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**WINN PARISH ASSESSOR
WINNFIELD, LOUISIANA**

**ANNUAL FINANCIAL REPORT
DECEMBER 31, 1995**

under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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 8-14-96

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June 24, 1996

INDEPENDENT AUDITORS' REPORT

Honorable A. D. "Bodie" Little
Winn Parish Assessor
Winnfield, Louisiana 71483

We have audited the accompanying financial statements of the Winn Parish Assessor, a component unit of the Winn Parish Police Jury, as of and for the year ended December 31, 1995, as listed in the table of contents. These financial statements are the responsibility of the management of the Winn Parish Assessor. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. 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 opinion.

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Winn Parish Assessor as of December 31, 1995, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

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COMPONENT UNIT FINANCIAL STATEMENTS

STATEMENT A

WINN PARISH ASSESSOR
COMPONENT UNIT OF WINN PARISH POLICE JURY

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 1995

ASSETS	GOVERNMENTAL FUND GENERAL FUND (SALARY)	ACCOUNT GROUP GENERAL FIXED ASSETS	TOTALS (MEMORANDUM) ONLY
CASH AND CASH EQUIVALENTS (Note 2)	\$ 92,525		\$ 92,525
RECEIVABLES:			
Ad Valorem Taxes (Note 3)	164,708		164,708
State Revenue Sharing	21,282		21,282
GENERAL FIXED ASSETS (Note 4)		\$52,255	52,255
TOTAL ASSETS	\$ 278,515	\$52,255	\$ 330,770
 LIABILITIES AND FUND EQUITY			
LIABILITIES:			
Accounts Payable	\$ 1,267	-	\$ 1,267
TOTAL LIABILITIES	1,267	-	1,267
FUND EQUITY:			
Investment In General Fixed Assets		\$ 52,255	52,255
Fund Balance:			
Unreserved - Undesignated	277,248		277,248
TOTAL FUND EQUITY	277,248	52,255	329,503
TOTAL LIABILITIES AND FUND EQUITY	\$ 278,515	\$ 52,255	\$ 330,770

The accompanying notes are an integral part of this statement.

WINN PARISH ASSESSOR
COMPONENT UNIT OF WINN PARISH POLICE JURY
GOVERNMENTAL FUND TYPE - GENERAL FUND (SALARY)
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 1995

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Ad Valorem Taxes	\$168,000	\$175,310	\$ 7,310
Intergovernmental Revenues:			
State Revenue Sharing	30,000	31,923	1,923
Interest Income	4,500	7,254	2,754
Other Revenue - Tax Rolls, Notices, etc.	<u>4,970</u>	<u>6,154</u>	<u>1,184</u>
Total Revenues	<u>207,470</u>	<u>220,641</u>	<u>13,171</u>
EXPENDITURES			
Current:			
Personal Services And Related Benefits	167,197	167,914	(717)
Operating Services	28,962	29,683	(721)
Travel And Other Charges	11,874	11,910	(36)
Total Expenditures	<u>208,033</u>	<u>209,507</u>	<u>(1,474)</u>
EXCESS OF REVENUES OVER EXPENDITURES	(563)	11,134	11,697
FUND BALANCE AT BEGINNING OF YEAR	<u>266,114</u>	<u>266,114</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$265,551</u>	<u>\$277,248</u>	<u>\$ 11,697</u>

The accompanying notes are an integral part of this statement.

**WINN PARISH ASSESSOR
COMPONENT UNIT OF WINN PARISH POLICE JURY**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1995**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

THE ASSESSOR - As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, the Winn Parish Assessor (the "Assessor") is elected by the voters of the parish. The Assessor assesses all real and movable property in the parish, subject to ad valorem taxation. The Assessor, who is elected for a four year term, is authorized to appoint as many deputies as may be necessary for efficient operation of the office and provide assistance to the taxpayers of the parish. The deputies are authorized to perform all functions of the office, but the Assessor is officially and pecuniarily responsible for the actions of the deputies.

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

At December 31, 1995, there are 12,213 real property and movable property assessments totaling \$49,488,060. This represents an increase of 88 assessments totaling \$2,847,490 over the prior year.

The following is a summary of the more significant accounting policies:

A. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Winn Parish Police Jury is the financial reporting entity for Winn 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 nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

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

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

(Continued)

**WINN PARISH ASSESSOR
COMPONENT UNIT OF WINN PARISH POLICE JURY**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1995**

2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the Assessor is fiscally dependent on the police jury for office space and related utility costs, the Assessor was determined to be a component unit of the Winn 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 that governmental unit, or the other governmental units that comprise the financial reporting entity.

B. BASIS OF PRESENTATION

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

C. FUND ACCOUNTING

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

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The following funds and account groups are used by the Assessor:

FUNDS

Funds of the Assessor are classified as governmental funds. Governmental funds account for Assessor's general activities, including the collection and disbursement of specific or legally restricted monies and the acquisition of general fixed assets. The Winn Parish Assessor has the following governmental fund:

General Fund (Salary) - The General Fund is the principal fund of the Assessor and is used to account for the operations of the Assessor's office. Compensation received from the various taxing bodies and ad valorem tax revenues are accounted for in this fund. General operating expenditures are paid from this fund.

(Continued)

WINN PARISH ASSESSOR
COMPONENT UNIT OF WINN PARISH POLICE JURY

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1995

ACCOUNT GROUPS

General Fixed Assets - This account group is established to account for all fixed assets used in governmental fund type operations. General fixed assets provided by the Winn Parish Police Jury, which are not significant, are not recorded within the general fixed assets account group. Fixed assets are valued at historical cost. No depreciation has been provided on general fixed assets.

General Long-Term Debt - This account group is established to account for all long-term obligations of the Assessor. At December 31, 1995, the Assessor had no long-term obligations.

These account groups are not funds and are concerned only with the measurement of financial position and do not involve measurement of results of operations.

D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The General Fund is 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. The operating statement of the General Fund presents increases and decreases in net current assets. The modified accrual basis of accounting is used by the General Fund. The General Fund uses the following practices in recording revenues and expenditures:

Revenues - Ad valorem tax revenues are recorded in the year in which the ad valorem taxes are assessed. Ad valorem taxes are assessed on January 1, become due on November 15, and become delinquent on December 31, of each year. State revenue sharing is recorded in the year in which such funds are authorized for payment by the State of Louisiana. All other revenues are recorded in the period in which they become available for use.

Expenditures - Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt which is recognized when due.

E. BUDGETARY PRACTICES

As required by Louisiana Revised Statutes, the Winn Parish Assessor prepared and legally adopted a budget for the General Fund for the year ended December 31, 1995. The proposed budget was prepared using generally accepted accounting principles, which is consistent with the basis of accounting used in the preparation of the accompanying financial statements. The proposed budget was made available for public inspection on December 15, 1994. All budget appropriations lapse at year-end.

Formal budget integration within the accounting records is not employed as a management control device. The assessor does not use encumbrance accounting. Budgeted amounts included in the financial statements include the original adopted budget and all subsequent amendments.

(Continued)

WINN PARISH ASSESSOR
COMPONENT UNIT OF WINN PARISH POLICE JURY

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1995

F. CASH AND CASH EQUIVALENTS

Cash includes amounts in interest bearing demand deposits. Cash equivalents include amounts in time deposits. Time deposits are stated at cost. Under current 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.

G. COMPENSATED ABSENCES

The Winn Parish Assessor provides vacation leave to its full-time employees as follows:

<u>PERIOD OF CONTINUOUS SERVICE</u>	<u>VACATION WEEKS</u>
One Year to Ten Years	2
Over Ten Years	3

The above described vacation leave weeks are not cumulative and must be used during the period earned and, accordingly, the Winn Parish Assessor has no accumulated and vested benefits related to vacation leave which require accrual. The Winn Parish Assessor does not have a formal policy related to sick leave.

H. TOTAL COLUMN ON BALANCE SHEET

The total column on the balance sheet is captioned Memorandum Only to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

2. CASH AND CASH EQUIVALENTS

At December 31, 1995, the Winn Parish Assessor had cash and cash equivalents (book balances) totaling \$92,525. This total included demand deposits of \$17,331 and time deposits of \$75,194. The bank balance of these accounts totaled \$ 99,298 at December 31, 1995. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. At December 31, 1995 all cash and cash equivalent balances of the Winn Parish Assessor were secured by federal deposit insurance.

3. AD VALOREM TAXES

During the year ended December 31, 1995, the following millages were authorized and levied:

<u>Authorized Millage</u>	<u>Levied Millage</u>
4.72	4.72

(Continued)

WINN PARISH ASSESSOR
COMPONENT UNIT OF WINN PARISH POLICE JURY

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1995

The following are the principal taxpayers for the parish:

<u>Taxpayer</u>	<u>Type of Business</u>	<u>1995 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Riverwood International	Timber	\$ 3,922,370	7.9%
Louisiana Power and Light	Public Utilities	3,522,580	7.1%
Willamette Industries, Inc.	Timber	2,077,570	4.2%
South Central Bell Telephone	Telecommunications	1,794,330	3.6%
Hanson Natural Resources Co.	Timber	<u>1,259,540</u>	<u>2.5%</u>
	TOTAL	<u>\$12,576,390</u>	<u>25.3%</u>

The ad valorem taxes receivable at December 31, 1995 recorded in the General Fund, represent amounts due the Assessor for taxes assessed on January 1, 1995, but remitted subsequent to December 31, 1995 by the Winn Parish Sheriff, the ex-officio tax collector.

4. GENERAL FIXED ASSETS

There were no changes in general fixed assets during the year ended December 31, 1995. At December 31, 1995 all of the general fixed assets of the Winn Parish Assessor were comprised of office furniture and equipment.

5. PENSION PLAN

Plan Description - All full-time employees of the Winn Parish Assessor participate in the Louisiana Assessors Retirement System ("System"), a multiple-employer (cost-sharing), defined benefit pension plan, controlled and administered by a separate board of trustees.

All full-time employees who are under the age of 60 at the time of original employment and are not drawing retirement benefits from any other public retirement system in Louisiana are required to participate in the System. Employees who retire at or after age 55 with at least 12 years of credited service or at or after age 50 with at least 30 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 per cent of their final-average salary for each year of credited service, not to exceed 100 per cent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

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

(Continued)

WINN PARISH ASSESSOR
COMPONENT UNIT OF WINN PARISH POLICE JURY

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1995

Funding Policy - Plan members are required by state statute to contribute 7.0 percent of their annual covered salary and the Winn Parish Assessor is required to contribute at an actuarially determined rate. The current rate is 5.0 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (one percent for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each parish, plus revenue sharing funds appropriated by the legislature. The contribution requirements of plan members and the Winn 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 Winn Parish Assessor's contribution to the System for the year ending December 31, 1995 was \$7,117. This amount was equal to the required contribution for 1995.

6. SERVICES PROVIDED BY WINN PARISH POLICE JURY

The Winn Parish Police Jury provides the Winn Parish Assessor with office facilities and the related utility costs of such facilities.

7. LITIGATION

The Winn Parish Assessor was not involved in any litigation at December 31, 1995.

8. OTHER DISCLOSURES

There were no subsequent events, leases, or related party transactions that require disclosures in these notes to the December 31, 1995 financial statements.

(Concluded)

**INDEPENDENT AUDITORS' REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

The following independent auditors' reports on internal control and compliance are presented in compliance with the requirements of *Government Auditing Standards* (Standards for Audit of Governmental Organizations, Programs, Activities, and Functions), issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable A. D. "Bodie" Little
Winn Parish Assessor
Winnfield, Louisiana 71483

We have audited the financial statements of the Winn Parish Assessor, a component unit of the Winn Parish Police Jury, for the year ended December 31, 1995, and have issued our report thereon dated June 24, 1996.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The management of the Winn Parish Assessor is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the financial statements of the Winn Parish Assessor for the year ended December 31, 1995, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the 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. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

This report is intended solely for the use of management, and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

White & Bates

White & Bates
Winnfield, Louisiana
June 24, 1996

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable A. D. "Bodie" Little
Winn Parish Assessor
Winnfield, LA 71483

We have audited the financial statements of the Winn Parish Assessor, a component unit of the Winn Parish Police Jury, as of and for the year ended December 31, 1995, and have issued our report thereon dated June 24, 1996.

We conducted our audit in accordance with generally accepted auditing standards *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Winn Parish Assessor is the responsibility of the management of the Winn Parish Assessor. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Winn Parish Assessor's compliance with certain provisions of laws, regulations, contracts, and grants. However, it should be noted that our objective was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the use of management, and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

White & Bates

White & Bates
Winnfield, Louisiana
June 24, 1996