor levied 2.22 mills for 2011 to provide funding for the office.

The following are the principal taxpayers for the parish and their 2011 assessed valuation:

	2011 Assessed <u>Valuation</u>	Percent of Total Assessed <u>Valuation</u>
Wildhorse Resources, LLC	20,118,110	5.67%
Centerpoint MS River Transmission	12,681,010	3.57%
Centerpoint Energy Gas Transmission	10,063,330	2.84%
Midcontinent Express Pipeline LLC	9,123,570	2.57%
Gulf Crossing Pipeline Company	9,063,020	2.55%
LaClede Gas Co.	8,382,680	2.36%
Weyerhaeuser NR Company LA762	5,685,970	1.60%
Indigo Minerals, LLC	5,342,190	1.51%
Entergy Louisiana, Inc.	4,720,520	1.33%
Community Trust Bank	<u>4,115,410</u>	<u>1.16%</u>
Total	<u>89,295,810</u>	<u>25.16%</u>

See Auditors' Report.

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Notes to Financial Statements

NOTE 3 - 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, 2011 the Assessor has cash and interest-bearing deposits (book balances) as follows:

Demand Deposits	136,927
Time Deposits	<u>902,800</u>
	<u>1,039,727</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 (FDIC) or the pledge of securities owned by the fiscal agent bank. The FDIC insures interest bearing accounts up to \$250,000 and non-interest bearing accounts in full. 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. Deposit balances (bank balances) at December 31, 2011 are secured as follows:

Bank Balances	<u>1,064,061</u>
Federal deposit insurance	411,801
Pledged securities (Category 3)	<u>652,260</u>
Total	<u>1,064,061</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.

See Auditors' Report.

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Notes to Financial Statements

NOTE 4 - CAPITAL ASSETS

Capital asset balances and activity for the year ended December 31, 2011 are as follows:

	<u>Balance</u> <u>1/01/11</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/11</u>
Capital Assets:				
Equipment, furniture and fixtures	298,343	3,968	-	302,311
Less accumulated depreciation:				
Equipment, furniture and fixtures	<u>163,669</u>	<u>14,479</u>	<u>-</u>	<u>178,148</u>
Net Capital Assets	<u>134,674</u>			<u>124,163</u>

Depreciation expense of \$14,479 was charged to the general government function.

NOTE 5 - 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 14699, Baton Rouge, Louisiana 70898-4699 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, 2011, the employee rate remained at 8%; the employer rate was 13.5% in 2011. 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.

See Auditors' Report.

LINCOLN PARISH ASSESSOR
Ruston, Louisiana
Notes to Financial Statements

NOTE 5 - PENSION PLAN (continued)

The payroll covered by the plan and the Lincoln Parish Assessor's required contribution to the system are as follows:

Payroll Covered	393,098
Required Contribution	53,062

In the current year, the required contribution was funded 100%. The required contribution was also funded 100% in 2005 through 2010.

NOTE 6 - 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. The Assessor's Office provides a match of up to \$100 per month for employees participating in the plan.

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.

NOTE 7 - POST EMPLOYMENT BENEFITS

Plan Description - Employees of the Assessor's Office voluntarily participated in the State of Louisiana's Assessor's Insurance Fund. The Plan and related trust were established on August 30, 1988, pursuant to Louisiana R. S. 47:1022. The Assessor's Insurance Fund provides health benefits, life insurance coverage, long-term disability benefits, vision, long term care and death benefits to participants and to their beneficiaries and covered dependents. Retired employees are entitled to similar health benefits (in excess of Medicare coverage) provided they have attained at least age 55 with twelve years of service or thirty years of service regardless of age. The Plan issues a publicly available financial report.

See Auditors' Report.

LINCOLN PARISH ASSESSOR
Ruston, Louisiana
Notes to Financial Statements

NOTE 7 - POST EMPLOYMENT BENEFITS (continued)

Funding Policy - The contribution requirements of plan members and the Assessor are established and may be amended by R. S. 47:1022. Employees do not contribute to their post employment benefits cost until they become retirees and begin receiving those benefits. Contribution amounts vary depending on what healthcare provider is selected from the plan and if the member has Medicare coverage. The Assessor's Insurance Fund offers various plans for both active and retired employees.

The Assessor's office finances the other post employment benefit on a pay-as-you-go basis with the Assessor contributing monthly amounts. The Assessor's office does not cover the insurance cost for all retirees. For 2011, the Assessor paid a total of \$13,738 in premiums for two retirees.

Annual Other Post Employment Benefit Cost and Liability - The Assessor's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45, which was implemented prospectively beginning with the year ended December 31, 2009. The ARC represents a level of funding that, if paid on an ongoing basis, would cover normal cost each year and amortize any unfunded actuarial accrued liability (UAAL) over a period of 30 years. The total ARC for 2011 is set forth below:

Normal Cost	127,952
Amortization of UAAL	<u>118,296</u>
Annual Required Contribution	<u>246,248</u>

The following schedule presents the Assessor's OPEB obligation for the fiscal year 2011:

Annual required contribution	246,248
Interest of prior year Net OPEB Obligation	17,599
Adjustment to ARC	<u>(25,444)</u>
Annual OPEB Cost	238,403
Contributions made - current year retiree premiums	<u>(13,738)</u>
Change in Net OPEB obligation	224,665
Beginning Net OPEB obligation	<u>463,000</u>
Ending Net OPEB obligation	<u>684,665</u>

Using the pay-as-you-go method, the Assessor contributed 55% of the annual post employment benefits cost for the year ended December 31, 2011.

Funded Status and Funding Progress - During the year 2011, the Assessor's only contributions were the current year's premiums. Since the plan is not funded, the Assessor's entire actuarial accrued liability of \$2,045,582 was unfunded for 2011.

See Auditors' Report.

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Notes to Financial Statements

NOTE 7 - POST EMPLOYMENT BENEFITS (continued)

The funded status of the plan, as determined by an actuary as of January 1, 2011, is as follows:

Actuarial accrued liability (AAL)	2,045,582
Actuarial value of plan assets	0
Unfunded actuarial accrued liability (UAAL)	<u>2,045,582</u>
 Funded ratio (actuarial value of plan assets/AAL)	 0%
Covered Payroll	391,398
UAAL as a percentage of covered payroll	523%

Actuarial Methods and Assumptions - Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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

In the January 1, 2011 actuarial valuation, the unit credit actuarial cost method was used. The actuarial assumptions included a 4% discount rate for valuing liabilities. The RP Mortality system table with floating Scale AA projections were used for both males and females. Retirement rate assumptions differ by employment group and date of plan participation. It was assumed that 100% of employees who elect coverage while in active employment and who are eligible for retiree medical benefits will elect to continue medical coverage in retirement. For those who elect coverage, it was assumed that they will continue to be covered by the same plan as retirees that they were in while active. It was assumed that 100% of members electing coverage will also elect coverage for a spouse. The medical cost inflation trend assumed an increase between 4.5% and 6.6%.

See Auditors' Report.

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Notes to Financial Statements

NOTE 7 - POST EMPLOYMENT BENEFITS (continued)

For active employees and retirees, the life insurance amount was provided by the Assessor's office and the annual premium was calculated on an individual basis. Life insurance premiums for retiree coverage are \$.58 per month per unit of coverage. The Assessor covers 100% of the premium amount. It was assumed that 100% of active employees who currently elect life insurance will continue to elect life insurance upon retirement.

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, Lincoln Parish Clerk of Court, Lincoln Parish Fire District No. 1, Lincoln Parish Sheriff, and the Lincoln Parish Communication District No. 1 to create the Lincoln Parish Geographic Information System (GIS) District. GIS is governed by a board of seven members, including the Lincoln Parish 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 \$25,000 in 2011 to GIS.

The Lincoln Parish Assessor's office is located in the a building owned by the Police Jury. 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 9 - LEASE

The Lincoln Parish Assessor leases a copier under a five year cancelable operating lease agreement. The agreement dated August 2007 calls for 60 monthly payments of \$309. The Assessor's Office will pay an additional fee for copies in excess of the base amount.

The Lincoln Parish Assessor leases a vehicle under a 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 term has expired, a similar charge may be required. In February 2011, the Assessor entered into an operating lease agreement for a 2011 Chevrolet Equinox SUV. The lease calls for 38 monthly payments of \$521.

A schedule of lease payments made during the year ended December 31, 2011 is as follows:

Xerox Copier	4,091
2011 Chevrolet Equinox	5,215

See Auditors' Report.

LINCOLN PARISH ASSESSOR
Ruston, Louisiana
Notes to Financial Statements

NOTE 10 - 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 the exposure to these risks.

See Auditors' 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, 2011
(Unaudited)

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues			
Ad Valorem Taxes	780,000	797,784	17,784
State Revenue Sharing	48,116	47,217	(899)
Other Revenue - preparing tax rolls, etc.	32,500	38,851	6,351
Interest	<u>16,000</u>	<u>16,725</u>	<u>725</u>
Total Revenues	<u>876,616</u>	<u>900,577</u>	<u>23,961</u>
Expenditures			
Current -			
General Government:			
Intergovernmental	25,000	25,000	-
Personnel Services and Related Benefits	572,250	530,776	41,474
Operating Service	152,650	183,655	(31,005)
Materials and Supplies	21,900	23,829	(1,929)
Travel and Other Charges	33,266	29,762	3,504
Capital Outlay	<u>25,000</u>	<u>3,968</u>	<u>21,032</u>
Total Expenditures	<u>830,066</u>	<u>796,990</u>	<u>33,076</u>
Excess (deficiency) of Revenues over expenditures	<u>46,550</u>	<u>103,587</u>	<u>57,037</u>
Fund Balance - Beginning of Year		<u>1,669,373</u>	
Fund Balance - End of Year		<u>1,772,960</u>	

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

LINCOLN PARISH ASSESSOR
Ruston, Louisiana

Schedule of Funding Progress for the Other Postemployment Benefits Plan
For The Year Ended December 31, 2011
(Unaudited)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Projected Unit Cost (b)	Unfunded AAL (UAAL) (b-a)	Fund Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
Jan 1, 2011	None	\$2,045,582	\$2,045,582	0.0%	\$391,398	523%

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

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

Lincoln Parish Assessor
Ruston, Louisiana

We have audited the financial statements of the governmental activities and each major fund of Lincoln Parish Assessor, as of and for the year ended December 31, 2011, which collectively comprise the Lincoln Parish Assessor's basic financial statements and have issued our report thereon dated June 22, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

This report is intended solely for the information and use of management, and is not intended to be and should not be used by anyone other than these specified parties.

Cochran, Clark & Robinson

A handwritten signature in blue ink that reads "Cochran, Clark & Robinson". The signature is written in a cursive, flowing style.

Rayville, LA
June 22, 2012

LINCOLN PARISH ASSESSOR
RUSTON, LOUISIANA

Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2011

A. SUMMARY OF AUDIT RESULTS

1. The Auditors' report expresses an unqualified opinion on the financial statements of the Lincoln Parish Assessor.
2. No instances of noncompliance material to the financial statements of the Lincoln Parish Assessor were disclosed during the audit.
3. No significant deficiency relating to the audit of the financial statements are reported in the Independent Auditors' Report on Internal Control.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

See Auditors' Report.